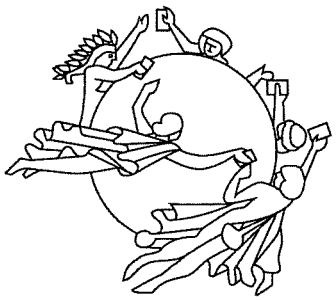


Translation from French

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Recast of the Convention, Agreements and their Detailed Regulations

Executive Council report

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I. Introduction

1 The 1989 Washington Congress empowered the EC to draw up Detailed Regulations. In resolution C 2, to expand this delegation of powers, it instructed the EC:

- to continue its search for a different conception and presentation of the international regulations so that they can be adapted more speedily to requirements without recourse to Congress when fundamental principles are not at stake, taking account, inter alia, of the interests of countries which are not EC members.

2 Considering the need for clear, simple and adaptable rules for the operation of the international postal services, the 1989 Washington Congress also passed resolution C 14 instructing the EC:

i to undertake a study of the Convention, the Agreements and their Detailed Regulations with the purpose of determining:
   - which provisions are essential to the Convention and Agreements and which are not proper to them and should be moved elsewhere,
   - how the Detailed Regulations, together with any provisions currently in the Convention or Agreement which it is deemed are not proper to them, could be recast into logically constructed operational manuals, which explain in clear and direct language how the international postal service is operated;

ii to decide whether such operational manuals need to have a legal status and, if so, what simplest form is possible;

iii to start work on the preparation of such operational manuals, once it has decided on the form they should take;

iv to submit the results of this work to the next Congress, together with proposals on how operational manuals will be kept up to date.

II. Preparatory work of the EC

3 1989 Washington Congress resolution C 2 is aimed, on the one hand, at making the EC aware of its responsibilities in its new legislative functions and, on the other, to relieve Congress as much as possible by confining its legislative activities to basic questions.

4 The study advocated in 1989 Washington Congress resolution C 14 is similar to the one in resolution C 2 in that it is aimed at recasting the Convention, the Agreements and their Detailed Regulations so as to culminate in the preparation of operational manuals that are legally very flexible and are drafted in clear, easily understood language.

5 The 1990 EC considered that the two studies should be combined. It instructed a Working Party with Great Britain as the reporting country and consisting of China (People's Rep), Cuba, Hungary (Rep), Italy, Japan, Switzerland and United States of America to establish the criteria for making a recast of the Convention and the Postal Parcels Agreement and their Detailed Regulations.

6 As the recast of the Acts could have an effect on the work of Congress, it was to be so conducted that the draft new texts could be distributed prior to the Seoul Congress.

III. EC directives

7 Basing itself on the conclusions of the above-mentioned Working Party, the 1991 EC set the following criteria for recasting the Acts:

A. Guidelines

8 Three key words are to guide the work of recasting the Acts:

- clarity;
- simplicity;
- flexibility.

9 The rewriting of the Acts concerns only the Convention and the Postal Parcels Agreement and their Detailed Regulations. It will not affect the financial services which were already thoroughly revised by the Washington Congress.

10 Substantive amendments will not be made in this recasting work.

11 The recasting of the texts will be entrusted to the International Bureau under the direction of a project manager.

B. Structure of the Acts

12 At the moment, the following Acts are available to postal administrations:

- the Convention and Agreements drawn up by Congress;
- the Detailed Regulations drawn up by the EC;
- the Annotated Acts published by the International Bureau.

13 1989 Washington Congress resolution C 14 contains the idea of creating "logically constructed operational manuals, which explain in clear and direct language how the international postal service is operated". These were to replace the Detailed Regulations. Such manuals should be given the most flexible legal status possible.

14 If the Detailed Regulations were replaced by the manuals, the latter would have to be considered and approved in their entirety by the EC. This would cause that body considerable extra work, which is not considered to be the effect desired by Congress.

15 The EC preferred to make provision for manuals to replace the Annotated Acts. In that way, the EC could confine itself to considering the Detailed Regulations. It would be up to the International Bureau to insert comments, explanations, graphs, etc, designed to facilitate understanding and application of the Acts. It remains understood that the EC or CCPS, as the case may be, would be able to give instructions to the International Bureau in this respect.

16 On the basis of these considerations, the 1991 EC adopted the following three-level structure:

Convention and Postal Parcels Agreement

They will contain only the minimum fundamental principles concerning the services offered to customers and inter-administration relations.

The text will be considerably shortened. The wording will be simplified and the structure put in logical order.

The Convention and the Agreements will be revised and approved by each Congress.

They will be compulsory for all member countries.

Detailed Regulations

They will comprise the detailed conditions of application of the services provided to customers and the practical procedures governing inter-administration exchanges.

They will be approved by the Executive Council after Congress.

They will be compulsory for all member countries.

Manuals of the Convention and the Postal Parcels Agreement

This is a new publication replacing volumes 2 and 3 of the Annotated Acts.

These manuals will be so designed that the reader has at its disposal straight away all the information needed to deal with a particular question, namely:

- text of the basic Act;
- text of the Final Protocol, if appropriate;
- text of the Detailed Regulations;
- reproduction of the form, where applicable;
- International Bureau comments using information that is still relevant in the notes in volumes 2 and 3 of the Annotated Acts;
- models or graphs likely to facilitate understanding and application of the texts.

They will be published and updated by the International Bureau and will not be mandatory.

C. Timetable of the work

17 To give postal administrations time to submit their proposals to the Seoul Congress on the basis of the new version of the Acts, the following timetable was adopted:

Convention

- approval by the 1992 Executive Council of the draft recast Acts;
- distribution of the draft in summer 1992 to all postal administrations for suggestions and comments to reach the International Bureau by end September 1992;
- approval by the 1993 Executive Council of the final draft for submission to the next Congress;
- distribution of the final draft in summer 1993 to all postal administrations as a reference text for proposals to be submitted to the next Congress.

Postal Parcels Agreement

- distribution of the draft recast texts in October 1992 to all postal administrations for suggestions and comments to reach the International Bureau by end December 1992;
- approval by the 1993 Executive Council of the final draft of the recast texts for submission to the next Congress;
- distribution of the final draft of the recast texts in summer 1993 to all postal administrations as a reference text for proposals to be submitted to the next Congress.

IV. Progress of the work

18 To comply with the above timetables, the International Bureau took the following measures:

- the recasting of the Acts was entrusted to one and the same person recruited from outside but having years of experience of the UPU;
- this work was started from the beginning of 1991 so as to be able to submit to the 1991 EC models of the recast texts to enable it to take an informed decision;
- a Drafting Committee was formed at the International Bureau to examine the texts as and when they were prepared by the person in charge of recasting the Acts.

19 The texts of the Convention and its Detailed Regulations were recast by the International Bureau between the 1991 EC and the end of the same year. The draft texts were submitted to the 1992 EC for approval and the EC adopted them with some amendments.

20 The draft recast texts of the Convention and its Detailed Regulations were submitted to all postal administrations under cover of circular letter No 3355.1(Div.II)1610 of 22 July 1992 for suggestions and comments to be submitted by 15 September 1992.

21 Models of the recast texts of the Postal Parcels Agreement and its Detailed Regulations were prepared by the International Bureau in the first few months of 1992. They were approved by the 1992 EC.

22 Immediately after the 1992 EC, the International Bureau recast the Postal Parcels Agreement and its Detailed Regulations on the basis of the model approved by the EC. The draft recast texts of the Postal Parcels Agreement and its Detailed Regulations were submitted to all postal administrations under cover of circular letter No 3355.1(Div.II)1819 of 24 September 1992 for suggestions and comments to be submitted by 15 December 1992.

23 Most postal administrations did not make any observations on these draft texts. Of the suggestions received, some were dropped following explanations by the International Bureau. Suggestions relating to substantive questions were to be made the subject of specific proposals by the

originators to the EC or the Seoul Congress. The others were submitted to the 1993 EC for approval and the EC adopted them with some amendments.

24 The 1993 EC also approved this Congress – Doc which, together with the final drafts of the new texts of the Convention and the Postal Parcels Agreement and their Detailed Regulations, was sent to all postal administrations in September 1993.

V. Recast texts

A. General

25 Because of the countless amendments made over the years, the existing texts have become difficult to follow and understand. In recasting the Acts, the texts have been placed in a logical order, the main aim being to arrange the contents according to the sequence of operations.

26 Wherever possible, the presentation of the texts of the Convention and of the Postal Parcels Agreement and their Detailed Regulations has been standardized. Each Act consists of a part entitled "Provision of services" with the articles concerning customers and another entitled "Relations between postal administrations" governing inter-administration relations.

27 The texts were apportioned according to the following criteria:

Retention in the Convention or Postal Parcels Agreement of:

- provisions of a general nature;
- matters which have to be decided by plenipotentiaries;
- texts for which ratification is necessary;
- charges;
- basic elements concerning customers, the services provided and relations between postal administrations.

Transfer to the Detailed Regulations of:

- details on implementing articles of the Convention or Postal Parcels Agreement;
- procedures relating to exceptions or sanctions, the principle of which is contained in the basic text;
- size limits;
- operational procedures.

28 Decimal numbering is strictly applied. Letters, dashes and other indications (i, ii, etc) are replaced by figures. For instance, instead of article 28, paragraph 5, b, i, we have "article 28.5.2.1". If an article has only one paragraph, the latter is numbered 1.

29 The numbering of the articles in the Detailed Regulations is linked to that of the Basic Act (Convention or Postal Parcels Agreement). For instance, the articles of the Detailed Regulations relating to article 9 are numbered RE 901, RE 902, etc.

30 A comparative table of the existing and the new texts is given at the beginning of each Act showing what has happened to each article and each paragraph.

31 In addition, each article is followed by references briefly indicating the origin of the text.

32 The forms have not been amended as part of this study. Only the references in the list of forms have been brought into line with the new numbering of the articles of the Detailed Regulations.

B. Recast text of the Convention

33 The final draft of the recast text of the Convention is given in Add 1 hereto.

34 As before, the Convention is in five parts as shown in the synoptic table placed before the contents. The provisions concerning letter post are split into two parts entitled "Provision of services" and "Relations between postal administrations". On the other hand, the part "Air conveyance of letter-post items" has been deleted; the relevant provisions have been incorporated into the part concerning relations between postal administrations.

35 The material has been arranged so as to avoid repetition. For instance, just rearranging the texts on liability made it possible to reduce the volume of the relevant provisions by 23 percent.

36 The final draft of the recast text of the Convention is half the size of the present text. These cuts stem from:

–	transfers of texts to the Detailed Regulations	31%
–	transfers of texts to the Manual	2%
–	deletions or merging of texts and drafting amendments	17%
		50%

The number of articles was reduced from 94 to 58.

C. Recast text of the Detailed Regulations of the Convention

37 The final draft of the recast text of the Detailed Regulations of the Convention is contained in Add 2 hereto.

38 The structure of the Detailed Regulations corresponds to that of the Convention. Each article relates to a basic article in the Convention.

39 Despite the numerous transfers from the Convention to the Detailed Regulations, the volume of the text has scarcely increased thanks to deletions or merging of texts and drafting amendments. In addition, several texts will be transferred to the Manual of the Convention. The number of articles increased from 121 to 141.

D. Recast text of the Postal Parcels Agreement

40 The final draft of the recast text of the Postal Parcels Agreement is given in Add 3 hereto.

41 The new structure of the text of the Postal Parcels Agreement is shown in the synoptic table placed before the contents. The existing Agreement consists of preliminary provisions, six parts, eight chapters, six sections and 59 articles. On the lines of the Universal Postal Convention (recast text), the new Agreement consists of four parts entitled:

- Preliminary provisions
- Services provided
- Relations between postal administrations
- Final provisions.

42 The texts are divided into nine chapters and 42 articles while the concepts of "Part" and "Section" have been dropped. Several articles have been transferred to the Detailed Regulations while others have been merged or deleted. As a result, the text of the recast is 51 percent shorter than the existing text of the Agreement. The reductions arise from:

–	transfers of texts to the Detailed Regulations	32%
–	transfers of texts to the Manual	2%
–	deletions or merging of texts and drafting amendments	17%
		51%

43 Texts identical to those of letter post are not repeated in the Postal Parcels Agreement and its Detailed Regulations. They will be given in the Manual after the corresponding article on postal parcels. This method has the advantage that, on the legislative level, the same text is dealt with only once.

44 When a reference to the Convention or its Detailed Regulations is necessary, the number of the article concerned is no longer mentioned. The relevant text will be included in the Manual following the corresponding article.

E. Recast text of the Detailed Regulations of the Postal Parcels Agreement

45 The final draft of the recast text of the Detailed Regulations of the Postal Parcels Agreement is contained in Add 4 hereto.

46 The structure of the Detailed Regulations corresponds to that of the Postal Parcels Agreement.

47 Despite the numerous transfers from the Agreement to the Detailed Regulations, the volume of the text has increased by only 8 percent thanks to drafting amendments and the deletion of some references. In addition, several texts will be transferred to the Parcel Post Manual. The number of articles increased from 56 to 86. The increase in the number of articles is due to the transfers from the Agreement to the Detailed Regulations and to the splitting in two of several articles.

VI. Effects on the work of Congress

48 Because of the substantial reduction in the Basic Acts, Congress will take less time to deal with proposals on the Convention and the Postal Parcels Agreement.

49 Congress will also be able to save time by systematically referring consideration of proposals on the Detailed Regulations to the EC.

50 To ratify the work done in implementation of the mandate stemming from 1989 Washington Congress resolutions C 2 and C 14, the EC submits herewith for the assessment of the Seoul Congress the draft decision which is the subject of proposal 01.

Berne, 14 May 1993

For the Executive Council:

T E LEAVEY

Chairman

Congress – Doc 60/Add 1

Universal Postal Convention

Text as recast by the EC

Pages 911 to 929:	Comparative table of the present texts and the new texts of the Convention.
Page 930:	Synoptic table of the Universal Postal Convention.
Pages 931 to 934:	Table of contents of the Convention and of its Final Protocol.
Pages 935 to 969:	New text of the Convention.
Pages 970 to 976:	New text of the Final Protocol to the Convention.

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Comparative table of the present texts and the new texts of the Convention

References to the 1989 Washington text	References to the text as recast by the EC
Part I	Part I
Rules applicable in common throughout the international postal service	Rules applicable in common throughout the international postal service
Chapter I General provisions	Sole chapter General provisions
Article 1. Freedom of transit	Article 1. Freedom of transit
para 1	para 1, without the last sentence, which is deleted
para 2	Article RE 101.1
para 3	Article RE 101.2 and article 44.4 concerning liability
para 4	para 2
para 5	para 3 and RE 101.3
para 6	Article RE 101.4
Article 2. Failure to give freedom of transit	deletion
text	First sentence: article 1, para 4 – second sentence: article RE 102
Article 3. Land transit without the participation of the services of the country crossed	deletion
text	Article 41.2
Article 4. Temporary suspension and resumption of services	Article 43. Temporary suspension of services
para 1	para 1 and article RE 4301.1
para 2	Article RE 4301.2
para 3	Article RE 4301.3
Article 5. Ownership of postal items	Article 2. Ownership of postal items
text	para 1
Article 6. Creation of new service	Article 3. Creation of new service
text	para 1
Article 7. Use of bar codes and unique identification system for items	Article RE 4128. Use of bar codes
para 1	para 1, second sentence: Manual
para 2	para 1 and Manual
para 3	Manual
para 4	Manual
para 5	Manual
Article 8. Charges	Article 7. Charges
para 1	para 1
para 2	para 4

References to the 1989 Washington text	References to the text as recast by the EC
Article 9. Monetary standard. Equivalents	Article 4. Monetary unit
para 1	para 1
para 2	Article RE 401.1
para 3	Article RE 402.4
Article 10. Postage stamps	Article 5. Postage stamps
para 1	para 1
para 2	para 2
Article 11. Forms	Article RE 5406
para 1	para 2
para 2	para 4
para 3	para 5
para 4	para 3
Article 12. Postal identity cards	Article 6. Postal identity cards
para 1	para 1
para 2	para 2
para 3	para 3
para 4	Article RE 601.5
4, a	Article RE 601.5.1
4, b	Article RE 601.5.2
4, c	Article RE 601.5.3
Article 13. Settlement of accounts	Article 53. Settlement of accounts
text	para 1
Article 14. Undertakings regarding penal measures	Article 56. Undertakings regarding penal measures
text	para 1
subpara a	para 1.1
subpara b	para 1.2
subpara b, i	para 1.2.1
subpara b, ii	para 1.2.2
subpara b, iii	para 1.2.3
subpara c	para 1.3
subpara d	para 1.4
subpara e	para 1.5
Chapter II	deletion
Exemption from postal charges	deletion
Article 15. Exemption from postal charges	Article 8. Exemption from postal charges
text	para 8.1
Article 16. Exemption from postal charges on letter-post items relating to the postal service	para 8.2. Postal service
text	incorporated in paras 8.2.1 and 8.2.2
subpara a	para 8.2.1
subpara b	para 8.2.2
Article 17. Exemption from postal charges of items which concern prisoners of war and civilian internees	para 8.3 Prisoners of war and civilian internees
para 1	para 8.3.1 and article RE 801.1.1
para 2	para 8.3.2 and article RE 801.1.3 and 801.1.4
para 3	para 8.3.3
para 4	para 8.3.4

References to the 1989 Washington text	References to the text as recast by the EC
Article 18. Exemption of literature for the blind from postal charges	para 8.4 Literature for the blind
text	para 8.4.1 adapted
Part II Provisions concerning the letter post	Part II Provisions concerning the letter-post: Provisions of services
Chapter I General provisions	Chapter 1 Basic services
Article 19. Letter-post items	Article 9. Letter-post items
para 1	para 1
subpara a	para 1.1
subpara b	para 1.2
para 2	para 1.3
para 3	para 3
para 4	para 4
para 5	para 5
subpara a	para 5.1
subpara b	para 5.2
para 6	Article RE 4001.4
Article 20. Postage charges and limits of weight and size. General conditions	Article 10. Postage charges
para 1	paras 1 and 2
Table, column 1	para 2 column 1, without literature for the blind
column 2	column 2
column 3	column 3
column 4	Article 9.1 and article RE 901.1
column 5	Articles RE 902.1 and 902.2
para 2	para 3
para 3	Article RE 1001.2
subpara a	Article RE 1001.2.1
subpara b	Article RE 1001.2.2
para 4	Article RE 1001.3
para 5	First sentence: article 9.2 – second sentence: article RE 902.3
para 6	Article RE 1001.2.1
para 7	deletion (consequence of introduction of guideline charges)
para 8	Principle: para 4. Remainder of text: article RE 1001.4
para 9	para 5
para 10	para 6, second, third and fourth sentences only. Remainder: article 9.1.3
para 11	para 7
para 12	para 8
para 13	Article RE 901.1
para 14	Article RE 901.2
para 15	Article 12.1

References to the 1989 Washington text	References to the text as recast by the EC
Article 21. Rate-fixing based on method of conveyance and/or speed	Article 11. Rate-fixing based on method of conveyance or speed
para 1	para 1 and article RE 1101.1 – last sentence: article 8.1.2
para 2	para 2
para 3	para 3
subpara a	para 3.1
subpara b	para 3.2
para 4	para 4
para 5	para 5
Article 22. Standardized items	Article RE 1002. Standardized items
para 1	para 1
subpara a	
subpara a, i	paras 1.1, 1.2, 1.3, 1.4 and 1.6
subpara a, ii	para 2
subpara a, iii	para 2, para 1.5 and article RE 903.3
subpara b	para 5
subpara c	para 1.7 and paras 3, 3.1, 3.2, 3.3 and 3.4
para 2	para 4
para 3	para 6 with 6.1, 6.2, 6.3, 6.4, 6.5 and 6.6
Article 23	Article 25
Perishable biological substances. Radioactive materials	Perishable biological substances. Radioactive materials
para 1	para 1
para 2	para 2
Article 24	
Items wrongly admitted	
para 1	deletion
	deletion
para 2	First sentence: article 27, para 1. Remainder of text: article RE 2701.1
para 3	deletion
	deletion
Article 25	Article 26
Posting abroad of letter-post items	Posting abroad of letter-post items
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4

References to the 1989 Washington text	References to the text as recast by the EC
Article 26	Article 13
Special charges	Special charges
para 1	deletion
subpara a	para 2.1
subpara b	para 2.2
subpara c	para 2.3
subpara d	para 2.4
subpara e	para 2.5
subpara f	para 1
subpara g	para 2.6
subpara h	Article 14, paras 3 and 4
subpara i	Article 20, paras 2, 3 and 4
subpara j	Article 30, para 3
subpara k	Article 28, para 3
subpara l	Article 28, para 4 and article 29, para 4
subpara m	Article 33.1
subpara n	Article 23, paras 3, 4 and 5
subpara o	Article 31, para 3
subpara p	Article 17.2.2 and 19.3
subpara q	Article 19.3.3
subpara r	Article 17, para 4
subpara s	Article 21.1
subpara t	Article 22.1
para 2	Article 7.2
Article 27	deletion
Charge on items posted after the latest time for posting. Charge on items posted outside normal counter opening hours. Charge for collection at the sender's address. Charge for withdrawal outside normal counter opening hours. Post restante charge. Charge for delivery of small packets.	deletion
para 1	Article 13, para 2.1
para 2	Article 13, para 2.2
para 3	Article 13, para 2.3
para 4	Article 13, para 2.4
para 5	Article 13, para 2.5
para 6	Article 13, para 1
Article 28	deletion
Storage charge	deletion
text	Article 13, para 2.6
Article 29	Article 14
Payment of postage	Payment of postage
para 1	para 1 adapted
para 2	para 2
para 3	para 3 supplemented
para 4	Article RE 1405.1
para 5	Article RE 1405.2 and Manual
para 6	deletion, as the usefulness of this text is not evident

References to the 1989 Washington text	References to the text as recast by the EC
Article 30	Article RE 1401
Methods of denoting prepayment	Methods of denoting prepayment
para 1	Article RE 1401.1
subpara a	Article RE 1401.1.1
subpara b	Article RE 1401.1.2
subpara c	Article RE 1401.1.3
subpara d	Article RE 1401.1.4
subpara e	Article RE 1401.2
para 2	Article RE 904.7.3
Article 31	Article 15
Prepayment of letter-post items on board ship	Prepayment of letter-post items on board ship
para 1	para 1
para 2	para 2
Article 32	deletion
Charge on unpaid or underpaid correspondence	deletion
para 1	Article 14, para 3
para 2	Article 14, para 4
para 3	Article RE 1405.9
Article 33	Article 24
International business reply service	International business reply service
para 1	para 1
para 2	para 2
para 3	para 3
Article 34	Article 16
International reply coupons	International reply coupons
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4
Article 35	Article 20
Express items	Express items
para 1	para 1 adapted – last sentence: article RE 2002.2
para 2	para 2
para 3	Article RE 2002.1
para 4	Article RE 2002.3
subpara a	Article RE 2002.3.1
subpara b	Article RE 2002.3.2
para 5	para 3
para 6	Article RE 2002.4
para 7	Article RE 2002.5
para 8	para 4
Article 36	Article 40
Quality of service targets	Quality of service targets
para 1	para 1
para 2	para 2
para 3	para 3

References to the 1989 Washington text	References to the text as recast by the EC
Article 37	Article RE 4001
Priority treatment of airmail correspondence and priority items	Priority treatment of airmail correspondence and priority items
subpara a	para 3.1
subpara b	para 3.2
subpara c	para 3.3
subpara d	para 3.4
Article 38	Article 30
Withdrawal from the post. Alteration or correction of address at the sender's request	Withdrawal from the post. Alteration or correction of address at the sender's request
para 1	para 1
subpara a	para 1.1
subpara b	para 1.2
subpara c	para 1.3
para 2	para 4 and article RE 3001.1.6
para 3	para 2
para 4	Article RE 3001.3.4
para 5	para 5
para 6	Article RE 3001.1.3
para 7	Article RE 3001.2.5
Article 39	Article 28
Redirection	Redirection
para 1	paras 1 and 2
para 2	Article RE 2801.2.1
para 3	Article RE 2801.2.2
para 4	Article RE 2801.2.3
para 5	Article RE 2802.4
para 6	Article RE 2801.1.7
para 7	para 3
para 8	para 4
para 9	Article RE 2801.3.6
para 10	Article RE 2801.3.4
Article 40	Article 29
Undeliverable items. Return to country of origin or to sender	Undeliverable items
para 1	para 1
para 2	para 2
para 3	para 3
para 4	Article RE 2902.1
para 5	Article RE 2902.2
para 6	Article RE 2902.3
para 7	Article RE 2902.4
para 8	Article RE 2902.5
para 9	Article RE 2902.6
subpara a	Article RE 2902.6.1
subpara b	Article RE 2902.6.2
para 10	Article RE 2902.7
para 11	para 4

References to the 1989 Washington text	References to the text as recast by the EC
Article 41	Article 27
Prohibitions	Prohibitions
para 1	Article RE 903.1
para 2	para 2
para 3	para 4
subpara a	para 4.1
subpara b	para 4.2
para 4	para 5
subpara a	deletion; included in article RE 903.1
subpara b	para 5.1
subpara c	para 6
subpara d	para 5.2
subpara e	para 5.3
subpara f	para 5.4
para 5	Manual
para 6	First sentence: article RE 2701, para 2 – second and third sentences: para 3
para 7	Article RE 2701.3
para 8	Article RE 2701.4
para 9	Article RE 2701.6
Article 42	Article 32
Customs control	Customs control
text	para 1
Article 43	Article 33
Presentation-to-Customs charge	Presentation-to-Customs charge
text	para 1
Article 44	Article 34
Customs duty and other fees	Customs duty and other fees
text	para 1
Article 45	Article 23
Items for delivery free of charges and fees	Items for delivery free of charges and fees
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4
para 5	para 5
para 6	para 6
Article 46	Article RE 3401
Cancellation of customs duty and other fees	Cancellation of customs duty and other fees
text	paras 1, 1.1, 1.2 and 1.3
Article 47	Article 31
Inquiries	Inquiries
para 1	para 1
para 2	deletion; included in article RE 3101.1.6
para 3	para 2
para 4	para 3 and article RE 3101.4.3
para 5	para 4
para 6	para 5

References to the 1989 Washington text	References to the text as recast by the EC
Chapter II	deletion
Registered items, recorded delivery items and insured letters	deletion
Article 48	Article 17
Admission of registered items	Registered items
para 1	para 1
para 2	Article RE 1701.3
para 3	deletion, the idea is included in article 27, para 2
Article 49	Article 18
Admission of recorded delivery items	Recorded delivery items
para 1	para 1
para 2	Article RE 1801.2
Article 50	deletion
Charges on registered items	deletion
para 1	Article 17.2
para 2	Article 17.3
para 3	Article 17.4
Article 51	deletion
Charges on recorded delivery items	deletion
text	Article 18.2
Article 52	Article 19
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para 2	Article RE 1901.4
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para 1	para 1
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References to the 1989 Washington text	References to the text as recast by the EC
Chapter III Liability	Chapter 5 Liability
Article 57 Principle and extent of liability of postal administrations. Registered items	Article 35 Liability of postal administrations. Indemnities
para 1	First sentence: para 1.1.1 – second sentence: article RE 3501.1
para 2	First sentence: para 1.2 – second sentence: article RE 3501.2
para 3	para 2.1
para 4	para 2.2
para 5	Article 38.2
para 6	para 5, deletion of the last sentence which is included in article 38.2
para 7	para 6
i	para 6.1
ii	para 6.2
Article 58 Principle and extent of liability of postal administrations. Recorded delivery items	deletion
para 1	deletion
para 2	First sentence: article 35.1.1.2 – second sentence: article RE 3501.1
para 3	Article 35.3.1
	Article 35.3.1
Article 59 Principle and extent of liability of postal administrations. Insured letters	deletion
para 1	deletion
para 2	First sentence: article 35.1.1.1 – second sentence: article RE 3501.1
	First sentence: article 35.1.2 – second sentence: article RE 3501.2
para 3	Article 35.4.1. The last sentence is deleted (see 64, para 7)
para 4	Article 35.5
para 5	Article 35.4.2
para 6	Article 35.4.3
para 7	Article 38.2
Article 60 Non-liability of postal administrations. Registered items and recorded delivery items	Article 36 Non-liability of postal administrations
para 1	para 1 (deletion of reference to 12.3)
para 2	para 2
i	deletion
subpara a	First sentence: para 2.1 – second/third sentences: article RE 3501.3 – last sentence: article RE 3601.2
subpara b	para 2.2
subpara c	para 2.7
ii	para 2.5
iii	para 2.4
iv	para 2.3
para 3	para 3

References to the 1989 Washington text	References to the text as recast by the EC
Article 61	deletion
Non-liability of postal administrations. Insured letters	deletion
para 1	First and second sentences: article 36.1 (deletion of reference to 12.3)
subpara a	Article 36.1.1 and 36.1.2
subpara b	Article 36.1.3
para 2	Article 36.2
i	deletion
a	First sentence: article 36.2.1 – second/third sentences: article RE 3501.3 – last sentence: article RE 3601.2
b	Article 36.2.2
c	Article 36.2.3
d	Article 36.2.4
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para 2	para 3
para 3	Article RE 3701.1
Article 63	Article 44
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para 1	para 1
para 2	Article RE 4401.1
subpara a	Article RE 4401.1.1
subpara b	Article RE 4401.1.2
subpara c	Article RE 4401.3
para 3	Article RE 4402.1
para 4	para 2
para 5	Article RE 4401.5
para 6	para 6
para 7	para 7
Article 64	deletion
Determination of liability between postal administrations. Insured letters	deletion
para 1	Article 44.1
para 2	Article RE 4401.1
subpara a	Article RE 4401.1.1
subpara b	Article RE 4401.1.2
para 3	Article RE 4401.2
para 4	Article 44.2 and article RE 4401.3 and 4
subpara a	Article RE 4401.3.1
subpara b	Article RE 4401.3.2
para 5	Article 44.3
para 6	Article RE 4401.5
para 7	Article 44.5
para 8	Article 44.4
para 9	Article 44.6
para 10	Article 44.7

References to the 1989 Washington text	References to the text as recast by the EC
Article 65 Determination of liability between postal administrations and air carriers. Insured letters text	Article RE 4402 Recovery of indemnities paid from air carriers para 1
Article 66 Payment of indemnity. Registered items and insured letters para 1 para 2 para 3 para 4 – – para 5 para 6	Article 38 Payment of indemnity para 1 Article RE 3801.1 Article RE 3801.2 para 3 para 3.1 para 3.2 Article RE 3802.2 Article RE 3802.1
Article 67 Refund of charges. Recorded delivery items para 1 para 2	deletion deletion Article 38.1 Article 38.3
Article 68 Reimbursing the administration which paid the indemnity para 1 para 2 para 3 para 4 para 5 para 6 para 7 para 8	Article RE 4403 Reimbursement of the indemnity to the paying administration para 1 para 2 Article RE 4404.6 Article RE 4404.7 Article RE 4404.2 Article RE 4404.1 para 3 Article RE 4404.5
Article 69 Possible recovery of the indemnity from the sender or the addressee para 1 para 2 para 3 para 4 para 5	Article 39 Possible recovery of the indemnity from the sender or the addressee para 1 Article RE 4404.4 para 2 Article RE 4404.3 para 3
Chapter IV Allocation of charges. Transit charges and terminal dues	Chapter 3 Transit charges and terminal dues
Article 70 Allocation of charges text	deletion deletion Article 7.5
Article 71 Transit charges para 1 para 2 para 3 para 4	Article 45 Transit charges para 1 Article RE 4501.3 Article RE 4501.1 Article RE 4501.2

References to the 1989 Washington text	References to the text as recast by the EC
Article 72	Article 46
Transit charge scales	Transit charge scales
para 1	para 1
i	para 1.1
ii	para 1.2
para 2	Article RE 4601.1
Article 73	Article 47
Terminal dues	Terminal dues
para 1	para 1
para 2	para 2
subpara a	para 2.1
subpara b	para 2.2
subpara c	para 2.3
subpara d	para 2.4
para 3	paras 3 and 4
para 4	para 5
para 5	para 6
Article 74	Article 48
Terminal dues for priority items, non-priority items and combined items	Terminal dues for priority items, non-priority items and combined items
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4
Article 75	Article 49
Exemption from transit charges and terminal dues	Exemption from transit charges and terminal dues
text	para 1
Article 76	Article RE 4603
Extraordinary services. Multi-modal transport	Extraordinary services. Multimodal transport
para 1	para 1
para 2	para 2
Article 77	Article 50
Accounting for transit charges	Accounting for transit charges and terminal dues
para 1	para 1.1
para 2	para 1.5
para 3	para 3
para 4	para 3
Article 78	deletion
Accounting for terminal dues	deletion
para 1	Article 50.2.1
para 2	Article 50.2.2
para 3	Article 50.2.3
para 4	Article 50.2.4
para 5	Article 50.2.5
para 6	Article 50.3
para 7	Article 50.3

References to the 1989 Washington text	References to the text as recast by the EC
Article 79	deletion
Payment of transit charges	deletion
para 1	Article 50.1.2
para 2	Article 50.1.3
para 3	Article 50.1.4
Article 80	Article RE 4604
Transit charges for diverted or missent mails	Transit charges for diverted or missent mails
text	para 1
Article 81	Article 42
Exchange of closed mails with military units placed at the disposal of the United Nations and with warships or military aircraft	Exchange of closed mails with military units
para 1	paras 1, 1.1 and 1.2
para 2	paras 1.3 and 1.4
para 3	para 2
para 4	para 3
Part III	deletion
Air conveyance of letter-post items	deletion
Section I	deletion
Airmail correspondence	deletion
Chapter I	deletion
General provisions	deletion
Article 82	deletion
Airmails	deletion
text	Article RE 4101.1.1 – third sentence: article RE 4001.4
Article 83	deletion
Routeing of airmail correspondence and airmails in transit	deletion
para 1	Article RE 4001.1
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para 3	Article RE 4114.3
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References to the 1989 Washington text	References to the text as recast by the EC
Chapter II Air conveyance dues	Chapter 4 Air conveyance dues
Article 84 General principles	Article 51 General principles
para 1	para 1
1, a	para 1.1
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para 2	para 2
para 3	para 3
para 4	para 4
para 5	para 5
5, a	para 5.1
5, b	para 5.2
Article 85 Basic rates and calculation of air conveyance dues relating to closed mails	Article 52 Basic rates and calculation of air conveyance dues
para 1	para 1
para 2	Article RE 5201.1
para 3	Article RE 5201.2
para 4	Article RE 5201.3
para 5	Article RE 5201.4
para 6	Article RE 5201.5
Article 86 Calculation of and accounting for air conveyance dues for airmail correspondence in transit à découvert	Article RE 5202 Calculation of and accounting for air conveyance dues for airmail correspondence and priority items in transit à découvert
para 1	para 1.1
para 2	para 1.2
para 3	para 1.3
Article 87 Amendments to dues for air conveyance in the interior of the country of destination and for airmail correspondence in transit à découvert	Article RE 5207 Amendments to dues for air conveyance in the interior of the country of destination and for airmail correspondence and priority items in transit à découvert
text	para 1
a	para 1.1
b	para 1.2
Article 88 Payment of air conveyance dues	Article RE 5208 Payment of air conveyance dues
para 1	para 1
para 2	para 2
2, a	para 2.1
2, b	para 2.2
para 3	para 3
para 4	para 4

References to the 1989 Washington text	References to the text as recast by the EC
Article 89	Article RE 5209
Air conveyance dues for diverted or missent mails or bags	Air conveyance dues for diverted or missent mails or bags
para 1	para 1
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3, a	para 3.1
3, b	para 3.2
para 4	para 4
para 5	para 5
Article 90	Article RE 5210
Air conveyance dues for mail lost or destroyed	Air conveyance dues for mail lost or destroyed
text	para 1
Section II	deletion
Surface airlifted (S.A.L.) mail	deletion
Article 91	deletion
Exchange of surface airlifted (S.A.L.) mail	deletion
para 1	Article 41, para 3
para 2	Article RE 4115.5
para 3	Article RE 4115.3
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Article 93	Article 57
Conditions for approval of proposals concerning the Convention and its Detailed Regulations	Conditions for approval of proposals concerning the Convention and its Detailed Regulations
para 1	para 1
para 2	para 2
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3, a	para 3.1
3, b	para 3.2
3, c	para 3.3
3, c, i	para 3.3.1
3, c, ii	para 3.3.2
Article 94	Article 58
Entry into force and duration of the Convention	Entry into force and duration of the Convention
text	para 1

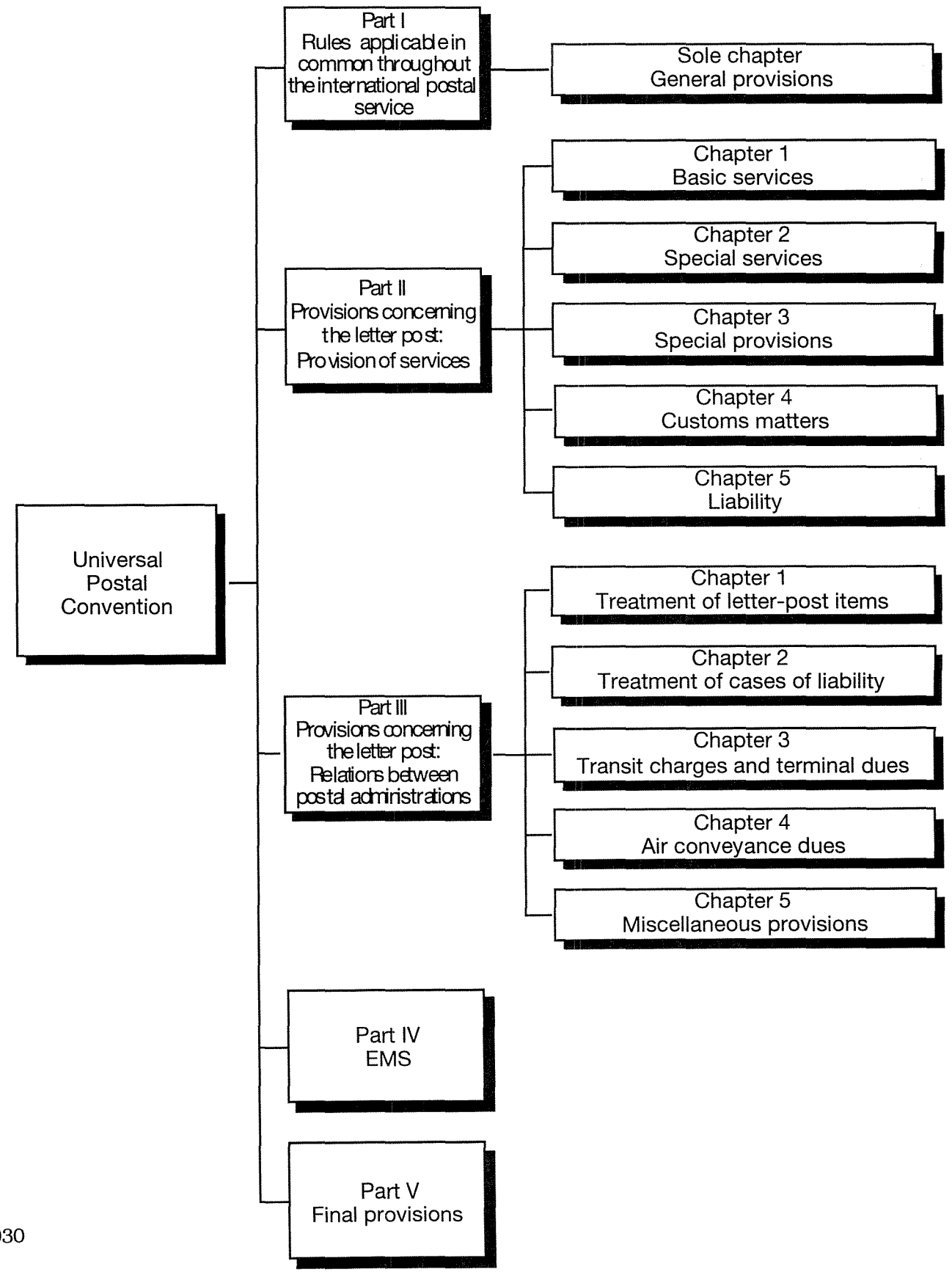
References to the 1989 Washington text	References to the text as recast by the EC
Final Protocol to the Universal Postal Convention	Final Protocol to the Universal Postal Convention
Article I Ownership of postal items para 1 para 2	Article I Ownership of postal items para 1 para 2
Article II Exception to the exemption of literature for the blind from postal charges para 1 para 2 para 3	Article II Exception to the exemption of literature for the blind from postal charges para 1 para 2 Final Protocol RE article III.1
Article III Equivalents and special charges. Maximum limits text	deletion deletion Convention, article 7.3
Article IV Ounce and pound avoirdupois text	deletion deletion Article RE 1001.1
Article V Exception concerning the dimensions of items in envelopes para 1 para 2	Article V Exception concerning the dimensions of items in envelopes para 1 para 2
Article VI Small packets para 1 para 2	Article III Small packets para 1 para 2
Article VII Items wrongly admitted text	Final Protocol RE article IV Items wrongly admitted para 1
Article VIII Posting abroad of letter-post items text	Article VII Posting abroad of letter-post items para 1
Article IX International reply coupons issued before 1 January 1975	deletion deletion
Article X Withdrawal from the post. Alteration or correction of address para 1 para 2	Article X Withdrawal from the post. Alteration or correction of address para 1 para 2
Article XI Special charges text	deletion deletion Convention, article 19.4

References to the 1989 Washington text	References to the text as recast by the EC
Article XII Prohibitions para 1 para 2 para 3 para 4	Article VIII Prohibitions Final Protocol RE article V.1 Final Protocol RE article V.2 para 1 para 2
Article XIII Articles subject to Customs duty para 1 para 2 para 3 para 4 para 5	Article IX Articles subject to Customs duty para 1 para 2 para 3 para 4 para 5
Article XIV Extent of liability of postal administrations para 1 para 2 para 3	Article XI Liability of postal administrations para 1 para 2 para 3
Article XV Non-liability of postal administrations. Registered items text	Article XII Non-liability of postal administrations para 1
Article XVI Payment of indemnity para 1 para 2	Article XIII Payment of indemnity para 1 para 2
Article XVII Special transit charges for conveyance in transit by the Trans-Siberian and via Lake Nasser para 1 para 2	Article XIV Special transit charges for conveyance in transit by the Trans-Siberian and via Lake Nasser para 1 para 2
Article XVIII Special transit conditions for Panama (Rep) text	Article XV Special transit conditions for Panama (Rep) para 1
Article XIX Special transit conditions for Afghanistan text	Article XVI Special transit conditions for Afghanistan para 1
Article XX Special storage charges at Panama text	Article XVII Special storage charges at Panama para 1
Article XXI Extraordinary services text	Article XVIII Extraordinary services para 1
Article XXII Compulsory routeing indicated by the country of origin text	Final Protocol RE article VI Compulsory routeing indicated by the country of origin para 1

References to the 1989 Washington text	References to the text as recast by the EC
Article XXIII Routeing of closed airmails text	Final Protocol RE article VII Routeing of closed airmails para 1
Article XXIV Printed papers. Authorized annotations and enclosures text	Final Protocol RE article I Printed papers. Authorized annotations and enclosures para 1
Article XXV Printed papers. Authorized enclosures text	Final Protocol RE article II Printed papers. Authorized enclosures para 1
Article XXVI Transmission of printed papers for a single addressee text	Article VI Registered M bags para 1
Article XXVII Special bags of printed papers for a single addressee. Minimum weight text	Article IV M bags. Minimum weight para 1
Article XXVIII Payment of air conveyance dues text	Article RE VIII Payment of air conveyance dues para 1
Article XXIX Internal air conveyance dues text	Article XIX Internal air conveyance dues para 1

In witness whereof . . .

Synoptic table of the Universal Postal Convention



Universal Postal Convention as recast by the EC

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Convention – Text as recast by the EC

Universal Postal Convention

The undersigned, plenipotentiaries of the Governments of the member countries of the Union, having regard to article 22, paragraph 3, of the Constitution of the Universal Postal Union concluded at Vienna on 10 July 1964, have by common consent and subject to article 25, paragraph 4, of the Constitution drawn up in this Convention the rules applicable in common throughout the international postal service and the provisions concerning the letter-post services.

Part I

Rules applicable in common throughout the international postal service

Sole chapter

General provisions

Article 1
Freedom of transit

1 The principle of the freedom of transit is set forth in article 1 of the Constitution. It shall carry with it the obligation for each postal administration to forward always by the quickest routes which it uses for its own items, closed mails and à découvert letter-post items which are passed to it by another administration.

2 Freedom of transit for postal parcels to be forwarded by land and sea routes shall be limited to the territory of the countries taking part in this service.

3 Freedom of transit for air parcels shall be guaranteed throughout the territory of the Union.

4 If a member country fails to observe the provisions regarding freedom of transit, postal administrations of other member countries may discontinue their postal service with that country.

References: Title of article 1.
Paragraph 1: Text of article 1, paragraph 1, containing the principle of freedom of transit, but without the last sentence, which does not seem essential.
Paragraph 2: Text of article 1, paragraph 4, first sentence.

Convention – Text as recast by the EC

Paragraph 3: Text of article 1, paragraph 5, first sentence.
Paragraph 4: Text of article 2, first sentence.

Article 2
Ownership of postal items

1 A postal item shall remain the property of the sender until it is delivered to the rightful owner, except when the item has been seized in pursuance of the legislation of the country of destination.

Reference: Text of article 5.

Article 3
Creation of new service

1 Administrations may by mutual consent create a new service not expressly provided for in the Acts of the Union. Charges for a new service shall be laid down by each administration concerned, having regard to the expenses of operating the service.

Reference: Text of article 6.

Article 4
Monetary unit

1 The monetary unit laid down in article 7 of the Constitution and used in the Convention and the Agreements as well as in their Detailed Regulations shall be the Special Drawing Right (SDR).

References: New title in line with article 7 of the Constitution.
Paragraph 1: Text of article 9, paragraph 1, containing the principle.

Article 5
Postage stamps

1 Postage stamps for denoting payment of postage shall be issued by postal administrations only.

2 The subjects and designs of postage stamps shall be in keeping with the spirit of the Preamble to the UPU Constitution and of decisions taken by the Union's bodies.

Reference: Text of article 10.

Convention – Text as recast by the EC

Article 6
Postal identity cards

1 Each postal administration may issue to persons who apply for them postal identity cards valid as proof of identity for postal transactions effected in member countries which have not announced their refusal to recognize them.

2 The administration which issues a card shall be authorized to collect, on this account, a charge which may not exceed 1.63 SDR.

3 Administrations shall be relieved of all liability when it is established that the delivery of a postal item or the payment of a monetary article was effected on presentation of a genuine card. Moreover, they shall not be liable for consequences arising from the loss, theft or fraudulent use of a genuine card.

4 The conditions of validity of postal identity cards are laid down in the Detailed Regulations.

References: Title of article 12.
Paragraphs 1, 2 and 3: Text of article 12, paragraphs 1, 2 and 3.
Paragraph 4: New text.

Article 7
Charges

1 The charges for the various international postal services shall be laid down in the Convention and the Agreements.

2 Except where otherwise provided by the Convention and the Agreements, postal administrations shall be authorized to apply the internal service charges if they are higher than those laid down by the Convention and the Agreements for the same services.

3 Exceptionally, postal administrations shall be authorized to exceed the upper limits of the charges laid down by the Convention and the Agreements, if this is necessary to cover the costs of operating their services. This measure shall be irrespective of whether these charges are applied in the internal service or not. Administrations wishing to apply this provision must notify the International Bureau of their intention.

4 No postal charge of any kind may be collected other than those provided for in the Convention and Agreements.

5 Except where otherwise provided by the Convention and the Agreements, each postal administration shall retain the charges which it has collected.

References: Title of article 8.
Paragraph 1: Text of article 8, paragraph 1.
Paragraph 2: Text of article 26, paragraph 2, adapted.
Paragraph 3: Text of article III of the Final Protocol to the Convention, adapted.
Paragraph 4: Text of article 8, paragraph 2.
Paragraph 5: Text of article 70, which is a common rule.

Convention – Text as recast by the EC

Article 8
Exemption from postal charges

1 Principle

1.1 Cases of exemption from postal charges shall be expressly laid down by the Convention and the Agreements.

2 Postal service

2.1 Letter-post items relating to the postal service sent by postal administrations or their offices shall be exempt from all postal charges.

2.2 Letter-post items relating to the postal service shall be exempt from all postal charges, with the exception of air surcharges, if they are:

2.2.1 exchanged between bodies of the Universal Postal Union and bodies of the Restricted Unions;

2.2.2 exchanged between bodies of those Unions;

2.2.3 sent by such bodies to postal administrations or their offices.

3 Prisoners of war and civilian internees

3.1 Letter-post items, postal parcels and postal financial services items addressed to or sent by prisoners of war, either direct or through the offices mentioned in the Detailed Regulations, shall be exempt from all postal charges, with the exception of air surcharges. Belligerents apprehended and interned in a neutral country shall be classed with prisoners of war proper so far as the application of the foregoing provisions is concerned.

3.2 The provisions set out under 3.1 shall also apply to letter-post items, postal parcels and postal financial services items originating in other countries and addressed to or sent by civilian internees as defined by the Geneva Convention of 12 August 1949 relative to the protection of civilian persons in time of war, either direct or through the offices mentioned in the Detailed Regulations.

3.3 The offices mentioned in the Detailed Regulations shall also enjoy exemption from postal charges in respect of letter-post items, postal parcels and postal financial services items which concern the persons referred to under 3.1 and 3.2, which they send or receive, either direct or as intermediaries.

3.4 Parcels shall be admitted free of postage up to a weight of 5 kg. The weight limit shall be increased to 10 kg in the case of parcels the contents of which cannot be split up and of parcels addressed to a camp or the prisoners' representatives there (*"hommes de confiance"*) for distribution to the prisoners.

4 Literature for the blind

4.1 Literature for the blind shall be exempt from all postal charges, with the exception of air surcharges.

References: Articles 15, 16, 17 and 18 have been merged into a single article.
Paragraph 1: Text of article 15.

Convention – Text as recast by the EC

Paragraph 2: Text of article 16 split into two subparagraphs with drafting adjustments, particularly concerning air surcharges.
Paragraph 3: Text of article 17 with drafting adjustments concerning air surcharges. Transfer of part of the text to the Detailed Regulations.
Paragraph 4: Text of article 18, clarified.

Part II

Provisions concerning the letter post: Provision of services

Chapter 1

Basic services

Article 9
Letter-post items

1 Letter-post items shall consist of:

1.1 letters and postcards together called "LC"; weight limit: 2 kg;

1.2 printed papers, literature for the blind and small packets together called "AO"; weight limits: 2 kg for printed papers and small packets, 5 kg for books, 7 kg for literature for the blind;

1.3 special bags containing newspapers, periodicals, books and other printed papers for the same addressee at the same address, called "M bags"; weight limit: 30 kg.

2 Every administration may admit aerogrammes, which are airmail letters consisting of a sheet of paper suitably folded and gummed on all sides.

3 Letter-post items conveyed by air with priority shall be called "airmail correspondence".

4 Surface items conveyed by air with reduced priority shall be called "S.A.L.".

5 Based upon the speed of their treatment, letter-post items may be divided into:

5.1 priority items, ie items conveyed by the quickest route (air or surface) with priority;

5.2 non-priority items, ie items for which the sender has chosen a lower rate, implying a longer delivery time.

6 The limits of size and the conditions of admission, as well as particulars regarding the limits of weight, are laid down in the Detailed Regulations.

References: Title of article 19.
Paragraph 1: Text of article 19, paragraphs 1 and 2, with drafting adjustments and text of article 20, paragraph 1, column 4, relating to the limits of weight without the part about books.

Convention – Text as recast by the EC

Paragraph 2: Text of the first sentence of article 20, paragraph 5.
Paragraphs 3, 4 and 5: Text of article 19, paragraphs 3, 4 and 5.
Paragraph 6: New text.

Article 10
Postage charges

1 The administration of origin shall fix the postage charges for the conveyance of letter-post items throughout the entire extent of the Union. The postage charges shall cover delivery of the items to the place of address provided that this delivery service is operated in the country of destination for the items in question. The conditions of application are laid down in the Detailed Regulations.

2 Guideline postage charges are given in the table below:

Category	Weight step	Guideline charges
1	2	3
		SDR
Letters	up to 20 g	0.37
	above 20 g up to 100 g	0.88
	above 100 g up to 250 g	1.76
	above 250 g up to 500 g	3.38
	above 500 g up to 1000 g	5.88
	above 1000 g up to 2000 g	9.56
Postcards		0.26
Printed papers	up to 20 g	0.18
	above 20 g up to 100 g	0.40
	above 100 g up to 250 g	0.74
	above 250 g up to 500 g	1.32
	above 500 g up to 1000 g	2.21
	above 1000 g up to 2000 g	3.09
	per additional step of 1000 g	1.54
Small packets	up to 100 g	0.40
	above 100 g up to 250 g	0.74
	above 250 g up to 500 g	1.32
	above 500 g up to 1000 g	2.21
	above 1000 g up to 2000 g	3.09

3 The Executive Council shall be authorized to revise and to amend the guideline charges given under 2 once between two Congresses. The revised charges shall be based on the median value of the charges fixed by the members of the Union for international items from their countries. They shall come into force on a date fixed by the Executive Council.

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4 The administration of origin may allow, for newspapers and periodicals published in its country, a reduction of not more than 50 percent of the tariff applicable to the category of items used.

5 The reduction provided for under 4 may likewise be allowed for books and pamphlets, for music scores and for maps, provided they contain no publicity matter or advertisement other than that appearing on the cover or the fly leaves.

6 The charge applicable to M bags shall be calculated by weight steps of 1 kg up to the total weight of each bag. The administration of origin may allow a reduction for such bags of up to 20 percent of the charge payable for the category of item used. This reduction may be independent of the reduction provided for under 4 and 5.

7 The administration of origin may apply to non-standardized items charges different from those applicable to standardized items. Standardized items are defined in the Detailed Regulations.

8 The combining in one item of articles on which different charges are payable shall be authorized on condition that the total weight does not exceed the maximum weight of the category whose weight limit is the highest. The charge applicable on such an item shall, at the option of the originating administration, be that of the category with the highest rate or the sum of the separate charges applicable to each article in the item. Such items shall bear the endorsement "Envois mixtes" ("Combination mailing").

References: Former article 20 with the following adaptations:
Title: As the new article covers postage charges only, the other particulars can be deleted.
Paragraph 1: Refined text of article 20, paragraph 1, first part.
Paragraph 2: Text of article 20, paragraph 1, concerning guideline charges.
Paragraph 3: Text of article 20, paragraph 2, adapted.
Paragraph 4: Text of article 20, paragraph 8, adapted.
Paragraph 5: Text of article 20, paragraph 9.
Paragraph 6: Text of article 20, paragraph 10, adapted.
Paragraph 7: Text of article 20, paragraph 11, adapted.
Paragraph 8: Text of article 20, paragraph 12.

Article 11
Rate-fixing based on method of conveyance or speed

1 Administrations shall be authorized to collect air surcharges for airmail correspondence. The surcharges shall be related to the air conveyance dues and shall be uniform for at least the whole of the territory of each country of destination whatever the route used. In calculating the air surcharge for an airmail correspondence item, administrations shall be authorized to take into account the weight of any forms used by the public which may be attached to the item.

2 Administrations shall have the option of collecting surcharges for surface mail conveyed by air with reduced priority (S.A.L.). These surcharges shall be lower than those which they collect for airmail correspondence.

3 Administrations which so prefer may fix combined charges for the prepayment of airmail correspondence and S.A.L. mail, taking into account:

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3.1 the cost of the postal services rendered by them;

3.2 the cost of the air conveyance.

4 Administrations shall be authorized to collect different charges for priority than for non-priority items. The air conveyance dues may be taken into account.

5 The reductions in charges pursuant to article 10.4, 5 and 6 shall also apply to items conveyed by air, but no reduction shall be granted on the portion of the charge intended to cover the costs of such conveyance.

References: Title of article 21.
Paragraph 1: Text of article 21, paragraph 1, without the last sentence which has been incorporated into article 8 "Cases of exemption from postal charges". The second part of the first sentence has been transferred to the Detailed Regulations.
Paragraphs 2 and 3: Text of article 21, paragraphs 2 and 3.
Paragraph 4: Text of article 21, paragraph 4, with a drafting adjustment.
Paragraph 5: Text of article 21, paragraph 5.

Article 12
Preferential rates

1 Postal administrations may allow reduced charges based on their internal legislation for letter-post items posted in their country. They may, for instance, give preferential rates to major users of the Post. Such preferential rates may not, however, be lower than those applied in the internal service to items presenting the same characteristics (category, quantity, handling time, etc).

Reference: New title.
Text of article 20, paragraph 15.

Article 13
Special charges

1 Administrations of destination shall be authorized to collect on each small packet exceeding the weight of 500 grammes delivered to the addressee, a special charge of 0.20 SDR at most. This charge may be increased by 0.10 SDR at most when the item is delivered to the place of address.

2 Administrations shall be authorized to collect in the cases mentioned below the same charges as in the domestic service.

2.1 Charge on items posted after the latest time for posting, collected from the sender.

2.2 Charge on items posted outside normal counter opening hours, collected from the sender.

2.3 Charge for collection at the sender's address, collected from the sender.

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2.4 Charge, for withdrawal outside normal counter opening hours, collected from the addressee.

2.5 Poste restante charge collected from the addressee.

2.6 A storage charge for any letter-post item weighing more than 500 grammes of which the addressee has not taken delivery within the period during which the item is held at his disposal free of charge. This charge shall not apply to literature for the blind.

References: Title of article 26.
Paragraph 1: Text of article 27, paragraph 6, supplemented by data from article 26, paragraph 1, f.
Paragraph 2: Texts of article 27, paragraphs 1 to 5, and of article 28 rewritten to avoid repetition.

Article 14
Payment of postage

1 As a general rule, letter-post items shall be fully prepaid by the sender. The methods of denoting prepayment are defined in the Detailed Regulations.

2 The administration of origin may return unpaid or underpaid letter-post items to the sender for the latter to make up the postage himself.

3 The administration of origin may also itself undertake to prepay unpaid letter-post items or make up the postage on underpaid items and collect the missing amount from the sender. In this case, it shall be authorized to also collect a handling charge of 0.33 SDR at most. The missing prepayment shall be denoted by one of the methods defined in the Detailed Regulations.

4 In cases in which the options described under 2 and 3 are not applied, unpaid or underpaid items shall be liable to a special charge, payable by the addressee or, in the case of returned items, by the sender. Calculation of this special charge is defined in the Detailed Regulations.

References: Title of article 29.
Paragraph 1: Text of article 29, paragraph 1, adapted and supplemented by a sentence referring to the Detailed Regulations as regards methods of denoting prepayment.
Paragraph 2: Text of article 29, paragraph 2, with a drafting amendment.
Paragraph 3: Text of article 29, paragraph 3, combined with article 32, paragraph 1, and article 142, paragraph 1, of the Detailed Regulations.
Paragraph 4: Text of article 32, paragraph 2, adapted and supplemented.

Article 15
Prepayment of letter-post items on board ship

1 Items posted on board ship at the two terminal points of the voyage or at any intermediate port of call shall be prepaid by means of postage stamps and according to the rates of the country in whose waters the ship is lying.

2 If the items are posted on board on the high seas, they may be prepaid, in the absence of special agreement between the administrations concerned, by means of the postage stamps and according to the rates of the country to which the ship appertains or is under contract. Items prepaid in this way must be handed over to the post office at the port of call as soon as possible after the arrival of the ship.

Reference: Text of article 31.

Article 16
International reply coupons

1 Postal administrations shall be permitted to sell international reply coupons issued by the International Bureau and to limit their sale in accordance with their internal legislation.

2 The value of the reply coupon shall be 0.74 SDR. The selling price fixed by the administrations concerned may not be less than this value.

3 Reply coupons shall be exchangeable in any member country for one or more postage stamps representing the minimum postage prepayable on a priority item or an unregistered letter sent abroad by air. Where not precluded by the internal legislation of the country of exchange, reply coupons shall also be exchangeable for postal stationery or for other postal prepayment marks or impressions.

4 The administration of a member country may, in addition, reserve the right to require the reply coupons and the items to be prepaid in exchange for those reply coupons to be presented at the same time.

Reference: Text of article 34.

Chapter 2

Special services

Article 17
Registered items

1 Letter-post items may be sent as registered items.

2 The charge on registered items shall be paid in advance. It shall be made up of the postage charge, according to the category of item, and of a fixed registration charge of 1.31 SDR at most. For each M bag, administrations shall collect, instead of the charge per item, a bulk charge not exceeding five times the charge per item.

3 In cases where exceptional security measures are required, administrations may collect from the sender or from the addressee, in addition to the charge mentioned under 2, the special charges provided for by their internal legislation.

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4 Postal administrations prepared to cover risks of force majeure shall be authorized to collect a special charge of 0.13 SDR at most for each registered item.

References: New title.
Paragraph 1: Text of article 48, paragraph 1.
Paragraph 2: Text of article 50, paragraph 1, supplemented by data from article 26, paragraph 1, p, column 2 and column 3, i.
Paragraph 3: Text of article 50, paragraph 2, supplemented by data from article 26, paragraph 1, p, column 3, ii.
Paragraph 4: Text of article 50, paragraph 3, supplemented by data from article 26, paragraph 1, r.

Article 18
Recorded delivery items

1 Letter-post items may be sent by the recorded delivery items service in relations between administrations which agree to provide this service.

2 The charge on recorded delivery items shall be paid in advance. It shall be made up of the postage charge, according to the category of item, and of the recorded delivery charge fixed by the administration of origin. This charge shall be less than the registration charge.

References: New title.
Paragraph 1: Text of article 49, paragraph 1, with drafting amendments.
Paragraph 2: Text of article 51, with drafting amendments.

Article 19
Insured letters

1 Letters containing securities, valuable documents or articles and called "insured letters" may be exchanged with insurance of the contents for the value declared by the sender. This exchange shall be restricted to those member countries whose postal administrations have declared their willingness to admit such items, whether reciprocally or in one direction only.

2 In principle, the amount of the insured value shall be unlimited. Every administration may limit the insured value, so far as it is concerned, to an amount which may not be less than 3266.91 SDR. However, the limit of insured value adopted in the internal service shall be applicable if it is less than that amount.

3 The charge on insured letters shall be paid in advance. It shall be made up of the ordinary postage charge, the fixed registration charge laid down in article 17.2 and an insurance charge.

4 Instead of the fixed registration charge, postal administrations may collect the corresponding charge of their internal service or, exceptionally, a charge of 3.27 SDR at most.

5 The insurance charge shall be at most 0.33 SDR for each 65.34 SDR of insured value or fraction thereof, or 0.5 percent of the scale of the insured value. This charge shall apply whatever the country of destination, even in countries which undertake to cover risks of force majeure.

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6 In cases where exceptional security measures are required, administrations may collect from the sender or from the addressee, in addition to the charges mentioned under 3, 4 and 5, the special charges provided for by their internal legislation.

References: New title.
Paragraph 1: Text of article 52, paragraph 1.
Paragraph 2: Text of article 53, paragraphs 1 and 2 merged.
Paragraph 3: Text of article 54, paragraph 1.
Paragraph 4: Text of article XI of the Final Protocol.
Paragraph 5: Text of article 26, paragraph 1, q.
Paragraph 6: Text of article 54, paragraph 2, supplemented by data from article 26, paragraph 1, p, column 3, ii.

Article 20
Express items

1 At the sender's request, letter-post items for countries where the administration performs the service shall be delivered by special messenger as soon as possible after their arrival at the delivery office. Any administration shall have the right to confine this service to airmail correspondence, to priority items and, when this is the only means used between two administrations, to surface LC items.

2 These items, called "express", shall be subject, in addition to the postage, to a charge which may not be less than the amount of postage prepayable on an unregistered single rate letter and not more than 1.63 SDR. For each M bag, administrations shall collect, instead of the charge per item, a bulk charge not exceeding five times the charge per item. This charge shall be paid in full in advance.

3 When express delivery involves special demands, an additional charge may be collected in accordance with the provisions relating to items of the same kind in the internal service.

4 If the regulations of the administration of destination permit, addressees may ask the delivery office for express delivery immediately on arrival of items which are intended for them. In that case the administration of destination shall be authorized to collect, on delivery, the charge that applies in its internal service.

References: Title of article 35.
Paragraph 1: Text of article 35, paragraph 1, less the last sentence and with drafting amendments.
Paragraph 2: Text of article 35, paragraph 2, supplemented by the charges in article 26, paragraph 1, i.
Paragraph 3: Text of article 35, paragraph 5, with drafting amendments.
Paragraph 4: Text of article 35, paragraph 8.

Article 21
Advice of delivery

1 The sender of a registered item, a recorded delivery item or an insured letter may apply for an advice of delivery at the time of posting. This advice of delivery shall be returned to him by the quickest route (air or surface).

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2 The charge for the advice of delivery shall be 0.98 SDR at most.

3 When the sender inquires about an advice of delivery which he has not received within a normal period, neither a second charge nor the charge prescribed for inquiries shall be collected.

References: Title of article 55.
Paragraph 1: Text of article 55, paragraph 1.
Paragraph 2: Text of article 26, paragraph 1, s.
Paragraph 3: Text of article 55, paragraph 2.

Article 22
Delivery to the addressee in person

1 At the sender's request, and in the service between those administrations which have given their consent, registered items, recorded delivery items and insured letters shall be delivered to the addressee in person. Administrations may agree to allow this option only for such items accompanied by an advice of delivery. In all cases, the sender shall pay a charge for delivery to the addressee in person of 0.16 SDR at most.

References: Title of article 56.
Text of article 56, paragraph 1, supplemented by the charge given in article 26, paragraph 1, t.

Article 23
Items for delivery free of charges and fees

1 In the service between postal administrations which have notified their agreement to that effect senders may, by means of a previous declaration at the office of origin, undertake to pay the whole of the charges and fees to which the items are subject on delivery. So long as an item has not been delivered to the addressee, the sender may ask after posting that the item be delivered free of charges and fees.

2 In the cases provided for in paragraph 1, senders shall undertake to pay the amounts which may be claimed by the office of destination. If necessary, they shall make a provisional payment.

3 The administration of origin shall collect from the sender a charge of 0.98 SDR at most which it shall retain as payment for services rendered in the country of origin.

4 In the case of a request made after posting, the administration of origin shall also collect an additional charge not exceeding 1.31 SDR per request. If the request is to be forwarded by telecommunications, the sender shall pay in addition the corresponding charge.

5 The administration of destination shall be authorized to collect on each item a commission charge not exceeding 0.98 SDR. This charge shall be independent of the presentation-to-customs charge. It shall be collected from the sender on behalf of the administration of destination.

6 Every administration may restrict to registered items and insured letters the service of delivery free of charges and fees.

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References: Title of article 45.
Paragraph 1: Text of article 45, paragraph 1, with a drafting amendment.
Paragraph 2: Text of article 45, paragraph 2.
Paragraph 3: Text of article 45, paragraph 3, supplemented by the charge given in article 26, paragraph 1, n, i.
Paragraph 4: Text of article 45, paragraph 4, supplemented by the charge given in article 26, paragraph 1, n, ii.
Paragraph 5: Text of article 45, paragraph 5, supplemented by the charge given in article 26, paragraph 1, n, iii.
Paragraph 6: Text of article 45, paragraph 6.

Article 24
International business reply service

1 Administrations may agree with each other to participate in an optional international business reply service (IBRS).

2 Administrations which operate the service shall comply with the provisions laid down by the Executive Council.

3 Two administrations may, nevertheless, agree bilaterally on another system to be applied between themselves.

Reference: Text of article 33, with slight drafting amendments.

Article 25
Perishable biological substances. Radioactive materials

1 Perishable biological substances and radioactive materials made up and packed in accordance with the respective provisions of the Detailed Regulations shall be subject to the tariff for letters and to registration. Their admission shall be restricted to those member countries whose postal administrations have declared their willingness to admit such items, whether reciprocally or in one direction only. Such substances shall be forwarded by the quickest route, normally by air, subject to payment of the corresponding air surcharges.

2 Furthermore, perishable biological substances may be exchanged only between officially recognized qualified laboratories, while radioactive materials may be posted only by duly authorized senders.

Reference: Text of article 23.

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Chapter 3

Special provisions

Article 26
Posting abroad of letter-post items

1 A member country shall not be bound to forward or deliver to the addressee letter-post items which senders resident in its territory post or cause to be posted in a foreign country with the object of profiting by the lower charges in force there. The same shall apply to such items posted in large quantities, whether or not such postings are made with a view to benefiting from lower charges.

2 The provisions set out under 1 shall be applied without distinction both to correspondence made up in the country where the sender resides and then carried across the frontier and to correspondence made up in a foreign country.

3 The administration concerned may either return its items to origin or charge postage on the items at its internal rates. If the sender refuses to pay the postage, the items may be disposed of in accordance with the internal legislation of the administration concerned.

4 A member country shall not be bound to accept, forward or deliver to the addressees letter-post items which senders post or cause to be posted in large quantities in a country other than the country where they reside. The administration concerned may send back such items to origin or return them to the senders without repaying the prepaid charge.

Reference: Text of article 25.

Article 27
Items not admitted. Prohibitions

1 Items not fulfilling the conditions laid down in the Convention and its Detailed Regulations shall not be admitted.

2 Items other than insured letters may not contain coin, bank notes, currency notes or securities of any kind payable to bearer, travellers' cheques, platinum, gold or silver, whether manufactured or not, precious stones, jewels or other valuable articles. However, if the internal legislation of the countries of origin and destination permits this, such articles may be sent in registered letters in a closed envelope.

3 Letters may not contain documents having the character of current and personal correspondence exchanged between persons other than the sender and the addressee or persons living with them. If the administration of the country of origin or destination discovers the presence of such documents, it shall deal with them according to its legislation.

4 Except as otherwise provided in the Detailed Regulations, printed papers and literature for the blind:

4.1 shall not bear any inscription or contain any document having the character of current and personal correspondence;

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4.2 shall not contain any postage stamp or form of prepayment, whether cancelled or not, or any paper representing a monetary value.

5 The insertion in letter-post items of the following articles shall be prohibited:

5.1 narcotics and psychotropic substances;

5.2 explosive, flammable or other dangerous substances; nevertheless, the perishable biological substances and radioactive substances mentioned in article 25 shall not come within this prohibition;

5.3 obscene or immoral articles;

5.4 articles of which the importation and circulation are prohibited in the country of destination.

6 The insertion of live animals in letter-post items shall be prohibited.

6.1 However, the following shall be admitted in letter-post items other than insured letters:

6.1.1 bees, leeches and silk-worms;

6.1.2 parasites and destroyers of noxious insects intended for the control of those insects and exchanged between officially recognized institutions;

7 The treatment of items wrongly admitted is set out in the Detailed Regulations. Nevertheless, items containing articles mentioned in 5.1, 5.2 and 5.3 shall in no circumstances be forwarded to their destination, delivered to the addressees or returned to origin.

References: New title.
Paragraph 1: Text of the first sentence of article 24, paragraph 1, drafted in more general terms.
Paragraph 2: Text of article 41, paragraph 2, worded so as to correspond more to reality.
Paragraph 3: Text of the last two sentences of article 41, paragraph 6.
Paragraphs 4 and 5: Text of article 41, paragraphs 3 and 4, but without subparagraphs a and c of paragraph 4.
Paragraph 6: Text of article 41, paragraph 4, c.
Paragraph 7: First sentence: new text. Second sentence: text of article 41, paragraph 7, first sentence.

Article 28
Redirection

1 If an addressee changes his address, letter-post items shall be reforwarded to him forthwith, under the conditions prescribed in the internal service.

2 Items shall not however be redirected:

2.1 if the sender has forbidden redirection by means of a note on the address side in a language known in the country of destination;

2.2 if they bear in addition to the addressee's address the expression "or occupant".

3 Administrations which collect a charge for requests for redirection in their internal services shall be authorized to collect this same charge in the international service.

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4 Apart from the exceptions provided for in the Detailed Regulations, no additional charge shall be collected for letter-post items redirected from country to country. However, administrations which collect a charge for redirection of items in their internal service shall be authorized to collect this same charge on the international mail redirected within their own countries.

5 The conditions for redirection are set out in the Detailed Regulations.

References: Title of article 39.
Paragraph 1: Text of article 39, paragraph 1, without the exceptions.
Paragraph 2: Text of article 39, paragraph 1, on the exceptions.
Paragraphs 3 and 4: Text of article 39, paragraphs 7 and 8.
Paragraph 5: New text.

Article 29
Undeliverable items

1 Items which it has not proved possible to deliver to the addressees for whatever reason shall be considered as undeliverable items.

2 Undeliverable items shall be returned forthwith to the country of origin.

3 The period of retention for items held at the disposal of the addressees or addressed poste restante is set out in the Detailed Regulations.

4 Apart from the exceptions provided for in the Detailed Regulations, no additional charge shall be collected for undeliverable items returned to the country of origin. However, administrations which collect a charge for return of items in their internal service shall be authorized to collect this same charge on the international mail returned to them.

References: New title of article 40.
Paragraphs 1, 2 and 3: Text of article 40, paragraphs 1, 2 and 3, without the term "as a general rule" which adds nothing to the sense.
Paragraph 4: Text of article 40, paragraph 11, without the part on the conditions for delivery to senders which has been transferred to the Detailed Regulations.

Article 30
Withdrawal from the post. Alteration or correction of address at the sender's request

1 The sender of a letter-post item may have it withdrawn from the post, or have its address altered or corrected, so long as the item:

1.1 has not been delivered to the addressee;

1.2 has not been confiscated or destroyed by the competent authorities because of infringement of article 27;

1.3 has not been seized by virtue of the legislation of the country of destination.

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2 If its legislation permits, each administration shall be bound to accept requests for withdrawal from the post or alteration or correction of the address in respect of any letter-post item posted in the service of other administrations.

3 The sender shall pay, for each request, a special charge of 1.31 SDR at most.

4 The request shall be forwarded by post or by telecommunication at the sender's expense. The forwarding conditions and the provisions relating to the use of telecommunications are set out in the Detailed Regulations.

5 The charges prescribed under 3 and 4 shall be levied only once for each request for withdrawal from the post or alteration or correction of address involving several items posted at the same time, at the same office, by the same sender to the same addressee.

References: Title of article 38.
Paragraph 1: Text of article 38, paragraph 1.
Paragraph 2: Text of article 38, paragraph 3.
Paragraph 3: New text about the charge taken from article 26, paragraph 1, j.
Paragraph 4: Text of article 38, paragraph 2, edited and without the last sentence transferred to the Detailed Regulations.
Paragraph 5: Text of article 38, paragraph 5.

Article 31
Inquiries

1 Inquiries shall be entertained within a period of a year from the day after that on which the item was posted.

2 Each administration shall be bound to accept inquiries relating to any item posted in the service of another administration.

3 Unless the sender has already paid the charge for an advice of delivery, a special charge of 0.65 SDR at most may be collected on each inquiry. If a request is made for transmission by telecommunications or by EMS, the additional costs shall, in principle, be borne by the person making the request. The relevant provisions are set out in the Detailed Regulations.

4 If the inquiry relates to several items posted at the same time at the same office by the same sender and addressed to the same addressee, the charge shall be collected only once. However, in the case of registered items or insured letters which had, at the sender's request, to be forwarded by different routes, a separate charge shall be collected for each of the routes used.

5 If the inquiry has been occasioned by a service error, the special charge referred to in 3 shall be refunded by the administration which collected it. In no case may this charge be demanded from another administration.

References: Title of article 47.
Paragraph 1: Text of article 47, paragraph 1.
Paragraph 2: Text of article 47, paragraph 3.
Paragraph 3: Text of article 47, paragraph 4, with more flexible wording retaining only the principles and giving the charge provided for in article 26, paragraph 1, o.
Paragraphs 4 and 5: Text of article 47, paragraphs 5 and 6, with a drafting amendment.

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Chapter 4

Customs matters

Article 32
Customs control

1 The postal administrations of the countries of origin and destination shall be authorized to submit letter-post items to customs control, according to the legislation of those countries.

Reference: Text of article 42.

Article 33
Presentation-to-Customs charge

1 Items submitted to customs control in the country of origin or of destination, as the case may be, may be subjected to a special charge of 2.61 SDR at most as a postal charge. For each M bag, the special charge may be up to 3.27 SDR at most. This charge shall be collected either for submission to Customs and customs clearance or for submission to Customs only.

Reference: Text of article 43, with a drafting amendment and supplemented by the charges provided for in article 26, paragraph 1, m.

Article 34
Customs duty and other fees

1 Postal administrations shall be authorized to collect from the senders or addressees of items, as the case may be, the customs duty and all other fees which may be due.

Reference: Text of article 44.

Chapter 5

Liability

Article 35
Liability of postal administrations. Indemnities

1 General

1.1 Except for the cases provided for in article 36, postal administrations shall be liable for:

1.1.1 the loss of, theft from or damage to registered items and insured letters;

1.1.2 the loss of recorded delivery items.

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1.2 Postal administrations may undertake to cover risks arising from a case of force majeure.

2 Registered items

2.1 The sender of a registered item shall be entitled to an indemnity if his item is lost.

2.1.1 The indemnity for the loss of a registered item shall amount to 24.50 SDR.

2.1.2 The indemnity for the loss of a registered M bag may be raised to 122.51 SDR.

2.2 The sender of a registered item shall be entitled to an indemnity if the contents of his item are rifled or damaged. However, the packing must have been recognized as being sufficient to guarantee the contents effectively against accidental risks of theft or damage.

2.2.1 The indemnity for a rifled or damaged registered item shall correspond, in principle, to the actual value of the theft or damage. It may, however, in no case exceed the amounts fixed under 2.1.1 and 2.1.2. Consequential losses or loss of profits shall not be taken into account.

3 Recorded delivery items

3.1 If a recorded delivery item is lost, the sender shall be entitled to refund of the charges paid.

3.2 The sender shall also be entitled to a refund of the charges paid in the event of total theft of or total damage to the contents. However, the packing must have been recognized as being sufficient to guarantee the contents effectively against accidental risks of theft or damage.

4 Insured letters

4.1 In the event of theft from or damage to an insured letter, the sender shall be entitled to an indemnity corresponding, in principle, to the actual amount of the loss, theft or damage. Consequential losses or loss of profits shall not be taken into consideration. However, this indemnity may in no case exceed the amount of the insured value in SDRs.

4.2 The indemnity shall be calculated according to the current price, converted into SDRs, of articles of value of the same kind at the place and time at which they were accepted for conveyance. Failing a current price, the indemnity shall be calculated according to the ordinary value of articles whose value is assessed on the same bases.

4.3 When an indemnity is due for the loss of, total theft from or total damage to an insured letter, the sender, or the addressee, as the case may be, shall also be entitled to repayment of the charges and fees paid. However, the insurance charge shall in no case be repaid; it shall be retained by the administration of origin.

5 Notwithstanding the provisions set out under 2.1 and 4.1, the addressee shall be entitled to the indemnity after delivery of a rifled or damaged registered item or insured letter.

6 The administration of origin shall have the option of paying senders in its country the indemnities prescribed by its internal legislation for registered items, provided that they are not lower than those laid down in 2.1. The same shall apply to the administration of destination when the indemnity is paid to the addressee. However, the amounts laid down in 2.1 shall remain applicable:

6.1 in the event of recourse against the administration liable; or

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6.2 if the sender waives his rights in favour of the addressee or vice versa.

References: New title. The four subtitles are new.
Paragraph 1.1: Text of articles 57, 58 and 59, merger of first sentence of paragraph 1 of each of these articles.
Paragraph 1.2: Text of articles 57 and 59, merger of the first sentence of paragraph 2 of each of these articles.
Paragraph 2.1: Text of article 57, paragraph 3, with drafting amendments.
Paragraph 2.2: Text of article 57, paragraph 4.
Paragraph 3: Text of article 58, paragraphs 3 and 2.
Paragraph 4.1: Text of article 59, paragraph 3, first two sentences, with drafting amendments.
Paragraph 4.2: Text of article 59, paragraph 5.
Paragraph 4.3: Text of article 59, paragraph 6, with drafting amendments.
Paragraph 5: Text of article 57, paragraph 6, and 59, paragraph 4, with drafting amendments.
Paragraph 6: Text of article 57, paragraph 7.

Article 36
Non-liability of postal administrations

1 Postal administrations shall cease to be liable for registered items, recorded delivery items and insured letters which they have delivered according to the conditions laid down in their regulations for items of the same kind. Liability shall, however, be maintained:

1.1 when theft or damage is discovered either prior to or at the time of delivery of the item;

1.2 when, internal regulations permitting, the addressee, or the sender if it is returned to origin, makes reservations on taking delivery of a rifled or damaged item;

1.3 when the addressee or, in the case of return to origin, the sender of an insured letter, although having given a proper discharge, notifies the delivery administration without delay that he has found theft or damage. He shall furnish proof that such theft or damage did not occur after delivery.

2 Postal administrations shall not be liable:

2.1 in cases of force majeure, subject to article 35.1.2;

2.2 when they cannot account for items owing to the destruction of official records by force majeure, provided that proof of their liability has not been otherwise produced;

2.3 when such loss, theft or damage has been caused by the fault or negligence of the sender or arises from the nature of the contents;

2.4 in the case of items whose contents fall within the prohibitions specified in article 27, in so far as these items have been confiscated or destroyed by the competent authority because of their contents;

2.5 when the items have been seized under the legislation of the country of destination, as notified by the administration of that country;

2.6 in the case of insured items which have been fraudulently insured for a sum greater than the actual value of the contents;

2.7 when the sender has made no inquiry within one year from the day after that on which the item was posted.

3 Postal administrations shall accept no liability for customs declarations in whatever form these are made or for decisions taken by the Customs on examination of items submitted to customs control.

References: New title. Merger of articles 60 and 61.
Paragraph 1: Text of articles 60 and 61, merger of first sentence of paragraph 1 of each of these articles, without the reference to article 12 which is superfluous.
Paragraph 2: Text of articles 60 and 61, merger of paragraph 2 of each of these articles with drafting amendments. The explanatory texts about force majeure have been transferred to the Detailed Regulations.
Paragraph 3: Text of articles 60 and 61, merger of paragraph 3 of each of these articles.

Article 37
Sender's liability

1 The sender of a letter-post item shall be liable for any damage caused to other postal items as a result of the dispatch of articles not acceptable for conveyance or the non-observance of the conditions of acceptance.

2 The sender shall be liable within the same limits as postal administrations.

3 The sender shall remain liable even if the office of posting accepts such an item.

4 The sender shall not be liable if there has been fault or negligence on the part of administrations or carriers.

References: Title of article 62.
Paragraphs 1 and 2: Text of article 62, paragraph 1, first sentence, presented more clearly.
Paragraph 3: Text of article 62, paragraph 2.
Paragraph 4: Text of article 62, paragraph 1, last sentence.

Article 38
Payment of indemnity

1 Subject to the right of recourse against the administration which is liable, the obligation to pay the indemnity shall rest either with the administration of origin or with the administration of destination. The obligation to refund the charges for recorded delivery items shall rest with the administration of origin.

2 The sender may waive his rights to the indemnity in favour of the addressee. Conversely, the addressee may waive his rights in favour of the sender. The sender or the addressee may authorize a third party to receive the indemnity if internal legislation allows this.

3 The administration of origin or destination, as the case may be, shall be authorized to indemnify the rightful claimant on behalf of the administration which, having participated in

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the conveyance and having been duly informed, has allowed three months to pass without finally settling the matter, or without having reported:

3.1 that the damage appeared to be due to a case of force majeure;

3.2 that the item had been detained, confiscated or destroyed by the competent authority because of its contents or seized under the legislation of the country of destination.

References: New title.
Paragraph 1: Texts of article 66, paragraph 1, with a drafting amendment and of article 67, paragraph 1.
Paragraph 2: Merged texts of article 57, paragraph 5, and of article 59, paragraph 7, of the Convention.
Paragraph 3: Text of article 66, paragraph 4, with drafting amendments.

Article 39
Possible recovery of the indemnity from the sender or the addressee

1 If, after payment of the indemnity, a registered item or an insured letter or part of the contents previously considered as lost is found, the sender or the addressee, as the case may be, shall be advised that the item is being held at his disposal for a period of three months on repayment of the amount of the indemnity paid. At the same time he shall be asked to whom the item is to be delivered. In the event of refusal or failure to reply within the prescribed period, the same approach shall be made to the addressee or the sender as the case may be.

2 If the sender and the addressee refuse to take delivery of the item, it shall become the property of the administration or, where appropriate, administrations which bore the loss.

3 In the case of subsequent discovery of an insured letter the contents of which are found to be of less value than the amount of the indemnity paid, the sender shall repay the amount of this indemnity. The item shall be returned to him, without prejudice to the consequences of fraudulent insurance.

References: Title of article 69.
Paragraphs 1, 2 and 3: Text of article 69, paragraphs 1, 3 and 5.

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Part III

Provisions concerning the letter post: Relations between postal administrations

Chapter 1

Treatment of letter-post items

Article 40
Quality of service targets

1 Administrations of destination shall fix a service target for the handling of priority and airmail items addressed to their country. The target shall be no less favourable than those applied to comparable items in their domestic service.

2 Administrations of destination shall also, as far as possible, fix a service target for the handling of surface and non-priority items addressed to their country.

3 Administrations of origin shall fix service targets for priority and airmail items for abroad by reference to the targets fixed by the administrations of destination.

Reference: Text of article 36.

Article 41
Exchange of items

1 Administrations may exchange, via one or more of their number, both closed mails and à découvert items according to needs and service requirements.

2 The conveyance of mail in transit through a country without the participation of the latter's services shall be subject to the prior authorization of the country crossed. This form of transit shall not involve the liability of the latter country.

3 Administrations may send surface mails by air, with reduced priority, subject to the agreement of the administrations which receive such mails at the airports of their country.

4 Exchanges shall take place on the basis of the provisions of the Detailed Regulations.

References: Title from article 154 of the Detailed Regulations.
Paragraph 1: Text of article 154, paragraph 1, of the Detailed Regulations.
Paragraph 2: Text of article 3, with a drafting adjustment.
Paragraph 3: Text of article 91, paragraph 1.
Paragraph 4: New text.

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Article 42
Exchange of closed mails with military units

1 Closed mails may be exchanged through the intermediary of the land, sea or air services of other countries:

1.1 between the post offices of any member country and the commanding officers of military units placed at the disposal of the United Nations;

1.2 between the commanding officers of such military units;

1.3 between the post offices of any member country and the commanding officers of naval or air units, warships or military aircraft of the same country stationed abroad;

1.4 between the commanding officers of naval or air units, warships or military aircraft of the same country.

2 Letter-post items enclosed in the mails referred to under 1 shall be confined to items addressed to or sent by members of military units or the officers and crews of the ships or aircraft to or from which the mails are forwarded. The rates and conditions of dispatch applicable to them shall be fixed, according to its regulations, by the postal administration of the country which has made the military unit available or to which the ships or aircraft belong.

3 In the absence of special agreement, the administration of the country which has made the military unit available or to which the warships or military aircraft belong shall be liable to the administrations concerned for the transit charges for the mails, the terminal dues and the air conveyance dues.

References: New title.
Paragraph 1: Text of article 81, paragraphs 1 and 2, combined and with drafting adjustments.
Paragraph 2: Text of article 81, paragraph 3, with drafting adjustments.
Paragraph 3: Text of article 81, paragraph 4, with drafting adjustments.

Article 43
Temporary suspension of services

1 When exceptional circumstances oblige a postal administration temporarily to suspend its services wholly or in part, it shall immediately inform the administrations concerned.

References: New title.
Paragraph 1: Text of article 4, paragraph 1, with new wording.

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Chapter 2

Treatment of cases of liability

Article 44
Determination of liability between postal administrations

1 Until the contrary is proved, liability shall rest with the postal administration which, having received the item without comment and being furnished with all the prescribed means of inquiry, cannot prove either delivery to the addressee or, where appropriate, correct transfer to another administration.

2 If the loss, theft, or damage occurs in course of conveyance without it being possible to establish in which country's territory or service it happened, the administrations concerned shall bear the loss equally.

3 The liability of an administration towards other administrations shall in no case exceed the maximum insured value that it has adopted.

4 Postal administrations not providing the insured letters service shall assume, in respect of such items conveyed in closed mails, the liability laid down for registered items. This provision shall also apply when postal administrations do not accept liability for insured letters carried on board the ships or aircraft used by them.

5 If the loss, theft or damage occurs in the territory or service of an intermediate administration which does not provide the insured letters service, the administration of origin shall bear the loss not covered by the intermediate administration. The same rule shall apply if the amount of the damage is higher than the maximum insured value adopted by the intermediate administration.

6 Customs duty and other fees of which it has not been possible to secure cancellation shall be borne by the administrations liable for the loss, theft or damage.

7 An administration which has paid the indemnity shall take over the rights, up to the amount of the indemnity, of the person who has received it in any action which may be taken against the addressee, the sender or third parties.

References: New title.
Paragraph 1: Text of articles 63 and 64, merger of paragraph 1 of each of these articles.
Paragraph 2: Text of article 63, paragraph 4, merged with the first part of the text of article 64, paragraph 4.
Paragraph 3: Text of article 64, paragraph 5.
Paragraph 4: Text of article 61, paragraph 2, iii, with drafting adjustments. The new version incorporates the idea contained in the last part of article 1, paragraph 3 and in article 64, paragraph 8.
Paragraph 5: Text of article 64, paragraph 7, with drafting adjustments.
Paragraphs 6 and 7: Merged texts of article 63, paragraphs 6 and 7, and article 64, paragraphs 9 and 10.

Convention – Text as recast by the EC

Chapter 3

Transit charges and terminal dues

Article 45
Transit charges

1 Subject to article 49, closed mails exchanged between two administrations or between two offices of the same country by means of the services of one or more other administrations (third party services) shall be subject to the payment of transit charges. The latter shall constitute remuneration for the services rendered in respect of land transit and sea transit.

References: Title of article 71.
Paragraph 1: Text of article 71, paragraph 1, with drafting adjustments.

Article 46
Transit charge scales

1 The transit charges shall be calculated in accordance with the scales set out in the following table:

Distances traversed 1				Charge per kg gross 2
1.1 Distances traversed by land expressed in kilometres				SDR
Up to 100 km				0.14
Above	100	up to	200	0.17
	200		300	0.20
	300		400	0.22
	400		500	0.24
	500		600	0.26
	600		700	0.27
	700		800	0.29
	800		900	0.31
	900		1 000	0.32
	1 000		1 100	0.34
	1 100		1 200	0.35
	1 200		1 300	0.37
	1 300		1 500	0.39
	1 500		2 000	0.43
	2 000		2 500	0.49
	2 500		2 750	0.53
	2 750		3 000	0.56
	3 000		4 000	0.62
	4 000		5 000	0.72
	5 000		6 000	0.81
	6 000		7 000	0.89

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Distances traversed 1				Charge per kg gross 2
1.1 Distances traversed by land expressed in kilometres (cont)				SDR
Above	7 000	up to	8 000	0.97
	8 000		9 000	1.05
	9 000		10 000	1.12
	10 000		11 000	1.19
	11 000		12 000	1.26
	12 000		13 000	1.32
	13 000		14 000	1.39
	14 000			1.45

1.2 Distances traversed by sea							SDR
expressed in nautical miles				expressed in kilometres after conversion on the basis of 1 nautical mile = 1.852 km			
Up to 100 nautical miles				Up to 185 km			0.17
Above	100	up to	200	Above	185	up to	370	0.19
	200		300		370		556	0.21
	300		400		556		741	0.22
	400		500		741		926	0.23
	500		600		926		1 111	0.24
	600		700		1 111		1 296	0.24
	700		800		1 296		1 482	0.25
	800		900		1 482		1 667	0.25
	900		1 000		1 667		1 852	0.26
	1 000		1 100		1 852		2 037	0.26
	1 100		1 200		2 037		2 222	0.27
	1 200		1 300		2 222		2 408	0.27
	1 300		1 500		2 408		2 778	0.28
	1 500		2 000		2 778		3 704	0.29
	2 000		2 500		3 704		4 630	0.31
	2 500		2 750		4 630		5 093	0.32
	2 750		3 000		5 093		5 556	0.32
	3 000		4 000		5 556		7 408	0.34
	4 000		5 000		7 408		9 260	0.36
	5 000		6 000		9 260		11 112	0.38
	6 000		7 000		11 112		12 964	0.40
	7 000		8 000		12 964		14 816	0.41
	8 000		9 000		14 816		16 668	0.42
	9 000		10 000		16 668		18 520	0.43
	10 000		11 000		18 520		20 372	0.45
	11 000		12 000		20 372		22 224	0.46
	12 000		13 000		22 224		24 076	0.47
	13 000		14 000		24 076		25 928	0.48
	14 000				25 928			0.49

References: Title of article 72.
Paragraph 1: Text of article 72.

Convention – Text as recast by the EC

Article 47
Terminal dues

1 Subject to article 49, each administration which, in its exchanges with another administration, receives more letter-mail items than it sends shall have the right to collect from the dispatching administration a payment for the costs incurred for the excess international mail received.

2 This payment shall be fixed as follows:

2.1 When two administrations exchange with each other, by air and surface (S.A.L. included), a total weight of LC/AO mail less than or equal to 150 tonnes a year in each direction, a combined rate of 2.940 SDR per kg shall be applied for LC/AO items, excluding M bags.

2.2 When two administrations exchange with each other, by air and surface, (S.A.L. included), a total weight of LC/AO mail greater than 150 tonnes a year in each direction, the rate applied shall be:

2.2.1 8.115 SDR per kg for LC items;

2.2.2 2.058 SDR per kg for AO items, excluding M bags.

2.3 When the threshold of 150 tonnes a year is exceeded in a single direction, the administration receiving this traffic in excess of 150 tonnes may choose, for the accounting of the terminal dues relating to the mail received, one of the two payment systems described under 2.1 and 2.2. In the absence of bilateral agreement, the mail sent by the administration dispatching less than 150 tonnes a year shall in all cases be brought to account in accordance with the single rate laid down under 2.1.

2.4 For M bags, the rate to be applied shall be 0.653 SDR per kg, irrespective of the annual weight of mail exchanged between two administrations.

3 When, in a given relation, an administration which is paid in accordance with the differentiated LC and AO rates of terminal dues indicated under 2 establishes that the average number of items (LC and/or AO) contained in one kilogramme of mail received is higher than the world average of 48 LC items and 5.6 AO items, it may have the corresponding rates revised if, compared with this world average:

3.1 the number of LC items is more than 15 percent higher (ie more than 55 items) and/or

3.2 the number of AO items is more than 25 percent higher (ie more than 7 items).

4 In the case provided for under 3, the terminal dues amount payable by the debtor administration shall be equal to the difference between the sums owed by each administration for its total mail flow after application of the appropriate rates. The revision shall be carried out on the terms specified in the Detailed Regulations.

5 Any administration may waive wholly or in part the payment provided for under 1.

6 The administrations concerned may, by bilateral or multilateral agreement, apply other payment systems for the settlement of terminal dues accounts.

References: Title of article 73.
Paragraph 1: Text of article 73, paragraph 1, with drafting adjustments.
Paragraph 2: Text of article 73, paragraph 2, with drafting adjustments.

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Paragraph 3: Text of article 73, paragraph 3, with drafting adjustments, without the last two sentences.
Paragraph 4: Text of article 73, paragraph 3, last two sentences.
Paragraphs 5 and 6: Text of article 73, paragraphs 4 and 5.

Article 48
Terminal dues for priority items, non-priority items and combined items

1 When a uniform rate for LC/AO items is used under the provisions of article 47.2.1 and 3, that rate shall also apply to priority items, non-priority items and combined items.

2 When separate rates for LC items and AO items are used under the provisions of article 47.2.2 and 3, the country of origin and the country of destination may, by bilateral agreement, decide that the rates applicable to priority items and non-priority items shall be fixed on the basis of the actual structure of the traffic. In the absence of an agreement, the provisions laid down in article 47.2.2 and 3 and 47.3 shall apply. In this case, priority items shall be assimilated to LC and non-priority items to AO.

3 For combined items exchanged under the provisions of article 10.8, terminal dues shall be settled by bilateral agreement between the countries concerned.

4 When an administration decides to discontinue separation of the mail into LC and AO in favour of a system based on priority, and the latter produces an effect on terminal dues, the new system shall be introduced on 1 January or 1 July only. The International Bureau shall have been so informed at least three months in advance.

References: Title of article 74.
Paragraphs 1 to 4: Text of article 74, paragraphs 1 to 4, adapted.

Article 49
Exemption from transit charges and terminal dues

1 The letter-post items relating to the postal service referred to in article 8.2.2, undelivered postal items returned to origin in closed dispatches and dispatches of empty mailbags shall be exempted from land and sea transit charges and from terminal dues.

Reference: Text of article 75.

Article 50
Accounting for transit charges and terminal dues

1 Transit charges

1.1 Accounting for surface-mail transit charges shall be done annually by the administration of transit, for each administration of origin. It shall be based on the weight of the letter-post mails received in transit throughout the year. The scales laid down in article 46 shall be applied.

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1.2 The transit charges shall be borne by the administration of origin of the mails. They shall be payable, subject to the exception provided for under 1.4, to the administrations of the countries which are crossed or whose services take part in the land or sea conveyance of the mails.

1.3 When the administration of the country which is crossed does not take part in the land or sea conveyance of the mails, the applicable transit charges shall be payable to the administration of destination if it bears the costs related to such transit.

1.4 The charges for the sea conveyance of mails in transit may be settled directly between the postal administrations of origin of the mails and the shipping companies or their agents. The postal administration of the port of embarkation concerned shall give its prior agreement.

1.5 The debtor administration shall be exempted from payment of transit charges when the annual balance does not exceed 163.35 SDR.

2 Terminal dues

2.1 Accounting for terminal dues shall be done annually by the creditor administration, according to the actual weight of the surface mails (including S.A.L. mails) and airmails received throughout the year. The rates laid down in article 47 shall be applied.

2.2 To enable the annual weight to be determined, the administrations of origin of the mails shall permanently indicate, for each mail, the total weight of bags containing LC/AO items and the total weight of M bags.

2.3 When it is necessary to determine separately the weights of LC items on the one hand and of AO items on the other, the proportions to be used shall be determined during a statistical period. The modalities relating thereto are indicated in the Detailed Regulations.

2.4 The administrations concerned may agree to account for terminal dues in their reciprocal relations by different statistical methods. They may also agree on a different periodicity from that laid down in the Detailed Regulations for the statistical period.

2.5 The debtor administration shall be exempted from payment of terminal dues when the annual balance does not exceed 326.70 SDR.

3 Every administration shall be authorized to submit for the consideration of a committee of arbitrators any annual results which in its opinion differ too much from reality. The arbitration shall be arranged as laid down in article 127 of the General Regulations. The arbitrators shall be empowered to fix in a fair and reasonable manner the transit charges or terminal dues to be paid.

References: New title.
The two subtitles are new.
Paragraph 1.1: Text of article 77, paragraph 1.
Paragraphs 1.2, 1.3 and 1.4: Text of article 79, paragraphs 1, 2 and 3.
Paragraph 1.5: Text of article 77, paragraph 2.
Paragraphs 2.1, 2.2, 2.3, 2.4 and 2.5: Text of article 78, paragraphs 1, 2, 3, 4 and 5.
Paragraph 3: Merged and adapted texts of article 77, paragraphs 3 and 4, and article 78, paragraphs 6 and 7.

Convention – Text as recast by the EC

Chapter 4

Air conveyance dues

Article 51
General principles

1 The air conveyance dues for the whole distance flown shall be borne:

1.1 in the case of closed mails, by the administration of the country of origin of the mails;

1.2 in the case of airmail correspondence and priority items in transit à découvert, including missent items, by the administration which forwards the correspondence to another administration.

2 These same regulations shall be applicable to airmails, airmail correspondence and priority items in transit à découvert exempt from transit charges.

3 Conveyance dues shall, for a particular sector, be uniform for all administrations which use the sector.

4 Each administration of destination which provides air conveyance of international mail within its country shall be entitled to reimbursement of the additional costs incurred for such conveyance provided that the weighted average distance of the sectors flown exceeds 300 km. Unless agreement has been reached that no charge should be made, the dues shall be uniform for all airmails and priority mails originating abroad whether or not this mail is reforwarded by air.

5 In the absence of special agreement between the administrations concerned, article 46 shall apply to airmail correspondence for any transit by land or by sea. Nevertheless, no transit charges shall be payable for:

5.1 the transhipment of airmails between two airports serving the same town;

5.2 the conveyance of such mails from an airport serving a town to a depot situated in the same town and the return of the same mails for reforwarding.

Reference: Text of article 84, with drafting amendments.

Article 52
Basic rates and calculation of air conveyance dues

1 The basic rate applicable to the settlement of accounts between administrations in respect of air conveyance shall be fixed at 0.568 thousandth of an SDR at most per kilogramme of gross weight and per kilometre; this rate shall apply proportionally to fractions of a kilogramme.

2 The calculation of air conveyance dues on closed mails, airmail correspondence and priority items in transit à découvert, as well as the relevant methods of accounting, are set out in the Detailed Regulations.

Convention – Text as recast by the EC

References: New title.
Paragraph 1: Text of article 85, paragraph 1.
Paragraph 2: New text.

Chapter 5

Miscellaneous provisions

Article 53
Settlement of accounts

1 Settlements between postal administrations of international accounts arising from postal traffic may be regarded as current transactions and effected in accordance with the current international obligations of the member countries concerned, when there are agreements to this effect. In the absence of such agreements, accounts shall be settled in accordance with the provisions of the Detailed Regulations.

Reference: Text of article 13.

Article 54
Provision of information, International Bureau publications, retention of documents, forms

1 The provisions relating to the provision of information concerning the execution of the postal service, International Bureau publications, retention of documents and the forms to be used are set out in the Detailed Regulations.

Reference: New article.

Part IV

EMS

Article 55
EMS

1 EMS shall be the quickest postal service by physical means. It shall consist of the collection, dispatch and delivery in a very short space of time of correspondence, documents or goods.

2 This service shall wherever possible be identified by a logo as shown in the specimen below and comprising the following elements:

- an orange wing;
- the letters EMS in blue;
- three horizontal orange stripes.

The logo may be supplemented by adding the name of the national service.



3 Charges for the service shall be set by the administration of origin in consideration of costs and market requirements.

References: Title of article 92.
Paragraphs 1, 2 and 3: Text of article 92, paragraphs 1, 2 and 3.

Part V

Final provisions

Article 56
Undertakings regarding penal measures

1 The Governments of member countries shall undertake to adopt, or to propose to the legislatures of their countries, the necessary measures:

1.1 for punishing the counterfeiting of postage stamps, even if withdrawn from circulation, of international reply coupons and of postal identity cards;

1.2 for punishing the use or uttering:

1.2.1 of counterfeit postage stamps (even if withdrawn from circulation) or used postage stamps, as well as of counterfeit or used impressions of franking machines or printing presses;

1.2.2 of counterfeit international reply coupons;

1.2.3 of counterfeit postal identity cards;

1.3 for punishing the fraudulent use of genuine postal identity cards;

1.4 for prohibiting and suppressing all fraudulent operations of manufacturing and uttering adhesive stamps and stamped impressions in use in the postal service, counterfeited or imitated in such a manner that they could be mistaken for the adhesive stamps and stamped impressions issued by the postal administration of a member country;

1.5 for preventing and, if necessary, for punishing the insertion in postal items of narcotics and psychotropic substances, as well as explosive, flammable or other dangerous substances, where their insertion has not been expressly authorized by the Convention and the Agreements.

Reference: Text of article 14.

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Article 57
Conditions for approval of proposals concerning the Convention and its Detailed Regulations

1 To become effective, proposals submitted to Congress relating to this Convention and its Detailed Regulations must be approved by a majority of the member countries present and voting. At least half of the member countries represented at Congress shall be present at the time of voting.

2 To become effective, proposals relating to the Detailed Regulations of the Convention which have been referred by Congress to the Executive Council for a decision or which have been introduced between Congresses must be approved by a majority of the members of the Executive Council.

3 To become effective, proposals introduced between Congresses relating to this Convention must obtain:

3.1 unanimity of votes if they involve amendments to articles 1 to 8 (part I), 9 to 12, 14, 17 to 19, 21, 25, 26, 27, 35 to 39, (part II), 41.2, 42 to 50, 53 (part III) and 56 to 58 (part V) of the Convention or to any of the articles of its Final Protocol;

3.2 two thirds of the votes if they involve amendments of substance to provisions other than those mentioned under 3.1;

3.3 a majority of the votes if they involve:

3.3.1 drafting amendments to the provisions of the Convention other than those mentioned under 3.1;

3.3.2 interpretation of the provisions of the Convention and its Final Protocol.

References: Title of article 93.
Paragraphs 1 and 2: Text of article 93, paragraphs 1 and 2.
Paragraph 3: Text of article 93, paragraph 3, with the adaptations resulting from the recast of the Acts.

Article 58
Entry into force and duration of the Convention

1 This Convention shall come into force on and shall remain in operation until the entry into force of the Acts of the next Congress.

In witness whereof the plenipotentiaries of the Governments of the member countries have signed this Convention in a single original which shall be deposited with the Director-General of the International Bureau. A copy thereof shall be delivered to each party by the Government of the country in which Congress is held.

Done at Seoul, .

Reference: Text of article 94 adapted.

Final Protocol – Text as recast by the EC

Final Protocol to the Universal Postal Convention

At the moment of proceeding to signature of the Universal Postal Convention concluded this day, the undersigned plenipotentiaries have agreed the following:

Article I
Ownership of postal items

1 Article 2 shall not apply to Australia, Bahrain, Barbados, Belize, Botswana, Brunei Darussalam, Canada, Dominica, Egypt, Fiji, Gambia, Ghana, the United Kingdom of Great Britain and Northern Ireland, the Overseas Dependent Territories of the United Kingdom, Grenada, Guyana, Ireland, Jamaica, Kenya, Kiribati, Kuwait, Lesotho, Malawi, Malaysia, Mauritius, Nauru, New Zealand, Nigeria, Papua New Guinea, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Seychelles, Sierra Leone, Singapore, the Solomon Islands, Swaziland, Tanzania (United Rep), Trinidad and Tobago, Tuvalu, Uganda, Vanuatu, Western Samoa, Yemen, Zambia and Zimbabwe.

2 Nor shall that article apply to Denmark, whose internal legislation does not allow withdrawal from the post or alteration of the address of correspondence, at the request of the sender, from the time when the addressee has been informed of the arrival of an item addressed to him.

Reference: Text of article I of the Final Protocol to the Convention.

Article II
Exception to the exemption of literature for the blind from postal charges

1 Notwithstanding article 8.4, the postal administrations of Saint Vincent and the Grenadines, and Turkey, which do not concede exemption from postal charges to literature for the blind in their internal service, may collect the postage and charges for special services which may not, however, exceed those in their internal service.

2 Notwithstanding article 8.4, the administrations of Canada, Germany, the United Kingdom of Great Britain and Northern Ireland, Japan and the United States of America may collect the charges for special services which are applied to literature for the blind in their internal service.

Reference: Text of article II of the Final Protocol to the Convention, with drafting amendments.

Final Protocol – Text as recast by the EC

Article III
Small packets

1 The obligation to participate in the exchange of small packets exceeding 500 g in weight shall not apply to the administrations of Australia, Cuba, Myanmar and Papua New Guinea which find it impossible to operate such an exchange.

2 The obligation to participate in the exchange of small packets exceeding 1 kilogramme in weight shall not apply to the administration of Italy which finds it impossible to operate such an exchange.

Reference: Text of article VI of the Final Protocol to the Convention.

Article IV
M bags. Minimum weight

1 Notwithstanding article 9.1.3, in the absence of bilateral agreement, the postal administrations of Australia, Brazil, France and the United States of America will not accept special bags of printed papers for a single addressee weighing less than 5 kg.

Reference: Text of article XXVII of the Final Protocol to the Convention, with drafting amendments.

Article V
Exception concerning the dimensions of items in envelopes

1 The administrations of Canada, Kenya, Tanzania (United Rep), Uganda and the United States of America shall not be obliged to discourage the use of envelopes whose format exceeds the recommended dimensions when those envelopes are widely used in their countries.

2 The administration of India shall not be obliged to discourage the use of envelopes whose format is larger or smaller than the recommended dimensions when those envelopes are widely used in its country.

Reference: Text of article V of the Final Protocol to the Convention.

Article VI
Registered M bags

1 The postal administrations of Canada and the United States of America shall be authorized not to accept registered M bags and not to provide registered handling for such bags received from other countries.

References: New title.
Paragraph 1: Text of article XXVI of the Final Protocol to the Convention, adapted to take account of the recast of article 166 of the Detailed Regulations.

Final Protocol – Text as recast by the EC

Article VII
Posting abroad of letter-post items

1 The postal administration of the United Kingdom of Great Britain and Northern Ireland reserves the right to impose a charge, equivalent to the cost of the work it incurs, on any administration which, under the provisions of article 26.4, sends to it items for disposal which were not originally dispatched as postal items by the postal administration of the United Kingdom.

Reference: Text of article VIII of the Final Protocol to the Convention.

Article VIII
Prohibitions

1 Exceptionally, the postal administration of Lebanon shall not accept registered letters containing coins, bank notes, securities of any kind payable to bearer, travellers' cheques, platinum, gold or silver whether manufactured or not, precious stones, jewels or other valuable articles. It shall not be strictly bound by the provisions of article 36.1 with regard to its liability in cases of theft or damage, or where items containing articles made of glass or fragile articles are concerned.

2 Exceptionally, the postal administrations of Bolivia, China (People's Rep), Iraq and Nepal shall not accept registered letters containing coins, bank notes, currency notes or securities of any kind payable to bearer, travellers' cheques, platinum, gold or silver whether manufactured or not, precious stones, jewels or other valuable articles.

References: Title of article XII of the Final Protocol to the Convention.
Paragraphs 1 and 2: Text of article XII, paragraphs 3 and 4, of the Final Protocol to the Convention.

Article IX
Articles subject to customs duty

1 With reference to article 27, the postal administrations of Bangladesh and El Salvador do not accept insured letters containing articles subject to customs duty.

2 With reference to article 27, the postal administrations of Afghanistan, Albania, Armenia, Azerbaijan, Belarus, Brazil, Bulgaria (Rep), Central African Rep, Chile, Colombia, Dem Kampuchea, Dem People's Rep of Korea, El Salvador, Estonia, Ethiopia, Georgia, Italy, Kyrgyzstan, Moldova, Nepal, Panama (Rep), Peru, Russian Federation, San Marino, Saudi Arabia, Turkmenistan, Ukraine and Venezuela do not accept ordinary and registered letters containing articles subject to customs duty.

3 With reference to article 27, the postal administrations of Benin, Burkina Faso, Côte d'Ivoire (Rep), Djibouti, Mali, Mauritania, Niger, Oman, Senegal and Yemen do not accept ordinary letters containing articles subject to customs duty.

Final Protocol – Text as recast by the EC

4 Notwithstanding the provisions set out under 1 to 3, the sending of serums, vaccines and urgently required medicaments which are difficult to procure shall be permitted in all cases.

5 With reference to article 27, the postal administration of Nepal does not accept registered or insured letters containing currency notes or coins except by special agreement to this effect.

Reference: Text of article XIII of the Final Protocol to the Convention, with the necessary adaptations.

Article X
Withdrawal from the post. Alteration or correction of address

1 Article 30 shall not apply to the Bahamas, Bahrain, Barbados, Belize, Botswana, Brunei Darussalam, Canada, the Czech Rep, Dem People's Rep of Korea, Dominica, Fiji, Gambia, the United Kingdom of Great Britain and Northern Ireland, the Overseas Dependent Territories of the United Kingdom, Grenada, Guyana, Iraq, Ireland, Jamaica, Kenya, Kiribati, Kuwait, Lesotho, Malawi, Malaysia, Myanmar, Nauru, New Zealand, Nigeria, Papua New Guinea, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Seychelles, Sierra Leone, Singapore, the Slovak Rep, the Solomon Islands, Swaziland, Tanzania (United Rep), Trinidad and Tobago, Tuvalu, Uganda, Vanuatu, Western Samoa and Zambia, whose legislation does not permit withdrawal from the post or alteration of address of letter-post items at the sender's request.

2 Article 30 shall apply to Australia only in so far as that article is consistent with its domestic legislation.

Reference: Text of article X of the Final Protocol to the Convention.

Article XI
Liability of postal administrations

1 The postal administrations of Bangladesh, Belgium, Benin, Burkina Faso, Côte d'Ivoire (Rep), Djibouti, India, Lebanon, Madagascar, Mali, Mauritania, Mexico, Nepal, Niger, Senegal, Togo and Turkey shall be authorized not to apply article 35.1.1.1 with respect to liability in cases of partial theft or partial damage.

2 The postal administration of Brazil shall be authorized not to apply articles 35.1.1.1 and 36.1 with respect to liability in cases of damage. In addition, articles 35.1.1.1 and 36.1 will not be applied in cases of rifling of items posted at variance with what is stated in article IX.2, of this Final Protocol.

3 Notwithstanding articles 35.1.1.1 and 36.1, the postal administrations of Chile, China (People's Rep) and Colombia shall be liable only for the loss of, total theft of or total damage to the contents of registered items.

Final Protocol – Text as recast by the EC

References: Adapted title of article XIV of the Final Protocol to the Convention.
Paragraphs 1, 2 and 3: Text of article XIV, paragraphs 1, 2 and 3, of the Final Protocol to the Convention, with adaptations resulting from the recast of the Acts.

Article XII
Non-liability of postal administrations

1 The postal administrations of Bolivia, Indonesia and Mexico shall not be required to observe article 36.1 as regards maintenance of their liability in case of total theft or total damage of registered items.

References: New title.
Text of article XV of the Final Protocol to the Convention, with drafting amendments.

Article XIII
Payment of indemnity

1 The postal administrations of Bangladesh, Bolivia, Gabon, Guinea, Iraq, Mexico, Nepal and Nigeria shall not be obliged to comply with article 38.3 in so far as concerns finally settling the matter within a period of three months or informing the administration of origin or destination, as the case may be, when a postal item has been detained, confiscated or destroyed by the competent authorities because of the contents, or has been seized by virtue of its domestic legislation.

2 The postal administrations of Djibouti, Gabon, Guinea, Iraq, Lebanon, Madagascar and Mauritania shall not be obliged to comply with article 38.3 in so far as concerns finally settling a claim within a period of three months. Nor do they agree to the rightful claimant's being indemnified, on their behalf, by another administration upon expiry of the above-mentioned period.

Reference: Text of article XVI of the Final Protocol to the Convention, adapted.

Article XIV
Special transit charges for conveyance in transit by the Trans-Siberian and via Lake Nasser

1 The postal administration of the Russian Federation shall be authorized to collect a supplement of 0.65 SDR in addition to the transit charges indicated in article 46.1.1 for each kilogramme of letter-post items conveyed in transit over the Trans-Siberian route.

2 The postal administrations of Egypt and Sudan shall be authorized to collect a supplement of 0.16 SDR in addition to the transit charges indicated in article 46.1 for each bag of letter post in transit via Lake Nasser between Shallal, Egypt, and Wadi Halfa, Sudan.

Reference: Text of article XVII of the Final Protocol to the Convention, adapted.

Final Protocol – Text as recast by the EC

Article XV
Special transit conditions for Panama (Rep)

1 The postal administration of Panama (Rep) shall be authorized to collect a supplement of 0.98 SDR to the transit charges mentioned in article 46.1 for each bag of letter post in transit through the Isthmus of Panama between the ports of Balboa on the Pacific Ocean and Cristobal on the Atlantic Ocean.

Reference: Text of article XVIII of the Final Protocol to the Convention, adapted.

Article XVI
Special transit conditions for Afghanistan

1 Notwithstanding article 46.1, the postal administration of Afghanistan shall be authorized provisionally, because of its special difficulties as regards means of conveyance and communication, to effect the transit of closed mails and à découvert correspondence across its territory on terms specially agreed with the postal administrations concerned.

Reference: Text of article XIX of the Final Protocol to the Convention, adapted.

Article XVII
Special storage charges at Panama

1 Exceptionally, the postal administration of Panama (Rep) shall be authorized to collect a charge of 0.65 SDR per bag for all mails stored or transhipped in the port of Balboa or Cristobal, provided that that administration does not receive any payment in respect of land or sea transit for those mails.

Reference: Text of article XX of the Final Protocol to the Convention, adapted.

Article XVIII
Extraordinary services

1 The only services considered as extraordinary services giving rise to the collection of special transit charges shall be the Syria–Iraq motor services.

Reference: Text of article XXI of the Final Protocol to the Convention.

Final Protocol – Text as recast by the EC

Article XIX
Internal air conveyance dues

1 Notwithstanding article 51.4, the postal administrations of the Dominican Republic, El Salvador, Guatemala, Papua New Guinea and Vanuatu reserve the right to collect the dues for the air conveyance of international mails within their countries.

Reference: Text of article XXIX of the Final Protocol to the Convention, adapted.

In witness whereof, the plenipotentiaries below have drawn up this Protocol, which shall have the same force and the same validity as if its provisions were inserted in the text of the Convention itself, and they have signed it in a single original which shall be deposited with the Director-General of the International Bureau. A copy thereof shall be delivered to each party by the Government of the country in which Congress is held.

Done at Seoul,

Congress – Doc 60/Add 2

Detailed Regulations of the Universal Postal Convention

Text as recast by the EC

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Pages 1002 to 1007:	Table of contents of the Detailed Regulations of the Convention and of its Final Protocol
Pages 1008 and 1009:	List of forms
Pages 1010 to 1106:	New text of the Detailed Regulations of the Convention
Pages 1107 to 1109:	Final Protocol to the Detailed Regulations of the (new) Convention

Comparative table of the present texts and the new texts of the Detailed Regulations

References to the 1989 Washington text	References to the text as recast by the EC
Part I	Part I
General provisions	Rules applicable in common throughout the international postal service
Chapter I Rules applicable in common throughout the international postal service	Sole chapter General provisions
Article 101 Preparation and settlement of accounts	Article RE 5301 Preparation and settlement of accounts
para 1	para 1
para 2	para 2
para 3	para 3
Article 102 Payment of debts expressed in SDRs. General provisions	Article RE 5302 Payment of debts expressed in SDRs. General provisions
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4
Article 103 Rules for payment	Article RE 5303 Rules for payment
para 1	para 1
para 2	para 2
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para 7	para 7
para 8	para 8
para 9	para 9
para 10	para 10
Article 104 Fixing of equivalents	Article RE 402 Equivalents
para 1	para 1
para 2	para 2
subpara a	para 2
subpara b	para 3
subpara c	para 4
subpara d	deletion (included in para 2)
para 3	para 5
para 4	para 6
para 5	para 7

References to the 1989 Washington text	References to the text as recast by the EC
Article 105 Postage stamps. Notification of issues and exchange between administrations	Article RE 501 Postage stamps. Notification of issues and exchange between administrations
para 1	para 1
para 2	para 2
Article 106 Postal identity cards	Article RE 601 Preparation and validity of postal identity cards
para 1	para 1
para 2	para 2
para 3	para 3
para 4	Manual
para 5	Manual
para 6	para 4
para 7	Manual
Article 107 Period of retention of documents	Article RE 5405 Period of retention of documents
para 1	para 1
para 2	para 2
Article 108 Telegraphic address	Article RE 5404 Telegraphic addresses
para 1	para 1
subpara a	para 1.1
subpara b	para 1.2
subpara c	para 1.3
para 2	para 2
para 3	para 3
para 4	para 4
Chapter II International Bureau. Information to be supplied. Publications	deletion deletion
Article 109 Communication and information to be forwarded to the International Bureau	Article RE 5401 Information to be supplied by administrations
para 1	para 1
subpara a	para 1.1
subpara b	Manual
subpara c	para 1.2
subpara d	Manual
subpara e	Manual
subpara f	Manual
subpara g	Manual
subpara h	Manual
subpara i	Manual
subpara j	Manual
subpara k	Manual
subpara l	Manual
subpara m	Manual
subpara n	deletion (EC/91 decision)
subpara o	para 1.3
subpara p	para 1.4
para 2	para 2
para 3	para 5
Article 110 Mutual information between administrations	deletion
text	Article RE 5401.4

References to the 1989 Washington text	References to the text as recast by the EC
Article 111 Publications	Article RE 5402 International Bureau publications
para 1	para 1
para 2	para 2
subpara a	para 2.1
subpara b	para 2.2
subpara c	para 2.3
i	para 2.3.1
ii	para 2.3.2
subpara d	para 2.4
subpara e	para 2.5
subpara f	deletion (CE/91 decision)
subpara g	para 2.6
subpara h	para 2.7
subpara i	para 2.8
subpara j	para 2.9
–	para 2.9.1
–	para 2.9.2
–	para 2.9.3
subpara k	para 2.10
para 3	para 3
–	para 3.2
–	deletion (CE/91 decision)
–	para 3.3
para 4	para 4
Article 112 Distribution of publications	Article RE 5403 Distribution of publications
para 1	para 1
subpara a	para 1.1
subpara b	para 1.2
para 2	para 2
para 3	para 3

References to the 1989 Washington text	References to the text as recast by the EC
Part II Provisions concerning the letter post	Part II Provisions concerning the letter post: Provision of services
Section I Conditions of acceptance of letter-post items	deletion
Chapter I Provisions applicable to all categories of items	Chapter 1 Basic services
Article 113 Address. Make-up	Article RE 903 Conditions of acceptance of letter-post items
para 1	para 2
subpara a	para 1
subpara b	para 2.2
subpara c	para 2.1
subpara d	paras 2.3 and 2.4
subpara e	para 2.3
subpara f	para 2.3
subpara g	para 2.5
subpara h	Article RE 904.1
subpara i	para 2.6
subpara j	Article RE 904.7.1
subpara k	para 8
para 2	para 9
para 3	para 3
para 4	para 10
para 5	para 5
para 6	para 2.1
para 7	para 4
para 8	para 6
Article 114 Marking of mode of transportation or priority	Article RE 905 Marking of mode of transportation or priority
para 1	para 1
para 2	para 2
para 3	para 3
Article 115 Poste restante items	deletion
text	Article RE 903.7
Article 116 Items sent free of postal charges	Article RE 802 Marking of items sent free of postal charges
text	para 1
subpara a	para 1.1
subpara b	para 1.2
subpara c	para 1.3
Article 117 Items subject to customs control	Article RE 3201 Items subject to customs control
para 1	para 1
para 2	para 2
para 3	para 3
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para 5	para 5
para 6	para 6
para 7	para 7

References to the 1989 Washington text	References to the text as recast by the EC
Article 118 Items for delivery free of charges and fees	Article RE 2301 Marking and treatment of items for delivery free of charges and fees
para 1	para 1
para 2	para 2
para 3	para 3
subpara a	para 3.1
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Chapter II	deletion
Rules relating to the packing of items	deletion
Article 119 Make-up. Packing	Article RE 906 Special packing
para 1	Article RE 903.1
para 2	deletion
subpara a	para 1
subpara b	para 2
subpara c	para 3
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subpara e	para 5
subpara f	para 6
para 3	para 7
para 4	para 8
Article 120 Make-up. Infectious perishable biological substances	Article RE 2501 Conditions of acceptance and marking of items containing perishable biological substances
para 1	paras 1 and 1.1
para 2	para 1.2
subpara a	para 1.2.1
subpara b	para 1.2.1
subpara c	para 1.2.2
subpara d	para 1.2.1
para 3	para 1.3
subpara a	para 1.3.1
subpara b	para 1.3.2
para 4	para 1.4
Article 121 Make-up. Non-infectious perishable biological substances	deletion
text	Article RE 2501.2, 2501.2.1, 2501.2.2, 2501.2.3 and 2501.2.4
Article 122 Make-up. Radioactive materials	Article RE 2502 Conditions of acceptance and marking of items containing radioactive materials
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4
Article 123 Make-up. Verification of contents	deletion
para 1	Article RE 904.4.7 and 904.5.4 + Manual
para 2	Article RE 904.4.8
para 3	Article RE 904.4.8 + Manual
para 4	Article RE 904.6.3 + Manual

References to the 1989 Washington text	References to the text as recast by the EC
Article 124 Items in panel envelopes	Article RE 907 Items in panel envelopes
para 1	para 1
subpara a	para 1.1
subpara b	para 1.2
subpara c	para 1.3
subpara d	para 1.4
subpara e	para 1.5
subpara f	para 1.6
subpara g	para 1.7
para 2	para 2
para 3	Article RE 1002.2
para 4	para 3
Chapter III	deletion
Special provisions applicable to each category of items	Article RE 904 Special provisions applicable to each category of items
Article 125 Letters	Article RE 904.1
text	Article RE 904.1.1
Article 126 Aerogrammes	Article RE 904.2
para 1	Article RE 904.2.1
para 2	Article RE 904.2.2
para 3	Article RE 904.2.3
para 4	deletion (see article RE 1405.2)
para 5	Article RE 905.2
Article 127 Postcards	Article RE 904.3
para 1	Article RE 904.3.1
para 2	Article RE 904.3.2
para 3	Article RE 904.3.3
para 4	Article RE 904.3.4
para 5	Manual
para 6	Article RE 904.3.5
Article 128 Printed papers	Article RE 904.4
para 1	Article RE 904.4.1
para 2	Manual
subpara a	Manual
subpara b	Manual
subpara c	Manual
subpara d	Manual
subpara e	Manual
subpara f	Manual
para 3	deletion
para 4	Article RE 904.4.2
para 5	deletion
subpara a	Manual
subpara b	Manual
subpara c	Manual
subpara d	Manual
subpara e	Manual
para 6	Article RE 904.4.4
para 7	Article RE 904.4.3

References to the 1989 Washington text	References to the text as recast by the EC
Article 129 Printed papers. Authorized annotations and enclosures	deletion
para 1	Manual
subpara a	Manual
subpara b	Manual
subpara c	Manual
para 2	Manual
subpara a	Manual
subpara b	Manual
para 3	Manual
para 4	Manual
subpara a	Manual
subpara b	Manual
subpara c	Manual
subpara d	Manual
subpara e	Manual
subpara f	Manual
subpara g	Manual
para 5	Article RE 904.4.5
subpara a	Article RE 904.4.5
subpara b	Manual
subpara c	Manual
Article 130 Printed papers in the form of cards	deletion
para 1	Article RE 904.4.3
para 2	deletion
para 3	deletion
Article 131 Literature for the blind	Article RE 904.5
para 1	Article RE 904.5.1
para 2	Article RE 904.5.2
para 3	Article RE 904.5.3
para 4	Article RE 904.5.5
Article 132 Small packets	Article RE 904.6
para 1	Article RE 904.6.1
para 2	Manual
para 3	Article RE 904.6.2

References to the 1989 Washington text	References to the text as recast by the EC
Section II Registered items, recorded delivery items and insured letters	
	deletion
	deletion
Chapter I Registered items and recorded delivery items	
Article 133 Registered items	deletion
	deletion
para 1	
para 2	Article RE 1701 Admission of registered items
para 3	Article RE 1702 Marking of registered items
para 4	Article RE 1702.1
para 5	Article RE 1701.1
para 6	Article RE 1701.2
para 7	Article RE 1702.2
para 8	Article RE 1702.3, last sentence: Manual
para 9	Article RE 1702.4
para 10	Article RE 1702.5
para 11	Article RE 1702.6
	Article RE 1702.7
	Article RE 1702.8
	Article RE 1701.1
Article 134 Recorded delivery items	Article RE 1801 Admission of recorded delivery items
	Article RE 1802 Marking of recorded delivery items
para 1	Article RE 1801.1
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Chapter II Insured letters	deletion deletion
Article 135 Make-up of insured letters	Article RE 1901 Admission of insured letters
para 1	para 2
subpara a	para 2.1
subpara b	para 2.2
subpara c	para 2.3
subpara d	para 2.4
subpara e	para 2.5
para 2	para 3
subpara a	para 3.1
subpara b	para 3.2
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subpara a	para 5.1
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Article 136 Insured letters. Insured value	Article RE 1902 Insured letters. Insured value
para 1	para 4
para 2	para 5
para 3	para 6

References to the 1989 Washington text	References to the text as recast by the EC
Article 137 Insured letters. Functions of the office of origin	Article RE 1903 Marking and treatment of insured letters
para 1	}
subpara a	} paras 1, 2, 3, 4 and 5
subpara b	}
para 2	para 6
Chapter III	deletion
Advice of delivery	deletion
Article 138 Advice of delivery	Article RE 2101 Marking of items with advices of delivery
	Article RE 2102 Treatment of advices of delivery
para 1	Article RE 2101.1
para 2	Article RE 2101.2
para 3	Article RE 2101.3
para 4	Article RE 2102.1
para 5	Article RE 2102.2
para 6	Article RE 2102.3
Article 139 Delivery to the addressee in person	Article RE 2201 Marking and treatment of items for delivery to the addressee in person
text	paras 1 and 2
	deletion
	deletion
Section III	
Operations on departure and arrival	deletion
	Article RE 1404 Application of the date stamp
Chapter I	para 1
	para 2
Article 140 Application of the date stamp	para 2.1
para 1	para 2.2
para 2	para 2.3
subpara a	para 2.4
subpara b	para 3
subpara c	para 4
subpara d	para 4.1
para 3	para 4.2
para 4	para 5
subpara a	Article RE 1501.1
subpara b	Article RE 1903.7
para 5	
para 6	
para 7	
Article 141 Express items	Article RE 2001 Marking of express items
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Article 142 Unpaid or underpaid items	Article RE 1405 Unpaid or underpaid items
para 1	para 1
para 2	para 3
para 3	para 4
para 4	para 5
para 5	para 6
para 6	para 7
para 7	para 8

References to the 1989 Washington text	References to the text as recast by the EC
Article 143 Return of part A of franking notes. Recovery of charges and fees	Article 2302 Return of part A of franking notes. Recovery of charges and fees
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4
para 5	para 5
para 6	para 6
para 7	para 7
Article 144 Redirected items	Article RE 2801 Conditions for redirecting letter-post items
para 1	para 1.1
para 2	para 1.2
para 3	para 3.1
para 4	para 3.2
para 5	para 1.3
para 6	para 3.3
para 7	para 1.4
para 8	para 1.5
para 9	para 3.5
para 10	para 1.6
Article 145 Collective redirection of letter-post items	Article RE 2802 Collective redirection of letter-post items
para 1	paras 1 and 2
para 2	para 3
para 3	para 5
para 4	para 6
para 5	para 7
Article 146 Undeliverable items	Article RE 2903 Treatment of undeliverable items
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4
para 5	deletion (see article RE 2902.1)
para 6	para 5
para 7	para 6
Article 147 Items wrongly admitted	deletion
text	Article RE 2701.5
Article 148 Withdrawal from the post. Alteration or correction of address	Article RE 3001 Treatment of requests for withdrawal of items from the post or for alteration or correction of address
para 1	paras 1.1 and 1.2
subpara a	para 2.1
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para 2	para 3.3
para 3	paras 2.3 and 3.2
para 4	para 2.4
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–	para 2.4.2
–	para 3.5
–	para 2.4.3
para 5	para 1.4
para 6	para 2.2
para 7	para 1.5

References to the 1989 Washington text	References to the text as recast by the EC
Article 149 Withdrawal from the post. Alteration or correction of address. Items posted in a country other than that which receives the request	Article RE 3002 Withdrawal from the post. Alteration or correction of address. Items posted in a country other than that which receives the request
para 1	para 1, deletion of end of last sentence
para 2	para 2
para 3	para 3
para 4	para 4
para 5	para 5
Article 150 Inquiries. Unregistered items	Article RE 3101 Treatment of inquiries
para 1	paras 1.1, 1.1.1 and 1.2
para 2	para 2.1
para 3	para 2.2
para 4	para 1.4
para 5	para 1.5
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para 7	para 4.1, 4.3
Article 151 Inquiries. Registered items and insured letters	deletion
para 1	paras 1.1, 1.1.2, 1.2 and 3.1
para 2	para 1.3
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para 5	para 1.5
para 6	para 3.2
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para 8	para 3.4
para 9	para 3.5
para 10	para 3.6
para 11	para 3.7
para 12	para 1.6
para 13	para 1.7
para 14	deletion, since the text concerns mails
para 15	paras 4.1, 4.3 and 4.4
Article 152 Inquiries concerning items posted in another country	Article RE 3102 Inquiries concerning items posted in another country
para 1	para 1
para 2	para 2
Article 153 Delivery of a rifled or damaged insured letter	Article RE 3601 Delivery of a rifled or damaged insured letter
para 1	para 1
para 2	para 2
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References to the 1989 Washington text	References to the text as recast by the EC
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	Part III Provisions concerning the letter post: Relations between postal administrations
Chapter I	
	Chapter 1 Treatment of letter-post items
Article 154 Exchange of items para 1 para 2 subpara a subpara b subpara c subpara d	Article RE 4101 Mails Convention, article 41.1 para 1 para 1.1 para 1.2 para 1.3 para 1.4
Article 155 Exchange in closed mails para 1 para 2 para 3 para 4	Article RE 4102 Exchange in closed mails para 1 para 2 para 3 para 4
Article 156 Land transit without the participation of the country crossed text	deletion deletion (included in article 41.2 of the Convention)
Article 157 Routes and methods of transmission of insured letters para 1 para 2 para 3 para 4 para 5	Article RE 4104 Routes and methods of transmission of insured letters para 1 para 2 para 3 para 4 para 5
Article 158 Transit à découvert para 1 para 2 para 3 subpara a subpara b para 4	Article RE 4103 Transit à découvert para 1 para 2 para 3 para 3.1 para 3.2 para 4 and Manual

References to the 1989 Washington text	References to the text as recast by the EC
Article 159 Make-up of mails	Article RE 4105 Make-up of mails
para 1	paras 1.1, 1.2, 1.3 and 1.4
para 2	para 1.5
para 3	paras 2.1, 2.2 and Manual
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RE III Exemption of literature for the blind from postal charges
RE IV Items wrongly admitted
RE V Seizure of items
RE VI Compulsory routeing indicated by the country of origin
RE VII Routeing of closed airmails
RE VIII Payment of air conveyance dues

Annexes: Forms

List of forms

No	Title or nature of form	References
1	2	3
C 1	Customs label	Art RE 3201.1
C 2/CP 3	Customs declaration	Art RE 3201.1
C 3/CP 4	Franking note	Art RE 2301.2
C 4	"R" Label combined with the name of the office of origin and the serial number of the item	Art RE 1702.2
C 4bis	Recorded delivery	Art RE 1802.1
C 5	Advice of delivery/of payment/of entry	Art RE 2101.2
C 6	Collective envelope for redirection of letter-post items	Art RE 2803.1
C 7	Request – for withdrawal from the post – for alteration or correction of address – for cancellation or alteration of the COD amount	Art RE 3001.1.1
C 8	Inquiry concerning an unregistered item	Art RE 3101.1.1
C 9	Inquiry concerning a registered item, insured letter or postal parcel	Art RE 3101.1.2
C 9bis	Advice of redirection of a C 9 form	Art RE 3101.3.6
C 10	Advice concerning presumed fraudulent use of postage stamps or postal prepayment or franking impressions	Art RE 1403.1.1
C 11	Report concerning presumed fraudulent use of postage stamps or postal prepayment or franking impressions	Art RE 1403.1.2
C 12	Letter bill concerning exchange of mails	Art RE 4106.1
C 12bis	Monthly statement of weights of mails	Art RE 5001.1
C 12ter	Quarterly statement of weights of mails	Art RE 5001.2
C 13	Special list of registered items	Art RE 4107.1
C 14	Verification note concerning exchange of mails	Art RE 4122.1
C 15	Statistical bill of weights of LC and AO	Art RE 4702.1
C 15bis	Statistical statement of mails received	Art RE 4705.1
C 15ter	Recapitulative statistical statement of mails received	Art RE 4705.2
C 16	Verification note concerning statistical information	Art RE 4704.1
C 17	Bill of items (special statistics)	Art RE 4708.3
C 17bis	Statement of items (special statistics)	Art RE 4708.4
C 17ter	Recapitulative statement of items (special statistics)	Art RE 4708.4
C 18	Delivery bill for surface mails	Art RE 4118.1
C 18bis	Delivery bill for surface airlifted mails	Art RE 4118.2.1.2
C 18 S	Delivery bill for mails of empty bags	Art RE 4127.2

No	Title or nature of form	References
1	2	3
C 19	Transit bulletin concerning mail statistics	Art RE 4602.1
C 20	Detailed account of transit charges	Art RE 5006.2.1
C 20bis	Detailed account of terminal dues	Art RE 5006.2.2
C 21	Statement of transit charges	Art RE 5009.1
C 21bis	Statement of terminal dues	Art RE 5009.1
C 22	International reply coupon	Art RE 1601.1
C 23	Detailed statement of reply coupons exchanged	Art RE 1601.4
C 24	Detailed statement of reply coupons supplied	Art RE 1601.1
C 25	Postal identity card	Art RE 601.2
C 26	Detailed monthly account of customs, etc, charges	Art RE 2303.1
C 27	Trial note for determination of the most favourable route for a letter or parcel mail or for determination of the most favourable route for items sent à découvert	Art RE 4117.1
C 28	Bag label	Art RE 4113.1.1
C 28bis	Statistics label	Art RE 4703.1
C 29	Routine correspondence	Art RE 5408.1
C 30	Bundle label	Art RE 4105.1.2.2
C 31	Account of amounts due in respect of indemnity for letter-post items	Art RE 4405.1
C 32	Declaration concerning the non-receipt (or receipt) of a postal item	Art RE 3101.1.6
C 33/CP 10	Label showing reason for non-delivery	Art RE 2902.2
C 33/ CP 10bis	Information about a seized postal item	Art RE 2701.5
VD 1	Table VD 1	Art RE 5401.4
VD 2	"V" label combined with the name of the office of origin and the registration number of the item	Art RE 1903.1
VD 3	Dispatch list for insured letters	Art RE 4109.1
VD 4	Report concerning loss of/theft from/damage to or other irregularities in respect of an insured letter	Art RE 4121.8
AV 1	General list of airmail services, AV 1 List	Art RE 5402.2.11
AV 2	Bill concerning weight of à découvert airmail correspondence	Art RE 5202.2.2
AV 3	Statement of weights of airmails	Art RE 5204.1
AV 3bis	Statement of weights (terminal dues): airmails	Art RE 5002.1
AV 4	Statement of weights of à découvert airmail correspondence	Art RE 5204.2
AV 5	Detailed account concerning airmail	Art RE 5205.1
AV 5bis	Statement of weights of airmails received: airmail terminal dues	Art RE 5002.2
AV 6	Transmission envelope for AV 7 and AV 7 S bills	Art RE 4118.2.2.3
AV 7	Delivery bill for airmails	Art RE 4118.2.1.1
AV 7/C 18bis	Substitute delivery bill	Art RE 4120.1
AV 7 S	Delivery bill for airmails of empty bags	Art RE 4127.3
AV 8	Airmail bag label	Art RE 4113.1.2
AV 8bis	Bag label for surface airlifted mail	Art RE 4113.1.3
AV 8ter	Identification label	Art RE 4115.4
AV 9	Envelope for the make-up of airmails	Art RE 4105.3.4
AV 10	Bundle labels	Art RE 4105.1.2.1
AV 11	General account – airmail	Art RE 5205.5

Detailed Regulations of the Universal Postal Convention

Having regard to article 22, paragraph 5, of the Constitution of the Universal Postal Union concluded at Vienna on 10 July 1964, the Executive Council has drawn up the following measures for ensuring the implementation of the Universal Postal Convention.

Part I

Rules applicable in common throughout the international postal service

Sole chapter

General provisions

Article RE 101
Application of freedom of transit

1 Member countries which do not participate in the exchange of letters containing perishable biological substances or radioactive substances shall have the option of not admitting these items in transit à découvert through their territory. The same shall apply to letter-post items, other than letters, postcards and literature for the blind, which do not satisfy the legal requirements governing the conditions of their publication or circulation in the country crossed.

2 Member countries not providing the insured letters service or not accepting liability for insured letters carried by their sea or air services shall nonetheless be bound to forward, by the quickest route, closed mails passed to them by other administrations.

3 Member countries which are not parties to the Postal Parcels Agreement shall not be required to forward air parcels by surface.

4 Member countries which are parties to the Postal Parcels Agreement but which do not provide the insured parcels service or which do not accept liability for insured parcels carried by their sea or air services shall nonetheless be bound to forward, by the quickest route, closed mails passed to them by other administrations.

Convention, Detailed Regulations – Text as recast by the EC

References: New title.
Paragraph 1: Text of article 1, paragraph 2, of the Convention.
Paragraph 2: Text of article 1, paragraph 3, of the Convention, without the part of the sentence concerning liability, which has its rightful place in the chapter entitled "Liability".
Paragraph 3: Text of article 1, paragraph 5, second sentence.
Paragraph 4: Text of article 1, paragraph 6, without the part concerning liability which belongs in the "Liability" chapter.

Article RE 102
Failure to give freedom of transit

1 Discontinuation of the postal service with a country that fails to observe freedom of transit shall be notified in advance to the administrations concerned by telecommunication. The International Bureau shall be informed of the fact.

References: Title of article 2 of the Convention.
Text of the last sentence of article 2 of the Convention, with a drafting adjustment.

Article RE 401
Choice of a monetary unit other than the SDR

1 Union member countries may choose, by mutual agreement, a monetary unit other than the SDR or one of their national currencies for preparing and settling accounts.

References: New title
Text of article 9, paragraph 2, with drafting amendments.

Article RE 402
Equivalents

1 Administrations shall fix the equivalents of the postal charges prescribed in the Convention, the Agreements and their Final Protocols and the selling price of international reply coupons. They shall notify them to the International Bureau for them to be announced to postal administrations. To this end each administration shall be required to notify the International Bureau of the average value of the SDR in the currency of its country.

2 The average value of the SDR which will be operative from 1 January each year, for the purposes only of the fixing of charges, will be determined, to four places of decimals, on the basis of the data published by the IMF over a period of at least 12 months ended on the preceding 30 September.

3 For a currency for which daily exchange rates with the SDR are not published by the IMF, the calculation shall be made through the medium of a quoted currency.

4 Union member countries whose currency exchange rates in relation to the SDR are not calculated by the IMF or which are not members of that specialized agency shall be requested to declare unilaterally an equivalence between their currencies and the SDR.

Convention, Detailed Regulations – Text as recast by the EC

5 Postal administrations shall communicate equivalents or changes of equivalents of postal charges to the International Bureau as soon as possible, giving the date of their entry into force.

6 The International Bureau shall publish a compendium showing, for each country, the equivalents of the charges, the average value of the SDR and the selling price of the international reply coupons mentioned under 1.

7 Each administration shall notify the International Bureau direct of the equivalent it has adopted for the indemnities prescribed in the event of loss of a registered item or registered M bag.

References: Title of article 104.
Paragraph 1: Text of article 104, paragraph 1, adapted.
Paragraph 2: Combination of texts of article 104, paragraph 2 and paragraph 2, a.
Paragraph 3: Text of article 104, paragraph 2, b, adapted.
Paragraph 4: Text of article 9, paragraph 3, of the Convention.
Paragraph 5: Text of article 104, paragraph 3.
Paragraph 6: Text of article 104, paragraph 4.
Paragraph 7: Text of article 104, paragraph 5.

Article RE 501
Postage stamps. Notification of issues and exchange between administrations

1 Each new issue of postage stamps shall be notified by the administration concerned to all other administrations, with the necessary information, through the intermediary of the International Bureau.

2 Administrations shall exchange, through the intermediary of the International Bureau, three sets of each of their new issues of postage stamps and shall send one set to the International Bureau.

Reference: Text of article 105 of the Detailed Regulations.

Article RE 601
Preparation and validity of postal identity cards

1 Each administration shall appoint the offices or departments which issue postal identity cards.

2 These cards shall be made out on C 25 forms which are supplied by the International Bureau.

3 Upon application the applicant shall hand in his photograph and prove his identity. Administrations shall issue the necessary instructions to ensure that cards are issued only after careful inquiry into the identity of the applicant.

4 Each administration shall retain the right to issue the cards for the international service in accordance with the rules applied to the cards in use in its internal service.

5 A card shall be valid for a period of ten years from the date of issue. Nevertheless, it shall cease to be valid:

5.1 when the appearance of the holder is altered to such an extent that it no longer corresponds to the photograph or to the description;

5.2 when it is damaged in such a way that it is no longer possible to check a particular entry concerning the holder;

5.3 when it shows signs of forgery.

References: New title.
Paragraphs 1 to 3: Text of article 106, paragraphs 1 to 3.
Paragraph 4: Text of article 106, paragraph 6.
Paragraph 5: Text of article 12, paragraph 4, of the Convention.

Article RE 801
Application of exemption from postal charges to bodies concerned with prisoners of war and civilian internees

1 The following shall enjoy exemption from postal charges within the meaning of article 8.3, of the Convention:

1.1 the Information Bureaux provided for in article 122 of the Geneva Convention of 12 August 1949 relative to the treatment of prisoners of war;

1.2 the Central Prisoner-of-War Information Agency provided for in article 123 of the same Convention;

1.3 the Information Bureaux provided for in article 136 of the Geneva Convention of 12 August 1949 relative to the protection of civilian persons in time of war;

1.4 the Central Information Agency provided for in article 140 of the latter Convention.

References: New article.
Texts derived from article 17 of the Convention.

Article RE 802
Marking of items sent free of postal charges

1 Items exempt from postal charges shall bear, on the address side in the top right-hand corner, the following indications, which may be followed by a translation:

1.1 *"Services des postes"* (Postal service) or a similar indication for the items mentioned in article 8.2 of the Convention;

1.2 *"Service des prisonniers de guerre"* (Prisoners-of-war service) or *"Service des internés"* (Civilian internees service) for the items mentioned in article 8.3 of the Convention and the forms relating to them;

1.3 *"Cécogrammes"* (Literature for the blind) for the items mentioned in article 8.4 of the Convention.

Reference: Text of article 116 of the Detailed Regulations, with a new title.

Part II

Provisions concerning the letter post: Provision of services

Chapter 1

Basic services

Article RE 901
Particulars relating to limits of weight of letter-post items

1 The limit of weight of printed papers containing books or pamphlets may be raised to 10 kg by agreement between the administrations concerned.

2 The letter-post items sent on postal service as mentioned in article 8.2 of the Convention shall not be subject to the limits of weight and size laid down in article 9 of the Convention and article RE 902. However, they shall not exceed the maximum weight of 30 kg per bag.

3 Administrations may apply to letter-post items posted in their countries the maximum limit of weight laid down for articles of the same kind in their internal service provided that such items do not exceed the limit of weight mentioned in article 9 of the Convention.

References: New title.
Paragraph 1: Text of article 20, paragraph 1, column 4, of the Convention, relating to the weight of books.
Paragraphs 2 and 3: Text of article 20, paragraphs 13 and 14, of the Convention.

Article RE 902
Limits of size of letter-post items

1 The limits of size of letters, printed papers, literature for the blind and small packets are given below:

1.1 maxima: length, width and depth combined: 900 mm, but the greatest dimension may not exceed 600 mm, with a tolerance of 2 mm.

In roll form: length plus twice the diameter: 1040 mm, but the greatest dimension may not exceed 900 mm, with a tolerance of 2 mm;

1.2 minima: to have a surface measuring not less than 90 x 140 mm, with a tolerance of 2 mm.

In roll form: length plus twice the diameter: 170 mm, but the greatest dimension may not be less than 100 mm.

2 The limits of size of postcards shall be as follows:

2.1 maxima: 105 x 148 mm, with a tolerance of 2 mm;

2.2 minima: 90 x 140 mm, with a tolerance of 2 mm.

The length shall be at least equal to the width multiplied by $\sqrt{2}$ (approximate value 1.4).

Convention, Detailed Regulations – Text as recast by the EC

3 The limits of size of aerogrammes shall be as follows:

3.1 maxima: 110 x 220 mm, with a tolerance of 2 mm;

3.2 minima: 90 x 140 mm, with a tolerance of 2 mm.

The length shall be at least equal to the width multiplied by $\sqrt{2}$ (approximate value 1.4).

References: New title.
Paragraphs 1 and 2: Text of article 20, paragraph 1, column 5, of the Convention.
Paragraph 3: Text adapted from article 20, paragraph 5, second sentence, of the Convention.

Article RE 903
Conditions of acceptance of letter-post items

1 Letter-post items shall be made up securely and in such a way that there is no risk of other items getting trapped in them. The packing shall be adapted to the shape and nature of the item and the conditions of transport. Every item shall be made up in such a way as not to affect the health of officials. The make-up shall prevent any danger if the item contains articles of a kind likely to injure officials called upon to handle it or soil or damage other items or postal equipment. Metal fasteners used for closing items shall not have sharp edges, nor shall they hamper the execution of the postal service.

2 Administrations shall recommend their customers to comply with the following rules.

2.1 The right-hand half at least of the address side shall be reserved for the address of the addressee and for postage stamps, franking marks and impressions or indications in lieu thereof. The latter shall be applied, as far as possible, in the top right-hand corner. It shall be up to the administration of origin to treat items whose payment does not conform to this condition according to its internal legislation.

2.2 The addressee's address shall be written on the item lengthwise and, if the item is an envelope, on the plain side which is not provided with the closing flap.

2.3 The addressee's address shall be worded in a precise and complete manner. It shall be written very legibly in roman letters and arabic numerals. If other letters and numerals are used in the country of destination, it shall be recommended that the address be given also in these letters and numerals. The name of the place of destination shall be written in capital letters together with the country of destination and the correct postcode number or delivery zone number, if any.

2.4 In order to facilitate automatic reading, the addressee's address shall be written in compact form, without leaving a space between the letters of the words and without a blank line between the line containing the place of destination and the other elements of the address. The place and country of destination and the postcode number, if any, shall not be underlined.

2.5 The name and address of the sender shall be shown on the item with the postcode number or delivery zone number, if any. When they appear on the address side of the envelope, these indications shall be placed in the top left-hand corner.

2.6 The addresses of the sender and the addressee shall be shown in an appropriate manner inside the item and as far as possible on the contents. This applies particularly to unsealed items.

Convention, Detailed Regulations – Text as recast by the EC

3 Except as otherwise provided in these Regulations, service instructions and labels shall be placed on the address side of the item. They shall be positioned in so far as possible in the top left-hand corner, beneath the sender's name and address where these are given. The service instructions shall be written in French or in some other language generally known in the country of destination. A translation of the instructions in the language of the country of origin may also be given.

4 Non-postal stamps and charity or other labels as well as designs, likely to be mistaken for postage stamps or service labels, may not be affixed to or printed on the address side. This shall also apply to stamp impressions which could be mistaken for franking impressions.

5 In all cases in which the item is under wrapper, the addressee's address shall be written on the latter.

6 Envelopes whose edges are provided with coloured bars shall be reserved exclusively for airmail correspondence.

7 The address of items sent poste restante shall show the name of the addressee, the town and, if possible, the post office at which the item is to be collected. The indication *"Poste restante"* shall be written in bold letters on the address side. The use of initials, figures, forenames only, fictitious names or code marks of any kind shall not be permitted for these items.

8 On printed papers, the addressee's name may, exceptionally, be followed by the indication "or occupant", in French or a language accepted by the country of destination.

9 The envelope or wrapping may bear only one sender's address, which, in the case of bulk postings, must be located in the country of posting of the item.

10 No manner of item shall be admitted of which the whole or part of the address side has been marked off into several divisions intended to provide for successive addresses.

References:

New title.
Paragraph 1: Text of article 119, paragraph 1, supplemented by the text of article 113, paragraph 1, a, and by the text of article 41, of the Convention, paragraph 1, last sentence.
Paragraph 2: Text of article 113, paragraph 1, adapted.
Paragraph 2.1: Text of article 113, paragraph 1, c, and text of article 113, paragraph 6.
Paragraph 2.2: Texts of article 113, paragraph 1, d and b, adapted.
Paragraph 2.3: Texts of article 113, paragraph 1, d, e and f, adapted.
Paragraph 2.4: Texts of article 113, paragraph 1, d and e, adapted.
Paragraph 2.5: Text of article 113, paragraph 1, g.
Paragraph 2.6: Text of article 113, paragraph 1, i, adapted.
Paragraph 3: Text of article 113, paragraph 3.
Paragraph 4: Text of article 113, paragraph 7.
Paragraph 5: Text of article 113, paragraph 5, adapted.
Paragraph 6: Text of article 113, paragraph 8.
Paragraph 7: Text of article 115.
Paragraph 8: Text of article 113, paragraph 1, k, adapted.
Paragraph 9: Text of article 113, paragraph 2.
Paragraph 10: Text of article 113, paragraph 4.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 904
Special provisions applicable to each category of items

1 Letters

1.1 Subject to the provisions relating to standardized items and the packing of items, no conditions shall be laid down for the form or closing of letters. However, letters in envelopes must be rectangular to ensure that they do not cause difficulties during their handling. Letters with the consistency, but not the shape, of postcards shall also be placed in rectangular envelopes. It is recommended that the word "Letter" be added to the address side of letters which, because of their volume or make-up, might be confused with items prepaid at a reduced rate.

2 Aerogrammes

2.1 Aerogrammes must be rectangular and be so made that they do not hamper the handling of the mail.

2.2 The front of the aerogramme shall be reserved for the address, the prepayment and service notes or labels. It shall bear the printed indication "Aerogramme" and may also bear an equivalent indication in the language of the country of origin. An aerogramme shall not contain any enclosure. It may be registered if the regulations of the country of origin so permit.

2.3 Each administration shall fix, within the limits defined in article RE 902.3, the conditions of issue, manufacture and sale of aerogrammes.

3 Postcards

3.1 Postcards shall be rectangular and be made of cardboard or of paper stiff enough not to make mail handling difficult. They shall not have projecting or raised relief parts and shall comply with the conditions laid down by the administration of origin.

3.2 Postcards shall bear on the front the heading *"Carte postale"* (Postcard) in French or its equivalent in another language. This heading shall not be compulsory for picture postcards.

3.3 Postcards shall be sent unenclosed, that is to say without wrapper or envelope.

3.4 The right-hand half at least of the front shall be reserved for the address of the addressee, for prepayment and for service instructions or labels. The sender may make use of the back and of the left-hand half of the front.

3.5 Postcards not complying with the regulations for that category shall be treated as letters, except when the irregularity derives only from showing the prepayment on the back. Such cards shall be regarded as unpaid and treated accordingly.

4 Printed papers

4.1 Reproductions on paper, cardboard or other materials commonly used in printing produced in several identical copies by means of a process authorized by the administration of origin may be sent as printed papers. Printed papers which do not comply with this definition may also be admitted in the international service if they are admitted in the internal service of the country of origin.

Convention, Detailed Regulations – Text as recast by the EC

4.2 Printed papers shall bear in bold letters on the address side, in so far as possible in the top left-hand corner, beneath the sender's name and address where these are given, the expression *"Imprimé"* or *"Imprimé à taxe réduite"* as appropriate or their equivalents in a language known in the country of destination.

4.3 Printed papers satisfying both the general conditions applicable to printed papers and those applicable to postcards shall be admitted unenclosed at the printed paper rate, even if they bear the title *"Carte postale"* (Postcard) or the equivalent of this title in any language.

4.4 Several printed papers may be sent together in a single item provided that they do not bear the names and addresses of different addressees. Administrations of origin may limit printed papers sent in this way to those stemming from a single sender.

4.5 It shall be permitted to enclose with all printed papers a card, envelope or wrapper bearing the printed address of the sender of the item or his agent in the country of posting or destination of the original item; the enclosure may be prepaid for return by means of postage stamps or postal prepayment impressions of the country of destination of the original item.

4.6 The administration of origin may authorize annotations or enclosures on the basis of its internal legislation.

4.7 Printed papers shall be made up in such a way that their contents are sufficiently protected while permitting quick and easy verification. The conditions shall be determined by the administration of origin.

4.8 Administrations may authorize the closing of bulk-posted printed papers, issuing for that purpose a permit to users who make a request for one. In such cases, the number of the permit shall be shown below the indication *"Imprimé"* (Printed papers) or *"Imprimé à taxe réduite"* (Reduced-rate printed papers). These indications shall constitute proper authority for verification of the contents. Such printed papers may be inserted in closed plastic wrapping, either transparent or opaque, on the conditions laid down by the administration of origin.

5 Literature for the blind

5.1 Letters bearing writing used by the blind, posted unsealed, and plates bearing the characters of writing used by the blind may be sent as literature for the blind. The same shall apply to sound recordings and to the special paper intended solely for the use of the blind, provided that they are sent by or addressed to an officially recognized institute for the blind.

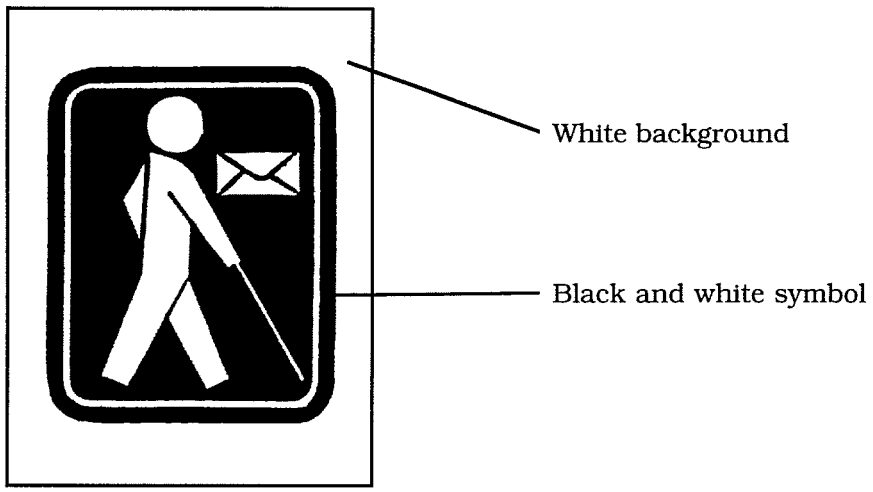
5.2 Administrations of origin shall have the option of admitting as literature for the blind sound recordings sent by a blind person or addressed to a blind person if this option exists in their internal service.

5.3 Administrations of origin shall be allowed to admit as literature for the blind items admissible as such in their internal service.

5.4 Literature for the blind shall be made up in such a way that its contents are sufficiently protected while permitting quick and easy verification.

5.5 Literature for the blind shall be furnished, on the side which bears the addressee's address, with a white label with the following symbol:

Convention, Detailed Regulations – Text as recast by the EC



(Size: 52 x 65 mm)

6 Small packets

6.1 Small packets shall bear in bold letters on the address side, in so far as possible in the top left-hand corner, if applicable beneath the sender's name and address, the expression *"petit paquet"* (small packet) or its equivalent in a language known in the country of destination. Indication of the sender's address on the outside of the item shall be obligatory.

6.2 It shall also be permitted to enclose therein any other document having the character of current and personal correspondence. However, such documents may not be addressed to an addressee nor stem from a sender other than those of the small packet. In addition the internal regulations of the administration concerned must authorize such enclosure. The administration of origin shall decide whether the document or documents enclosed fulfil these conditions. It shall lay down such other conditions as may be appropriate relating to authorized enclosures.

6.3 No special conditions of closing shall be required for small packets; items designated as such may be opened for verification of their contents.

7 M bags

7.1 The addressee's address shall be shown on each packet of printed papers included in a special bag and sent to the same addressee at the same address.

7.2 Every M bag shall be furnished with a rectangular address label provided by the sender and giving all the information concerning the addressee. The address label shall be made of sufficiently rigid canvas, strong cardboard, plastic, parchment, or paper glued to wood and shall be provided with an eyelet. It shall not be smaller than 90 x 140 mm with a tolerance of 2 mm.

7.3 The total amount of prepayment for M bags shall be shown on the address label on the bag.

References: New article taking over articles 123 and 125 to 132.
The subtitles correspond to the titles of articles 125, 126, 127, 128, 130 and 131. The subtitle "M bags" is new.
Paragraph 1: Text of article 125, without the last sentence, and text of article 113, paragraph 1, h.
Paragraph 2: Texts of article 126, paragraphs 1, 2 and 3.

Paragraph 3: Texts of article 127, paragraphs 1, 2, 3, 4 and 6, adapted.
Paragraph 4.1: Text of article 128, paragraph 1, adapted.
Paragraph 4.2: Text of article 128, paragraph 4.
Paragraph 4.3: Text of article 128, paragraph 7, without the last sentence, and text of article 130, paragraph 1.
Paragraph 4.4: Text of article 128, paragraph 6.
Paragraph 4.5: Text of article 129, paragraph 5, a, adapted.
Paragraph 4.6: New text.
Paragraph 4.7: Text of article 123, paragraph 1, adapted.
Paragraph 4.8: Text of article 123, paragraphs 2 and 3, adapted.
Paragraphs 5.1, 5.2 and 5.3: Text of article 131, paragraphs 1, 2 and 3.
Paragraph 5.4: First sentence of article 123.
Paragraph 5.5: Text of article 131, paragraph 4.
Paragraph 6: Title of article 132.
Paragraph 6.1: Text of article 132, paragraph 1.
Paragraph 6.2: Text of article 132, paragraph 3, adapted.
Paragraph 6.3: Text of first sentence of article 123, paragraph 4.
Paragraph 7.1: Text of article 113, paragraph 1, j.
Paragraph 7.2: Text of article 166, second part of first sentence and second sentence.
Paragraph 7.3: Text of article 30, paragraph 2, of the Convention, with drafting adjustments.

Article RE 905
Marking of mode of transportation or priority

1 In the absence of special agreement between the administrations concerned, items to be treated as airmail correspondence or priority items in the administrations of transit and of destination shall bear a special blue label or a stamp impression of the same colour bearing the words *"Par avion"* (By airmail). If need be, these two words in capital letters may be handwritten or typewritten, with an optional translation in the language of the country of origin. This *"Par avion"* label, impression or indication shall be placed on the address side, in so far as possible in the top left-hand corner, beneath the sender's name and address where these are given. When the airmail service is replaced by the priority items service, the words *"Par avion"* shall be replaced by the word *"Prioritaire"* (Priority).

2 The words *"Par avion"* (By airmail) and any note relating to air or priority conveyance shall be struck through with two thick horizontal lines when the item is not forwarded by the quickest means.

3 The administration of origin may also require the marking of non-priority and surface items.

References: Title of article 114.
Paragraph 1: Text of article 114, paragraph 1, with a drafting adjustment.
Paragraph 2: Text of article 114, paragraph 2, with a drafting adjustment; the allusion to article 29 and to article 40, paragraph 9, of the Convention does not seem essential.
Paragraph 3: Text of article 114, paragraph 3.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 906
Special packing

1 Articles of glass or other fragile objects shall be packed in a strong box filled with an appropriate protective material. Any friction or knocks during transport either between the objects themselves or between the objects and the sides of the box shall be prevented.

2 Liquids and substances which easily liquefy shall be enclosed in perfectly leak-proof containers. Each container shall be placed in a special strong box containing an appropriate protective material to absorb the liquid should the container break. The lid of the box shall be fixed so that it cannot easily work loose.

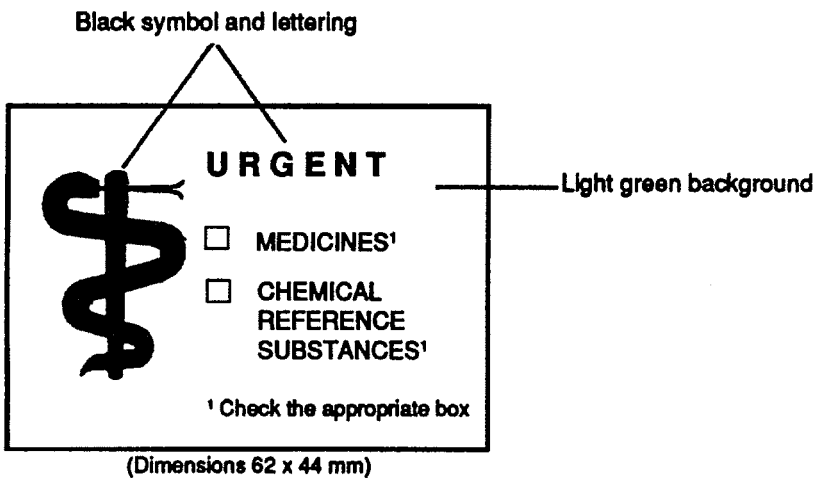
3 Fatty substances which do not easily liquefy, such as ointments, soft-soap, resins, etc, and silk-worm eggs, the conveyance of which presents few difficulties, shall be enclosed in a first packing (box, bag of cloth, plastic, etc) which is itself placed in a box stout enough to prevent the contents from leaking.

4 Dry colouring powders, such as aniline blue, etc, shall be admitted only in perfectly leak-proof metal boxes, placed in turn in strong boxes with an appropriate absorbent and protective material between the two containers.

5 Dry non-colouring powders shall be placed in strong containers (box, bag). These containers shall themselves be enclosed in a stout box.

6 Live bees, leeches and parasites shall be enclosed in boxes so constructed as to avoid any danger.

7 Items containing urgent medicines or chemical reference substances shall be furnished, on the side which bears the addressee's address, with a light green label with the following text and symbol:



(Dimensions 62 x 44 mm)

8 Packing shall not be required for articles in one piece, such as pieces of wood, metal, etc, which it is not the custom of the trade to pack. In this case, the address of the addressee should be given on the article itself.

References: New title.
Paragraphs 1 to 7: Text of article 119, paragraph 2, adapted, and paragraph 3.
Paragraph 8: Text of article 119, paragraph 4.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 907
Items in panel envelopes

1 Items in envelopes with a transparent address panel shall be admissible on the following conditions.

1.1 The panel shall be situated on the plain side of the envelope which is not provided with the closing flap.

1.2 The panel shall be made of such a material and in such a way that the address can be easily read through it.

1.3 The panel shall be rectangular. Its greatest dimension shall be parallel to the length of the envelope. The address of the addressee shall appear in the same direction.

1.4 All the edges of the panel shall be precisely stuck down on the inside edges of the opening in the envelope. For this purpose there shall be an adequate space between the side and bottom edges of the envelope and those of the panel.

1.5 The addressee's address shall be the only thing visible through the panel or, at the very least, shall stand out clearly from any other indications visible through the panel.

1.6 The panel shall be placed so as to leave enough room for the application of the date-stamp.

1.7 The contents of the item shall be folded in such a way that the address remains fully visible through the panel even if the contents shift inside the envelope.

2 Items in envelopes which are wholly transparent may be admitted if the surface of the envelope is constructed in such a way as to create no difficulties in mail handling. A label having sufficient space for showing the address of the addressee, prepayment and service instructions must be firmly attached to the outer surface of the item. Items in envelopes which have an open panel shall not be admitted.

3 Administrations of origin may admit envelopes which have two or more transparent panels. The panel reserved for the address of the addressee shall conform to the conditions laid down under 1. For the other panels, the conditions laid down under 1.2, 1.4, 1.6 and 1.7 shall apply by analogy.

References: Title of article 124.
Paragraph 1: Text of article 124, paragraph 1.
Paragraph 2: Text of article 124, paragraph 2.
Paragraph 3: Text of article 124, paragraph 4.

Article RE 1001
Conditions of application of postage charges

1 Member countries which by reason of their internal system are unable to adopt the metric-decimal system of weight may substitute for the weight steps specified in article 10.2 of the Convention, the following equivalents:

up to	20 g	1 oz;
up to	50 g	2 oz;
up to	100 g	4 oz;
up to	250 g	8 oz;
up to	500 g	1 lb;
up to	1000 g	2 lb;
per additional	1000 g	2 lb.

Convention, Detailed Regulations – Text as recast by the EC

2 Member countries may, exceptionally, modify the weight-step structure shown in article 10.2 of the Convention, subject to the following conditions.

2.1 For any category, the minimum weight step shall be that shown in article 10.2 of the Convention. However, administrations may apply to printed papers a first weight step of 50 g.

2.2 For any category, the last weight step shall not exceed the maximum weight shown in article 9 of the Convention.

3 Member countries which have abolished postcards, printed papers or small packets as separate categories of letter-post item in their internal service may do the same in respect of mail for abroad.

4 Postal administrations have the right to restrict the reduction provided for in article 10.4 of the Convention to newspapers and periodicals which fulfil the conditions required by internal regulations for transmission at the tariff for newspapers. This reduction shall not extend to commercial printed papers such as catalogues, prospectuses, price lists, etc, no matter how regularly they are issued. The same shall apply to advertisements printed on sheets annexed to newspapers and periodicals. The reduction shall still be possible, however, in the case of detached advertising inserts to be considered as integral parts of the newspaper or periodical.

References: New title.
Paragraph 1: Text of article IV of the Final Protocol to the Convention.
Paragraph 2: Text of article 20, paragraph 3, of the Convention.
Paragraph 3: Text of article 20, paragraph 4, of the Convention.
Paragraph 4: Text of article 20, paragraph 8, second part, of the Convention.

Article RE 1002
Standardized items

1 Within the meaning of article 10.7 of the Convention, rectangular items shall be considered standardized if their length is not less than their width multiplied by $\sqrt{2}$ (approximate value 1.4). These items shall satisfy the following conditions.

1.1 Minimum dimensions: 90 x 140 mm, with a tolerance of 2 mm.

1.2 Maximum dimensions: 120 x 235 mm, with a tolerance of 2 mm.

1.3 Maximum weight: 20 g.

1.4 Maximum thickness: 5 mm.

1.5 Letters shall be closed by completely sticking down the sealing flap of the envelope and the address shall be written on the plain side of the envelope which is not provided with the sealing flap.

1.6 The address shall be written in a rectangular area situated at least:

40 mm from the top edge of the envelope (tolerance 2 mm);

15 mm from the right-hand edge;

15 mm from the bottom edge;

and not more than 140 mm from the right-hand edge.

1.7 On the address side, a rectangular area 40 mm (– 2 mm) in depth from the upper edge and 74 mm in width from the right-hand edge shall be reserved for affixing the postage stamp or

stamps and the cancellation impression. Inside this area the postage stamps or franking impression shall be applied in the top right-hand corner.

2 The provisions under 1 shall also apply to items in envelopes with transparent panels whose general conditions of admission are set out in article RE 907. The transparent panel for the address of the addressee shall in addition be at least:

40 mm from the top edge of the envelope (tolerance 2 mm);

15 mm from the right-hand edge;

15 mm from the left-hand edge;

15 mm from the bottom edge.

The panel may not be bordered by a coloured band or frame. Service indications may be placed just above the addressee's address.

3 No wording or extraneous matter whatsoever may appear:

3.1 below the address;

3.2 to the right of the address, from the franking and cancelling area to the bottom edge of the item;

3.3 to the left of the address, in an area at least 15 mm wide and running from the first line of the address to the bottom edge of the item;

3.4 in an area 15 mm high starting from the bottom edge of the item and 140 mm long starting from the right-hand edge of the item. This area may be partly identical with those defined above.

4 Administrations which admit items in envelopes whose width does not exceed 162 mm, with a tolerance of 2 mm, as standardized items in their domestic service may also admit such items as standardized items in the international service.

5 Items in card from up to 120 x 235 mm in size may be accepted as standardized items provided they are made of cardboard heavy enough to be sufficiently stiff to withstand processing without difficulty.

6 The following items shall not be considered standardized:

6.1 folded cards;

6.2 items closed by means of staples, metal eyelets or hook fastenings;

6.3 punched cards sent unenclosed (without an envelope);

6.4 items whose envelopes are made of material which has fundamentally different physical properties from paper (except from the material used for making the panel of window envelopes);

6.5 items containing articles causing protrusions;

6.6 folded letters sent unenclosed (without an envelope) which are not closed on all sides and which are not rigid enough for mechanical processing.

References: Title of article 22 of the Convention.
Paragraph 1: Text of article 22, paragraph 1, of the Convention.
Paragraphs 1.1, 1.2, 1.3 and 1.4: Text of article 22, paragraph 1, a, i, first part, of the Convention.

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Paragraph 1.5: Text of article 22, paragraph 1, iii, last sentence, of the Convention.
Paragraph 1.6: Text of article 22, paragraph 1, a, i, second part, of the Convention.
Paragraph 1.7: Text of article 22, paragraph 1, c, first part, of the Convention.
Paragraph 2: Text of article 22, paragraph 1, ii, of the Convention.
Paragraph 3: Text of article 22, paragraph 1, c, second part, of the Convention.
Paragraph 4: Text of article 22, paragraph 2, of the Convention.
Paragraph 5: Text of article 22, paragraph 1, b, of the Convention.
Paragraph 6: Text of article 22, paragraph 3, of the Convention.

Article RE 1101
Calculation of surcharges for airmail correspondence

1 Administrations shall be authorized to use, for the calculation of surcharges for airmail correspondence, smaller weight steps than those laid down in article 10.2 of the Convention.

References: New title.
Text of article 21, paragraph 1, of the Convention, second part of the first sentence.

Article RE 1401
Methods of denoting prepayment

1 Prepayment shall be denoted by means of any one of the following methods:

1.1 postage stamps printed on or affixed to the items and valid in the country of origin;

1.2 postal prepayment impressions dispensed by automatic vending machines installed by postal administrations;

1.3 impressions of officially approved franking machines operating under the direct supervision of the postal administration;

1.4 impressions made by a printing press or other printing or stamping process when such a system is authorized by the regulations of the administration of origin.

2 Items may also be provided with an indication that full postage has been prepaid, for example, *"Taxe perçue"* ("Postage paid"). This indication shall appear in the top right-hand part of the address side and be authenticated by a date-stamp impression of the office of origin. In the case of unpaid or underpaid items, the impression of the office which prepaid the item or made up the postage on it shall be applied opposite this indication.

References: Title of article 30 of the Convention.
Paragraph 1: Text of the Convention, article 30, paragraph 1, subparagraphs a, b, c and d.
Paragraph 2: Text of the Convention, article 30, paragraph 1, e.

Article RE 1402
Characteristics of postage stamps and postal prepayment or franking impressions

1 Postage stamps and postal prepayment impressions

Convention, Detailed Regulations – Text as recast by the EC

1.1 Postage stamps and postal prepayment impressions shall bear the name of the country of origin in roman letters. They shall show their postage value in roman letters or arabic numerals. They may also bear the word *"Postes"* (Postage) in roman or other letters.

1.2 They may be of any shape provided that, in principle, their vertical or horizontal dimensions are not less than 15 mm nor more than 50 mm.

1.3 They may be distinctively marked with punched perforations or embossed impressions produced by means of an embossing stamp, subject to the conditions laid down by the administration which has issued them, provided that those processes do not interfere with the clarity of the particulars prescribed under 1.1.

1.4 Commemorative or charity postage stamps may bear an indication of the year of issue in arabic numerals. Similarly, they may bear an inscription in any language to indicate the occasion for which they are issued. When a supplementary charge is payable in addition to their postage value, they shall be so designed as to leave no doubt about that value.

2 Franking machine impressions

2.1 Postal administrations may use themselves or authorize the use of postal franking machines reproducing on items the name of the country of origin and the postage value, as well as the name of the place of origin and the date of posting. However, the last two items of information shall not be compulsory. For franking machines used by postal administrations themselves, the postage value may be replaced by an indication that postage has been prepaid, for example in the form: *"Taxe perçue"* (Charge collected).

2.2 Impressions produced by postal franking machines shall, in all cases, be bright red. However, the impressions of any publicity slogans used with the franking machines may be produced in a colour other than red.

2.3 The names of the country and place of origin shall be given in roman letters, which may be supplemented by the same information in other letters. The postage value shall be shown in arabic figures.

3 Franking impressions

3.1 Franking impressions obtained from a printing press or by another printing or stamping process shall bear the name of the country of origin and, if appropriate, of the office of posting in roman letters, which may be supplemented by the same information in other letters. They shall also bear an indication that postage has been prepaid, for example in the form *"Taxe perçue"* (Charge collected). In every case, the phrase adopted shall be shown in bold letters in a clearly drawn frame, which should if possible be rectangular, and the area of which shall not be less than 300 mm^2. The date-stamp, if used, shall not appear in this frame.

References: New title.
Paragraph 1: Text of article 195, with drafting amendments.
Paragraph 2: Text of article 196.
Paragraph 3: Text of article 197, with drafting amendments.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 1403
Suspected fraudulent use of postage stamps or postal prepayment or franking impressions

1 Subject expressly to the provisions of the legislation of each country, the following procedure shall be observed in case of presumption of fraudulent use, for prepayment, of postage stamps or postal prepayment, postal franking machine or printing machine impressions.

1.1 When, in outgoing mail, the prepayment on any item causes fraudulent use (presumption of being counterfeit or re-used) to be suspected and the sender is not known, the stamp or impression shall not be tampered with in any way. The item, accompanied by a C 10 advice, shall be sent to the delivery office in an officially registered envelope. A copy of the advice shall be forwarded, for information, to the administrations of the countries of origin and of destination. Any administration may ask, through notification of the International Bureau, for C 10 advices concerning its service to be sent to its central administration or to a specially appointed office.

1.2 The addressee shall be invited to see the evidence. The item shall be delivered to him only if he pays the charge due, discloses the name and address of the sender and places at the disposal of the postal service, after acquainting himself with the contents, the presumed corpus delicti. This may be the entire item, if it is inseparable from the corpus delicti, or the part of the item (envelope, wrapper, portion of letter, etc) which contains the address and the impression or stamp reported as suspect. The result of the interview shall be set down in a C 11 official report signed by the postal official and by the addressee. If the addressee refuses, this shall be recorded on the document.

2 The official report shall be sent with the supporting papers, officially registered, to the administration of the country of origin, which shall take action according to its legislation.

3 Administrations whose legislation does not permit the procedure provided for in 1.1 and 1.2 shall inform the International Bureau to that effect so that the other administrations may be notified.

Reference: Text of article 198, with drafting amendments.

Article RE 1404
Application of the date-stamp

1 The imprint of a date-stamp showing, in roman letters, the name of the office responsible for cancelling and the date of that operation shall be applied to the address side of letter-post items. Equivalent particulars in the characters of the country of origin may be added.

2 The application of the date-stamp shall not be compulsory:

2.1 for items franked by means of impressions of postal franking machines if the name of the place of origin and the date of posting appear on these impressions;

2.2 for items franked by means of impressions obtained by a printing press or by any other printing or stamping process;

2.3 for unregistered reduced-rate items, provided that the place of origin is shown on these items;

2.4 for letter-post items relating to the postal service as listed in article 8.2 of the Convention.

3 All postage stamps valid for prepayment shall be cancelled.

Convention, Detailed Regulations – Text as recast by the EC

4 Unless administrations have prescribed cancellation by means of a special stamp impression, postage stamps left uncancelled through error or omission in the service of origin shall be:

4.1 struck through with a thick line in ink or in indelible pencil by the office which detects the irregularity; or

4.2 cancelled, by that same office, using the edge of the date-stamp in such a way that the name of the post office is not identifiable.

5 Missent items, except for unregistered reduced rate items, shall be impressed with the date-stamp of the office which they have reached in error. This shall apply to both stationary offices, and, as far as possible, travelling post offices. The impression shall be made on the back of the items in the case of letters and on the front in the case of postcards.

Reference: Text of article 140, paragraphs 1 to 5.

Article RE 1405
Unpaid or underpaid items

1 If the administration of origin does not apply any of the options provided for in article 14.2 and 3 of the Convention or if the postage cannot be made up by the sender, unpaid or underpaid letters and postcards shall still be forwarded to the country of destination. Other unpaid or underpaid items may also be forwarded.

2 The administration of origin shall lay down the criteria for selecting the method to be used (surface or air) for forwarding items to the country of destination.

3 Items forwarded to the country of destination shall be marked with the T stamp (postage due) in the middle of the upper part of the front. Beside the impression of this stamp the administration of origin shall write very legibly in the currency of its country the amount of the underpayment and, under a fraction line, that of its minimum unreduced charge valid for the first weight step for letters dispatched abroad.

4 In the case of reforwarding or return, applying the T stamp and giving the amounts in the form of a fraction shall be the responsibility of the reforwarding administration. The same shall apply in the case of items originating in countries which apply reduced charges in the service with the reforwarding administration. In such a case, the fraction shall be established according to the charges laid down in the Convention and valid in the country of origin of the item.

5 The delivering administration shall mark the item with the charge to be collected. It shall determine this charge by multiplying the fraction resulting from the data mentioned under 3 by the amount, in its national currency, of the charge applied in the international service to the first weight step for letters dispatched by surface mail. To this charge, it shall add the handling charge prescribed in article 14.3 of the Convention. The delivering administration may, if it so wishes, collect only the handling charge.

6 Every item not bearing the T stamp impression shall be considered as duly prepaid and treated accordingly.

7 If the fraction laid down under 3 has not been shown beside the T stamp by the administration of origin or the reforwarding administration in the case of non-delivery, the administration of destination may deliver the underpaid item without collecting a charge.

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8 Postage stamps and postal franking impressions not valid for prepayment of postage shall not be taken into account. In that case, the figure nought (0) shall be placed beside such postage stamps or impressions, which shall be marked around in pencil.

9 Registered items and insured letters shall be regarded on arrival as duly prepaid.

References: New title.
Paragraph 1: Text of article 29, paragraph 4, of the Convention, adapted.
Paragraph 2: Text of article 29, paragraph 5, of the Convention, redrafted. The basic idea is retained while the details will be given in the Manual.
Paragraph 3: Text of article 142, paragraph 2, adapted.
Paragraph 4: Text of article 142, paragraph 3.
Paragraph 5: Text of article 142, paragraph 4, supplemented by the sentence in the "Observations" column of article 26, paragraph 1, h, of the Convention.
Paragraph 6: Text of article 142, paragraph 5.
Paragraph 7: Text of article 142, paragraph 6.
Paragraph 8: Text of article 142, paragraph 7.
Paragraph 9: Text of article 32, paragraph 3, of the Convention.

Article RE 1501
Stamping of letter-post items posted on board ships

1 The stamping of items posted on ships shall be the responsibility of the postal official or the officer on board charged with the duty, or, failing those, with the post office at the port of call at which these items are handed over. In that case, the office shall impress the correspondence with its date-stamp and add the word *"Navire"*, *"Paquebot"* or any other similar note.

References: New title.
Text of article 140, paragraph 6.

Article RE 1601
International reply coupons

1 International reply coupons shall conform to the annexed specimen C 22. They shall be printed, on paper bearing as a watermark the initials UPU in large letters, under arrangements made by the International Bureau. The latter shall supply them to administrations together with a C 24 delivery bill, prepared in duplicate. After verification, the administration of destination shall return one copy duly signed to the International Bureau.

2 Each administration shall have the option:

2.1 of giving the reply coupons a distinctive perforation provided it does not detract from the legibility of the text or hamper the checking of their authenticity;

2.2 of indicating the selling price on the reply coupons by means of a printing process or of asking the International Bureau for this price to be indicated at the time of printing;

2.3 of indicating the name of the country by means of a printing process or a control imprint or of asking the International Bureau for this name to be indicated at the time of printing.

3 There shall be no limit to the period of exchange for reply coupons. Post offices shall satisfy themselves as to the genuineness of the documents when they exchange them and check particularly the presence of the watermark. Reply coupons on which the printed text does not agree with the official text shall be refused as invalid. Exchanged reply coupons shall be marked with an impression of the date-stamp of the office exchanging them.

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4 Exchanged reply coupons shall be returned to the International Bureau in packets of a thousand or a hundred. They shall be sent together with a C 23 statement prepared in duplicate and showing their total number and value. The value shall be calculated according to the rate provided for at article 16.2 of the Convention. In case of change in this rate, all reply coupons exchanged before the date of the change shall be sent in a single consignment including, by way of exception, broken lots; they shall be accompanied by a special C 23 statement made out in the old value.

5 The International Bureau shall also take back damaged reply coupons sent together with a separate C 23 statement prepared in duplicate.

6 By way of exception, the International Bureau may take account of international reply coupons destroyed before sale or after exchange. In such cases, the C 23 statement, prepared in duplicate by the administration concerned, shall be accompanied by an official certificate of destruction.

7 The International Bureau shall keep the appropriate accounts, in which shall be entered:

7.1 to the debit of each administration, the value of the reply coupons supplied as well as the amount of the allowance made to the administration under the preceding biennial period;

7.2 to the credit, the value of the exchanged reply coupons returned to the International Bureau.

A statement of account shall be sent for approval to each administration concerned. If, within one month from the date of the dispatch of the statement, the International Bureau has received no comment, the amounts on this statement shall be regarded as fully accepted.

8 The International Bureau shall prepare a biennial general liquidation account comprising:

8.1 the debits and credits mentioned under 7;

8.2 the allowances made to administrations by apportionment of the overall excess of the value of the reply coupons supplied over the value of the reply coupons exchanged during the biennial period. The allowances shall be apportioned at the rate of 80 percent of the reply coupons supplied by the International Bureau and 20 percent of the reply coupons exchanged by administrations;

8.3 the amounts payable and receivable by administrations.

9 The general liquidation account shall be sent to administrations together with an offset table which shall serve as the basis for settlements.

10 Articles RE 5009.11 and 5010 shall apply.

Reference: Text of article 199 with drafting amendments.

Convention, Detailed Regulations – Text as recast by the EC

Chapter 2

Special services

Article RE 1701
Admission of registered items

1 No special condition as to form, closing or method of address shall be prescribed for registered items. However, any adhesive tapes used to close registered items shall bear the name, mark, stamp or signature of the sender. Where registered items are closed by means of an adhesive tape without an individual mark, the administration of origin may provide a mark or a date-stamp impression applied to both the tape and the wrapping.

2 Items bearing an address written in pencil or composed of initials shall not be admitted for registration. However, the address of items other than those which are sent in an envelope with a transparent panel may be written in copying-ink pencil.

3 A receipt shall be issued free of charge to the sender of a registered item at the time of posting.

References: Title of article 48 of the Convention.
Paragraph 1: Text of article 133, paragraphs 2 and 11 merged.
Paragraph 2: Text of article 133, paragraph 3.
Paragraph 3: Text of article 48, paragraph 2, of the Convention.

Article RE 1702
Marking of registered items

1 Registered items shall bear clearly and in bold letters the heading *"Recommandé"* (Registered), accompanied, if necessary, by a similar indication in the language of the country of origin.

2 Registered items shall bear a C 4 label, which must adhere properly.

3 Administrations which find it impossible to produce C 4 labels may use framed labels with the dimensions of the C 4 specimen in which only the letter R has been printed. The other indications of that specimen must be added in a sharp, clear and indelible form by any process whatsoever.

4 The label and the heading *"Recommandé"* (Registered) shall be placed on the address side, in so far as possible in the top left-hand corner, beneath the sender's name and address where these are given. In the case of items in the form of cards, these indications shall be placed above the address in such a way as not to affect its legibility. In the case of registered M bags, the C 4 label shall be affixed properly to the address labels supplied by the sender.

5 Administrations which have adopted in their internal service the system of mechanical acceptance of registered items may, instead of using the C 4 label, print directly on these items, on the address side, the same service indications as appear on the aforesaid label. If applicable, they may affix in the same place the machine-printed strip with the same indications.

6 With the authorization of the administration of origin, users may use for their registered items envelopes bearing, in the place provided for affixing the C 4 label, a preprinted facsimile of that label, the dimensions of which shall not be less than those of the C 4 label. If need be, the serial number may be indicated therein by any process whatsoever, as long as it is added in sharp, clear and indelible form. A facsimile of the C 4 label may also be printed on address labels or direct on to the contents of items dispatched in envelopes with transparent panels as long as such facsimile is placed, in all cases, at the left-hand side of the panel.

7 The administration of origin shall ensure that registered items are marked in conformity with the above provisions. It shall be required to correct any deficiencies noted before forwarding the items to the countries of destination.

8 No serial number shall be placed on the front of registered items by the intermediate administrations.

References: New title.
Paragraph 1: Text of article 133, paragraph 1.
Paragraph 2: Text of article 133, paragraph 4.
Paragraph 3: Text of article 133, paragraph 5.
Paragraph 4: Text of article 133, paragraph 6.
Paragraph 5: Text of article 133, paragraph 7.
Paragraph 6: Text of article 133, paragraph 8.
Paragraph 7: Text of article 133, paragraph 9.
Paragraph 8: Text of article 133, paragraph 10.
Paragraphs 3, 4, 5, 6 and 7 contain drafting amendments.

Article RE 1801
Admission of recorded delivery items

1 No special condition as to form, closing or method of address shall be prescribed for recorded delivery items.

2 A receipt shall be issued free of charge to the sender of a recorded delivery item at the time of posting.

References: New title.
Paragraph 1: Text of article 134, paragraph 1.
Paragraph 2: Text of article 49, paragraph 2, of the Convention.
The wording has been brought into line with that on registered items.

Article RE 1802
Marking of recorded delivery items

1 Recorded delivery items shall bear a C 4bis label which must adhere properly.

2 The label shall be placed on the address side, in so far as possible in the top left-hand corner, beneath the sender's name and address where these are given. In the case of items in the form of cards, the label shall be placed above the address in such a way as not to affect its legibility.

3 With the authorization of the administration of origin, users may use for their recorded delivery items envelopes bearing, in the place provided for affixing the C 4bis label, a preprinted facsimile of that label, the dimensions of which may not be less than those of the C 4bis label. If

need be, the serial number may be indicated therein by any process whatsoever, as long as it is added in sharp, clear and indelible form. A facsimile of the C 4bis label may also be printed on address labels or direct on to the contents of items dispatched in envelopes with transparent panels, as long as such facsimile is placed in all cases at the left-hand side of the panel.

4 The administration of origin shall ensure that recorded delivery items are correctly marked in conformity with the above provisions. It shall be required to correct any deficiencies noted before forwarding the items to the countries of destination.

5 No serial number shall be placed on the front of recorded delivery items by the intermediate administrations.

References: New title.
Paragraph 1: Text of article 134, paragraph 2.
Paragraph 2: Text of article 134, paragraph 3.
Paragraph 3: Text of article 134, paragraph 4.
Paragraph 4: Text of article 134, paragraph 5.
Paragraph 5: Text of article 134, paragraph 6.
The wording has been brought into line with that on registered items (article RE 1702).

Article RE 1901
Admission of insured letters

1 Administrations shall take the necessary measures to provide, as far as possible, the insured letter service at every office in their countries.

2 Insured letters shall fulfil the following conditions to be admitted to the post.

2.1 They must be sealed with identical wax seals, lead seals, adhesive tapes or other effective means, with a special uniform design or mark of the sender. Administrations may, however, agree not to require such design or mark.

2.2 The envelopes or the packing must be strong and shall permit the seals to adhere or to be attached completely, as the case may be. The envelopes must be made in one piece. The use of envelopes or packing which are wholly transparent or which have a transparent panel shall be prohibited. Administrations should recommend that customers wrap items containing high-value articles (bank notes, precious stones, etc) in an internal packing stronger than paper (cardboard, plastic, metal, etc).

2.3 The make-up shall be such that the contents cannot be tampered with without obvious damage to the envelope, the packing or the seals.

2.4 The seals, the postage stamps representing the prepaid postage, and the postal service and other official service labels shall be spaced out so that they cannot serve to hide damage to the envelope or to the packing. The postage stamps and the labels shall not be folded over the two sides of the envelope or the packing so as to cover an edge. It shall be forbidden to affix to insured letters labels other than those relating either to the postal service or to official services whose intervention may be required under the national legislation of the country of origin.

2.5 If the insured letters are tied round crosswise with string and sealed as described under 2.1, the string itself need not be sealed.

3 Insured letters which have the exterior appearance of a box must fulfil the following additional conditions.

3.1 They shall be of wood, metal or plastic and sufficiently strong.

3.2 The walls of wooden boxes shall have a minimum thickness of 8 millimetres.

3.3 The top and bottom shall be covered with white paper to take the address of the addressee, the declaration of the insured value and the impression of the official stamps. These boxes shall be sealed on the four sides in the manner described under 2.1. If required for ensuring inviolability, the boxes shall be tied round crosswise with strong string without knots. The two ends of the string shall be joined under a wax seal bearing a special uniform design or mark of the sender.

4 A receipt shall be handed over free of charge to the sender of an insured letter at the time of posting.

5 The prepaid postage may be denoted by an indication showing that the postage has been paid in full, for example: *"Taxe perçue"* (Charge collected). This indication shall appear in the top right-hand part of the address side and be authenticated by an impression of the date-stamp of the office of origin.

6 Items addressed to initials or the address of which is shown in pencil and those which have erasures or corrections in their address shall not be admitted. Such items which have been wrongly admitted shall be returned to the office of origin.

References: New title.
Paragraph 1: Text of article 52, paragraph 3, of the Convention.
Paragraphs 2 and 3: Texts of article 135, paragraphs 1 and 2, with drafting amendments.
Paragraph 4: Text of article 52, paragraph 2, of the Convention.
Paragraph 5: Text of article 135, paragraph 3, a.
Paragraph 6: Text of article 135, paragraph 3, b.

Article RE 1902
Insured letters. Insured value

1 In the service between countries which have adopted different maxima for the insured value, the lower limit shall be observed by both.

2 The insured value may not exceed the actual value of the contents of the item, but it shall be permissible to insure only part of that value. The amount of the insurance for papers whose value resides in the cost of their preparation may not exceed the cost of replacing the documents in case of loss.

3 Fraudulent insurance for a value greater than the actual value of the contents of an item shall be liable to the legal proceedings prescribed by the legislation of the country of origin.

4 The insured value shall be expressed in the currency of the country of origin. It shall be written by the sender or his representative above the address of the item in words with roman lettering and in arabic figures, without erasure or alteration, even if certified. The amount of the insured value shall not be written in pencil or indelible pencil.

5 The amount of the insured value shall be converted into SDRs by the sender or by the office of origin. The result of the conversion, rounded up where appropriate to the nearest unit, shall be shown in figures at the side of or below those representing the value in the currency of the country

of origin. The amount in SDRs shall be boldly underlined in coloured pencil. Conversion shall not be carried out in direct services between countries which have a common currency.

6 When circumstances of any kind or statements made by the interested parties bring to light a fraudulent insurance for a value greater than the actual value enclosed in a letter, the administration of origin shall be advised promptly. Any documents in support of the investigation shall be attached to the advice. If the letter has not yet been delivered to the addressee, the administration of origin may ask for its return.

References: Title of article 136.
Paragraphs 1, 2 and 3: Texts of article 53, paragraphs 3, 4 and 5, of the Convention, with drafting amendments.
Paragraphs 4, 5 and 6: Texts of article 136, paragraphs 1, 2 and 3, with drafting amendments.

Article RE 1903
Marking and treatment of insured letters

1 Insured letters shall bear a pink VD 2 label bearing in roman letters the letter V, the name of the office of origin and the serial number of the item.

2 The exact weight in grammes shall be marked on the item.

3 The VD 2 label and the indication of the weight shall be placed on the address side and, in so far as possible, in the top left-hand corner, beneath the sender's name and address where these are given.

4 Administrations may however replace the VD 2 label by the C 4 label prescribed in article RE 1702.2, and a small pink label bearing in bold letters the words *"Valeur déclarée"* (Insured).

5 A stamp impression showing the office and date of posting shall be applied to the address side.

6 No serial number shall be placed on the front of insured letters by the intermediate administrations.

7 The office of destination shall apply to the back of each insured letter an impression of its stamp showing the date of receipt.

References: New title.
Paragraphs 1, 2, 3, 4 and 5: Text of article 137, paragraph 1, presented in a different form.
Paragraph 6: Text of article 137, paragraph 2.
Paragraph 7: Text of article 140, paragraph 7.

Article RE 2001
Marking of express items

1 Items for express delivery shall be provided with either a special bright red printed label or a stamp impression in the same colour bearing the word *"Exprès"* (Express) in bold letters. In the absence of a label or a stamp impression, the word *"Exprès"* (Express) shall be written in very bold capital letters, in red ink or red pencil. The *"Exprès"* (Express) label, impression or indication

shall be placed on the address side, in so far as possible in the top left-hand corner, beneath the sender's name and address where these are given.

Reference: Text of article 141, with an addition to the title.

Article RE 2002
Treatment of express items

1 Express items may be dealt with in a manner different from that specified in article 20.1 of the Convention. The overall level of the service provided to the addressee must however be at least equal to that which would have been obtained through special messenger delivery.

2 Where its regulations so provide, the administration of destination may deliver by express an advice of arrival of an insured letter and not the item itself.

3 If express items have to be submitted to customs control, administrations should:

3.1 present them to Customs as soon as possible after their arrival; and

3.2 encourage the customs authorities in their country to carry out the control of these items speedily.

4 Express items on which the total amount of the charges payable in advance has not been completely paid shall be delivered as ordinary mail unless they have been treated as express by the office of origin. In the latter event a charge shall be collected on them in accordance with article RE 1405.3.

5 Administrations may confine themselves to making only one attempt at express delivery. If that attempt fails, the item may be treated as an ordinary item.

References: New title.
Paragraph 1: Text of article 35, paragraph 3, of the Convention, with drafting amendments.
Paragraph 2: Text of the last sentence of article 35, paragraph 1, of the Convention.
Paragraph 3: Text of article 35, paragraph 4, of the Convention.
Paragraphs 4 and 5: Text of article 35, paragraphs 6 and 7, of the Convention.

Article RE 2101
Marking of items with advices of delivery

1 Items for which the sender requests an advice of delivery shall bear in bold letters on the address side the indication *"Avis de réception"* (Advice of delivery) or the stamp impression "A.R.". The sender shall give his name and address in roman letters on the outside of the item. The latter indication, when it appears on the address side, shall be placed in the top left-hand corner. This position shall as far as possible also be assigned to the indication *"Avis de réception"* (Advice of delivery) or stamp impression "A.R.", which may be located beneath the sender's name and address where these are given.

2 The items mentioned under 1 shall be accompanied by a light red C 5 form, of the consistency of a postcard. The sender shall complete, in roman letters and using means other than ordinary pencil, the various sections as indicated by the form's layout. The front of the form

shall be completed by the office of origin or by any other office appointed by the dispatching administration and be securely attached to the item. If the form does not reach the office of destination that office shall automatically make out a new advice of delivery.

3 In calculating the postage on an advice of delivery item, including, where applicable, calculation of the air surcharge, the weight of the C 5 form may be taken into account. The advice of delivery charge shall be represented on the item with the other charges.

References: New title.
Paragraph 1: Text of article 138, paragraph 1.
Paragraph 2: Text of article 138, paragraph 2, with a drafting amendment.
Paragraph 3: Text of article 138, paragraph 3.

Article RE 2102
Treatment of advices of delivery

1 As a matter of priority the advice of delivery shall be signed by the addressee or, if that is not possible, by another person authorized to do so under the regulations of the country of destination. If those regulations so provide and except in the case of delivery to the addressee in person, the advice may be signed by the official of the office of destination.

2 The office of destination shall return the duly completed C 5 form direct to the sender by the first mail. This form shall be sent à découvert and post-free by the quickest route (air or surface). If the advice of delivery is returned without having been duly completed, the irregularity shall be notified by means of the C 8 or C 9 form provided for in article RE 3101.1, to which the relevant advice of delivery shall be attached.

3 At the sender's request, an advice of delivery which has not been returned within a normal time shall be the subject of an inquiry made free of charge on form C 8 or C 9. A duplicate of the advice of delivery, bearing on the front in bold letters the word *"Duplicata"* (Duplicate), shall be attached to the C 8 or C 9 inquiry form. The latter shall be dealt with in accordance with article RE 3101. The C 5 form shall remain attached to the C 8 or C 9 inquiry form for subsequent delivery to the claimant.

References: New title.
Paragraph 1: Text of article 138, paragraph 4, with a drafting amendment.
Paragraph 2: Text of article 138, paragraph 5, adapted.
Paragraph 3: Text of article 138, paragraph 6, adapted.

Article RE 2201
Marking and treatment of items for delivery to the addressee in person

1 Registered items, recorded delivery items and insured letters for delivery to the addressee in person shall bear in bold letters the words *"A remettre en main propre"* (For delivery to the addressee in person) or the equivalent in a language known in the country of destination. This indication shall appear on the address side and, in so far as possible, in the top left-hand corner, beneath the sender's name and address where these are given.

2 When the sender has requested an advice of delivery and delivery to the addressee in person, the C 5 form shall be signed by the addressee or, if that is not possible, by his duly authorized representative.

3 Administrations shall make a second attempt to deliver such items only if there is a presumption that it will be successful and if the internal regulations so permit.

References: New title.
Paragraph 1: Text of first two sentences of article 139.
Paragraph 2: Text of last sentence of article 139.
Paragraph 3: Text of article 56, paragraph 2, of the Convention.

Article RE 2301
Marking and treatment of items for delivery free of charges and fees

1 Items for delivery to addressees free of charges and fees shall bear in bold letters the heading *"Franc de taxes et de droits"* (Free of charges and fees) or a similar indication in the language of the country of origin. These items shall be provided with a yellow label also bearing in bold letters the indication *"Franc de taxes et de droits"*. The heading and the label shall be placed on the address side, in so far as possible in the top left-hand corner, beneath the sender's name and address where these are given.

2 Every item sent free of charges and fees shall be accompanied by a C 3/CP 4 franking note on yellow paper. The sender of the item shall complete the text of the right-hand side of the front of parts A and B of the franking note. The dispatching office shall insert the postal service indications. The sender's entries may be made with the use of carbon paper. The text shall include the undertaking prescribed in article 23.2 of the Convention. The franking note, duly completed, shall be securely attached to the item.

3 The sender may ask, after posting, for the item to be delivered free of charges and fees.

3.1 If the request is to be forwarded by post, the office of origin shall inform the office of destination in an explanatory note. This latter shall bear the prepayment of the charge due. It shall be forwarded as a registered item by the quickest route (air or surface) to the office of destination accompanied by a franking note duly completed. The office of destination shall affix the label prescribed under 1 to the item.

3.2 If the request is to be forwarded by telecommunication, the office of origin shall inform the office of destination by telecommunication and at the same time advise the relative particulars of the posting of the item. The office of destination shall automatically make out a franking note.

References: New title.
Paragraphs 1 to 3: Text of article 118, paragraphs 1 to 3, with drafting amendments.

Article RE 2302
Return of part A of franking notes. Recovery of charges and fees

1 After delivery to the addressee of an item for delivery free of charges and fees, the office which has advanced the customs or other charges on behalf of the sender shall complete, so far as it is concerned, with the use of carbon paper, the details appearing on the back of parts A and B of the franking note. It shall send part A, accompanied by the supporting vouchers, to the office of origin of the item; these shall be sent in a closed envelope, without indication of the contents. Part B shall be retained by the administration of destination of the item for settlement with the debtor administration.

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2 However, any administration may arrange for part A of franking notes on which charges have been levied to be returned by specially appointed offices and request that this part be forwarded to a specified office.

3 The name of the office to which part A of the franking notes are to be returned shall be entered in every case on the front of this part by the office dispatching the item.

4 When an item bearing the words *"Franc de taxes et de droits"* (Free of charges and fees) reaches the service of destination without a franking note, the office responsible for customs clearance shall prepare a duplicate note; on parts A and B of this note it shall show the name of the country of origin and, as far as possible, the date of posting of the item.

5 When the franking note is lost after delivery of an item, a duplicate shall be prepared under the same conditions.

6 Parts A and B of the franking notes relating to items which for any reason are returned to origin shall be cancelled by the administration of destination.

7 On receipt of part A of a franking note showing the charges paid out by the service of destination, the administration of origin shall convert the amount of those charges into its own currency. The rate used shall not be higher than the rate fixed for the issue of postal money orders intended for the country concerned. The result of the conversion shall be shown in the body of the form and on the coupon at the side. After recovering the amount of the charges, the office appointed for that purpose shall hand to the sender the coupon from the note and any supporting vouchers.

Reference: Text of article 143.

Article RE 2303
Accounting with the administration of origin of items sent free of charges and fees

1 Accounting in respect of customs charges and fees and other charges paid out by each administration on behalf of another shall be carried out by means of C 26 detailed monthly accounts, drawn up by the creditor administration in the currency of its own country. The data in parts B of the franking notes which have been retained shall be entered in the alphabetical order of the offices which have advanced the charges and in the numerical order given to them.

2 If the two administrations concerned also operate the parcel-post service in their relations with each other, they may, in the absence of notice to the contrary, include in the accounts for the customs charges and fees and other charges of that service those of the letter post.

3 The detailed account, accompanied by parts B of the franking notes, shall be forwarded to the debtor administration at the latest by the end of the month following that to which it relates. "Nil" accounts shall not be prepared.

4 The accounts shall be settled separately. Each administration may, however, request that these accounts be settled with those for money orders, with CP 16 accounts for postal parcels or, lastly, with R 5 COD accounts, without being incorporated in them.

References: New title.
Text of article 200, with drafting amendments, and omitting paragraph 4 which does not seem essential.

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Article RE 2501
Conditions of acceptance and marking of items containing perishable biological substances

1 Infectious perishable biological substances

1.1 Perishable biological substances which are infectious or reasonably suspected to be infectious for man and animals shall be declared "Infectious substances".

1.2 Senders of infectious substances should ensure that shipments are prepared in such a manner that they arrive at their destination in good condition. The items shall not present a hazard to persons or animals during shipment.

1.2.1 The packaging shall consist of a watertight primary receptacle, a watertight secondary packaging and an outer packaging. This shall be of sufficient strength to meet performance tests equivalent to those laid down in the regulations of the international bodies competent in the matter.

1.2.2 Absorbent material shall be placed between the primary receptacle and the secondary packaging. If multiple primary receptacles are placed in a single secondary packaging they shall be wrapped individually to ensure that contact between them is prevented. The absorbent material, such as cotton wool, should be sufficient to take up the entire contents. A non-hygroscopic material which does not evaporate under shipping conditions and is in fact non-toxic for man may be added.

1.3 Although exceptional items, such as whole organs, may require special packaging, the great majority of infectious substances can and should be packaged according to the following guidelines.

1.3.1 Substances shipped at ambient temperatures or higher shall be placed in primary receptacles. These may be made of glass, metal or plastic. Positive means of ensuring a leak-proof seal must be provided such as heat seal, skirted stopper or metal crimp seal. Screw caps should be reinforced with adhesive tape.

1.3.2 Substances shipped refrigerated or frozen (wet ice, "cold dogs", dry ice) shall not be placed in primary receptacles closed by screw caps. Ice or dry ice must be placed outside the secondary packaging(s). Interior supports must be provided to secure the secondary packaging(s) in the original position after the ice or dry ice has been dissipated. If ice is used the packaging must be leak-proof. If dry ice is used the outer packaging must permit the release of carbon dioxide gas.

1.4 The outer box and the outer wrapping, if any, shall be furnished, on the side which bears the addresses of the duly authorized laboratories sending and receiving it, with a standardized label. This label shall be diamond-shaped, 10 cm x 10 cm or 5 cm x 5 cm, with black letters on a white ground. The top half shall bear the approved symbol for infectious substances and the bottom half the following words: "Infectious substance. In case of damage or leakage immediately notify public health authority." This label is as follows:



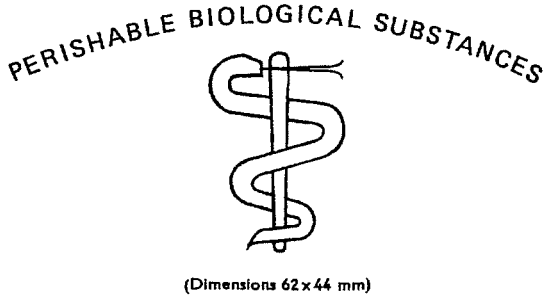
2 Non-infectious perishable biological substances

2.1 Perishable biological substances which contain neither living pathogenic micro-organisms nor living pathogenic viruses shall be packed in an inner non-porous container placed in an outer protective container. Absorbent material shall be placed either in the inner container or between the outer and inner container. This material shall be of sufficient quantity to absorb, in case of breakage, all the liquid contained, or capable of being formed, in the inner container. Moreover, the contents of the inner as well as of the outer container shall be packed in such a way as to prevent any movement.

2.2 Special provision, such as drying by freezing and packing in ice, shall be made to ensure the preservation of substances sensitive to high temperatures.

2.3 Air transmission entails changes of atmospheric pressure. If the substances are packed in sealed phials or well-stoppered bottles, it is required that these containers be strong enough to withstand variations in pressure.

2.4 The outer container, as well as the outer wrapping of the item, shall be furnished, on the side which bears the addresses of the laboratories sending and receiving it, with a violet coloured label with the following text and symbol:



(Dimensions 62×44 mm)

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References: New article merging articles 120 and 121.
The new title corresponds better to the content of the text of the article. The two subtitles correspond to articles 120 and 121.
Paragraph 1.1: Text of article 120, paragraph 1, with drafting amendments.
Paragraph 1.2: Text of article 120, paragraph 2, with drafting amendments.
Paragraph 1.3: Text of article 120, paragraph 3, with drafting amendments.
Paragraph 1.4: Text of article 120, paragraph 4.
Paragraphs 2.1, 2.2, 2.3, and 2.4: Text of article 121, divided into 4 paragraphs, with drafting amendments.

Article RE 2502
Conditions of acceptance and marking of items containing radioactive materials

1 Items containing radioactive materials, whose contents and make-up comply with the regulations of the International Atomic Energy Agency providing special exemptions for certain categories of items, shall be admitted for conveyance by post subject to prior consent from the competent authorities of the country of origin.

2 The outside packing of items containing radioactive materials shall be plainly and durably marked by the sender with the words *"Matières radioactives. Quantités admises au transport par la poste"* (Radioactive materials. Quantities permitted for movement by post); these words shall be officially crossed out should the packing be returned to the place of origin. It shall also bear, in addition to the name and address of the sender, a request in bold letters for the return of the items in the event of non-delivery.

3 The sender shall give his name and address and the contents of the item on the inner wrapping.

4 Administrations may designate special post offices for the posting of items containing radioactive materials.

Reference: Text of article 122, with a new title corresponding better to the content of the text.

Chapter 3

Special provisions

Article RE 2701
Treatment of items wrongly admitted

1 Items which should not have been admitted in application of articles 25 and 27.1, of the Convention, shall be returned to the administration of origin. Nevertheless, the administration of destination shall be authorized to deliver them to the addressees. In that event it shall collect on them, as necessary, the charges prescribed for the category of the letter post to which they belong by reason of their method of closure, contents, weight or size. If, in addition, the weight of the items exceeds the maximum limits laid down in article 9.1 of the Convention, the administration of destination may charge for them according to their actual weight by applying a supplementary charge equal to the charge for an item in the international service of the same category and of the weight corresponding to the excess noted.

Convention, Detailed Regulations – Text as recast by the EC

2 Items containing articles mentioned in article 27.5 and 6 of the Convention and wrongly admitted to the post shall be dealt with according to the legislation of the country of the administration establishing their presence.

3 The administration of destination may deliver to the addressee the part of the contents which is not subject to prohibition.

4 When an item wrongly admitted to the post is neither returned to origin nor delivered to the addressee, the administration of origin shall be notified without delay how it has been dealt with. This notification shall clearly indicate the prohibition under which the item falls and the articles which gave rise to seizure. A wrongly admitted item which is returned to origin shall be accompanied by a similar notification.

5 In the event of the seizure of a wrongly admitted item, the administration of destination shall notify the administration of origin through the dispatch of a C 33/CP 10bis form.

6 Moreover, the right of every member country shall be reserved to deny conveyance in transit à découvert over its territory to letter-post items, other than letters, postcards and literature for the blind, which do not satisfy the legal requirements governing the conditions of their publication or circulation in that country. Such items shall be returned to the administration of origin.

References: New title.
Paragraph 1: Text of article 24, paragraph 1, of the Convention, without the first sentence.
Paragraph 2: Text of article 41, paragraph 6, of the Convention, first sentence.
Paragraphs 3 and 4: Text of article 41, paragraphs 7 and 8, of the Convention.
Paragraph 5: Text of article 147, with a drafting amendment.
Paragraph 6: Text of article 41, paragraph 9, of the Convention.

Article RE 2801
Conditions for redirecting letter-post items

1 General

1.1 Items addressed to addressees who have changed their address shall be considered as addressed direct from the place of origin to the place of new destination.

1.2 Any insured letter the addressee of which has left for another country may be redirected if that country operates the service in its relations with the country of the first destination. If it does not, the item shall be sent back forthwith to the administration of origin for return to the sender.

1.3 Redirection from one country to another shall be effected only if the items satisfy the conditions for the onward conveyance. This shall also apply to items originally for an address within a country.

1.4 On redirection, the reforwarding office shall apply its date-stamp to the front of items in the form of cards and on the back of all other categories of items.

1.5 Unregistered or registered items returned to senders for completion or correction of the address shall not be considered as redirected items on reposting. They shall be treated as new correspondence, liable to a new charge.

1.6 If the attempt to deliver an express item at the place of address by a special messenger has failed, the reforwarding office shall strike through the label or the indication *"Exprès"* (Express) with two thick horizontal lines.

1.7 Each administration may lay down a redirection period in accordance with that in force in its internal service.

2 Forwarding

2.1 Airmail correspondence and priority items shall be redirected to their new destination by the quickest route (air or surface).

2.2 Other items shall be redirected by the means of transport normally used for unsurcharged correspondence (including surface and S.A.L.). They may be reforwarded by air at the express request of the addressee if the latter undertakes to pay the air surcharges or combined charges for the new air route or for the new priority transmission. In this case, the surcharge or the combined charge shall be collected, in principle, at the time of delivery of the item and retained by the delivering administration. All items may also be reforwarded by the quickest route if the surcharges or combined charges are paid at the redirecting office by a third person. Redirection of such items by the quickest route within the country of destination shall be governed by the internal regulations of that country.

2.3 Administrations which apply combined charges may fix special fees, which must not exceed the combined charges, for the redirection by air or by priority means under the conditions laid down under 2.2.

3 Charges

3.1 Items unpaid or underpaid for their first transmission shall be subject to the charge which would have been applied to them if they had been addressed direct from the point of origin to the place of the new destination.

3.2 Items properly prepaid for their first transmission, but on which the additional charge for the further transmission has not been paid before their redirection, shall be subject to a charge representing the difference between the postage already paid and that which would have been charged if the items had been dispatched originally to their new destination. To this charge shall be added the handling charge for unpaid or underpaid items. If reforwarded by air or by priority means, the items shall in addition be subject, for their further transmission, to the surcharge, combined charge or special fee according to 2.2 and 2.3.

3.3 Items having originally circulated free of postal charges within a country shall be subject to the postage charge which would have been payable if these items had been addressed direct from the place of origin to the place of the new destination. To this charge shall be added the handling charge for unpaid or underpaid items.

3.4 In the event of redirection to another country, the following charges shall be cancelled:

3.4.1 the poste restante charge;

3.4.2 the presentation-to-Customs charge;

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3.4.3 the storage charge;

3.4.4 the commission charge;

3.4.5 the additional express charge;

3.4.6 the charge for delivery of small packets to the addressee.

3.5 The customs duty and other fees of which it has not been possible to secure cancellation on redirection or on return to origin shall be collected COD from the administration of the new destination. In that case, the administration of the original destination shall attach to the item an explanatory note and a COD money order (R 3, R 6 or R 8 forms of the Cash-on-Delivery Agreement). If there is no cash-on-delivery service between the administrations concerned, the charges in question shall be recovered by correspondence.

3.6 Redirected letter-post items shall be delivered to the addressees on payment of the charges incurred on departure, on arrival, or in course of transmission due to redirection after the first transmission. The customs duty or other special charges which the reforwarding country does not cancel shall also be paid by the addressees.

References: New title of article 144. The three sub-titles are new.
Paragraphs 1.1 and 1.2: Text of article 144, paragraphs 1 and 2.
Paragraph 1.3: Combined text of article 39, paragraph 1, of the Convention, last sentence, and article 144, paragraph 5.
Paragraphs 1.4 and 1.5: Text of article 144, paragraphs 7 and 8, with a drafting amendment of the latter.
Paragraph 1.6: Text of article 144, paragraph 10.
Paragraph 1.7: Text of article 39, paragraph 6, of the Convention.
Paragraphs 2.1, 2.2 and 2.3: Text of article 39, paragraphs 2, 3 and 4, of the Convention, with a drafting amendment of paragraph 3.
Paragraphs 3.1 and 3.2: Text of article 144, paragraphs 3 and 4.
Paragraph 3.3: Text of article 144, paragraph 6.
Paragraph 3.4: Text of article 39, paragraph 10, of the Convention, with a drafting amendment.
Paragraph 3.5: Text of article 144, paragraph 9.
Paragraph 3.6: Text of article 39, paragraph 9, of the Convention, with a drafting amendment.

Article RE 2802
Collective redirection of letter-post items

1 Unregistered items to be redirected to the same person at a new address may be enclosed in C 6 special envelopes supplied by administrations. Only the name and the new address of the addressee shall be written on these envelopes.

2 When the number of items to be collectively reforwarded justifies it, a bag may be used. In this case the details required shall be entered on a special label provided by the administration and printed, generally, on the pattern of the C 6 envelope.

3 Items to be submitted to customs control shall not be enclosed in these envelopes or bags. Items of which the shape, volume and weight may cause tearing shall also be excluded.

4 The special C 6 envelopes and bags used for collective redirection of correspondence shall be forwarded to the new destination by the route prescribed for individual items.

5 The envelope or bag shall be presented open at the redirecting office. That office shall collect, if necessary, the additional charges to which the redirected items may be subject. When the additional charge has not been paid the charge to be collected on arrival shall be marked on the items. After checking it, the forwarding office shall close the envelope or bag. It shall apply to the envelope or bag label, where necessary, the T stamp indicating that charges are to be collected for all or some of the redirected items.

6 On arrival at its destination, the envelope or bag may be opened and its contents checked by the delivering office which shall collect, where necessary, the unpaid additional charges. The handling charge on unpaid or underpaid items shall be collected only once for all items inserted in the envelopes or bags.

7 Unregistered items addressed either to sailors and passengers aboard the same ship, or to persons travelling as a party, may also be treated as provided for under 1 to 6. In that case, the envelopes or bag labels shall bear the address of the ship or of the shipping or travel agency, etc, to which the envelopes or bags shall be delivered.

References: Title of article 145.
Paragraph 1: Text of article 145, paragraph 1, first sentence, with a drafting amendment.
Paragraph 2: Text of article 145, paragraph 1, second sentence.
Paragraph 3: Text of article 145, paragraph 2, with a drafting amendment.
Paragraph 4: Text of article 39, paragraph 5, of the Convention.
Paragraph 5: Text of article 145, paragraph 3, with a drafting amendment.
Paragraphs 6 and 7: Text of article 145, paragraphs 4 and 5.

Article RE 2901
Period of retention

1 The period of retention under article 29.3 of the Convention shall be fixed by the regulations of the administration of destination. However, this period may not exceed one month, except in particular cases where the administration of destination considers it necessary to extend it to a maximum of two months. Return to the country of origin shall be effected within a shorter period if the sender has requested it by a note on the address side in a language known in the country of destination.

References: New title.
Paragraph 1: Text of article 40, paragraph 3, of the Convention.

Article RE 2902
Undeliverable items. Return to country of origin or to sender

1 Undeliverable items of the internal service shall be redirected abroad for return to the sender only if they satisfy the conditions for the onward conveyance. The same shall apply to international correspondence when the sender has moved to another country.

2 Postcards which do not bear the address of the sender shall not be returned. However, registered postcards shall always be returned.

3 The return to origin of undeliverable printed papers shall not be compulsory, unless the sender has asked for their return by means of a note on the item in a language known in the country of destination. However, administrations shall endeavour to make such return to sender, or

inform him appropriately, when repeated attempts at delivery or bulk items are involved. Registered printed papers and books shall always be returned.

4 When the country returning the item no longer uses surface conveyance, it shall return undeliverable items by the most appropriate means in use.

5 Airmail letters, airmail postcards and priority items to be returned to origin shall be returned by the quickest route (air or surface).

6 Undeliverable airmail correspondence other than airmail letters and airmail postcards shall be returned to origin by the means of transport normally used for unsurcharged correspondence (including surface and S.A.L.), except:

6.1 in the event of interruption of those means of transport; or

6.2 if the administration of destination has systematically chosen the air route for returning such correspondence.

7 For the return of correspondence to origin by air or priority means at the request of the sender, article RE 2801.2.2 and 3 shall apply by analogy.

References: Title of article 40 of the Convention.
Paragraph 1: Text of article 40, paragraph 4, of the Convention supplemented by the second sentence of article 146, paragraph 5.
Paragraphs 2 to 7: Text of article 40, paragraphs 5 to 10, of the Convention.

Article RE 2903
Treatment of undeliverable items

1 Before returning to the administration of origin items which for any reason have not been delivered, the office of destination shall show, in French, the reason for non-delivery. The reason shall be given, clearly and concisely, if possible on the front of the item, in the following form: *"inconnu"* (unknown), *"refusé"* (refused), *"en voyage"* (travelling), *"parti"* (gone away), *"non réclamé"* (unclaimed), "*décédé*" (deceased), etc. As regards postcards and printed papers in the form of cards, the reason for non-delivery shall be shown on the right-hand half of the front.

2 This information shall be shown by the application of a stamp or affixing of a C 33/CP 10 label, to be completed as appropriate. Each administration may add the translation, in its own language, of the reason for non-delivery and other appropriate particulars. In the service with administrations which have so agreed the indications may be made in a single agreed language. Manuscript notes regarding the non-delivery made by officials or by post offices may also be regarded as sufficient in that case.

3 The office of destination shall strike out the address particulars with which it is concerned while leaving them legible and write *"Retour"* (Return) on the front of the item beside the name of the office of origin. It shall also apply its date-stamp on the back of letters and on the front of postcards.

4 Undeliverable items shall be returned to the office of exchange of the country of origin, either individually or in a special bundle labelled *"Envois non distribuables"* (Undeliverable items), as if they were items addressed to that country. Undeliverable ordinary items which bear adequate return details shall be returned direct to the sender.

Convention, Detailed Regulations – Text as recast by the EC

5 The following shall be treated as undeliverable items, items for third persons:

5.1 addressed care of diplomatic and consular services and returned by them to the post office as unclaimed;

5.2 addressed to hotels, lodgings or agencies of airlines or shipping companies and returned to the post office because they cannot be delivered to the addressees.

In no case shall they be considered as new items subject to payment of postage.

6 Insured letters which have not been delivered shall be sent back as soon as possible, and at the latest within the period fixed by article RE 2901.1. These items shall be entered on the VD 3 list and included in the packet, envelope or bag labelled *"Valeurs declarées"* (Insured items).

7 Undeliverable items returned to the country of origin shall be treated in accordance with article RE 2801.3.

References: New title.
Paragraph 1: Text of article 146, paragraph 1, with drafting amendments.
Paragraphs 2, 3 and 4: Text of article 146, paragraphs 2, 3 and 4.
Paragraph 5: Text of article 146, paragraph 6, with drafting amendments.
Paragraph 6: Text of article 146, paragraph 7.
Paragraph 7: New text taking ideas set out in article 40, paragraph 11, of the Convention, and article 146, paragraph 5.

Article RE 3001
Treatment of requests for withdrawal of items from the post or for alteration or correction of address

1 General

1.1 Every request for withdrawal of items from the post or for alteration or correction of address shall entail completion by the sender of a C 7 form. One form may be used for several items posted at the same time at the same office by the same sender to the same addressee.

1.2 In handing in the request at the post office the sender shall prove his identity and produce the certificate of posting, if any. The administration of the country of origin shall assume responsibility for the proof of identity.

1.3 A request for simple correction of address (without alteration of the name or status of the addressee) may be made direct to the office of destination by the sender. The charge prescribed in article 30.3 of the Convention shall not be collected in such a case.

1.4 Through notification of the International Bureau, any administration may make provision for requests concerning it to be exchanged through its central administration or through a specially appointed office. This notification shall include the name of this office.

1.5 Administrations which exercise the option provided for under 1.4 shall bear any charges which may result from the transmission in their internal service by post or by telecommunication of the communications to be exchanged with the office of destination. Recourse to telecommunication or other similar service shall be compulsory when the sender has himself used such means and the office of destination cannot be advised in time by post.

Convention, Detailed Regulations – Text as recast by the EC

1.6 If the item is still in the country of origin, the request shall be dealt with according to the legislation of that country.

2 Transmission by post

2.1 If the request is to be sent by post, the form, accompanied if possible by a perfect facsimile of the envelope or of the address of the item, shall be sent direct to the office of destination under registered cover by the quickest route (air or surface).

2.2 If requests are exchanged through the central administrations, a copy of the request may, in an emergency, be sent direct by the office of origin to the office of destination. Requests sent direct shall be acted on. The items concerned shall be withheld from delivery until the arrival of the request from the central administration.

2.3 On receipt of the C 7 form, the office of destination shall search for the item in question and take the necessary action.

2.4 The action taken by the office of destination on every request for withdrawal from the post or alteration or correction of address shall be communicated immediately to the office of origin by the quickest route (air or surface), using the reply portion of the C 7 form. The office of origin shall inform the applicant. The same shall apply in the following circumstances:

2.4.1 fruitless searches;

2.4.2 items already delivered to the addressee;

2.4.3 item confiscated, destroyed or seized.

2.5 A surface item shall be returned to origin by air following a request for withdrawal from the post when the sender undertakes to pay the corresponding air surcharge. When an item is redirected by air following a request for alteration or correction of address, the corresponding air surcharge shall be collected from the addressee and shall remain the property of the delivering administration.

3 Transmission by telecommunications

3.1 If the request is to be made by telecommunications, the form shall be handed over to the corresponding service for transmission of the details to the post office of destination. The sender shall pay the corresponding charge for that service.

3.2 On receipt of the message received by telecommunications, the office of destination shall search for the item in question and take the necessary action.

3.3 Any request for alteration or correction of address concerning an insured letter made by telecommunications shall be confirmed by post, by the first mail, as prescribed under 2.1. The C 7 form shall then bear at the head, in bold letters, the note *"Confirmation de la demande transmise par voie des télécommunications du ..."* (Confirmation of request made by telecommunications dated ...); pending such confirmation, the office of destination shall merely retain the item. However, the administration of destination may, on its own responsibility, act on the request made by telecommunications without waiting for confirmation by post.

3.4 In relations between two countries which admit this procedure, the sender may ask to be informed by telecommunications of the action taken by the office of destination on his request. He shall pay the relevant charge. If telegrams are used, he must pay the telegraph charge for a

reply-paid telegram, calculated on a fifteen-word basis. When telex is used, the charge to the sender shall normally be the same amount as that charged for forwarding the request by telex.

3.5 If the sender of a request sent by telecommunications has asked to be notified by similar means, the reply shall be sent by this means to the office of origin. It shall inform the applicant as quickly as possible. The same shall apply if a request by telecommunications is not sufficiently explicit to identify the item with certainty.

References: New title. The three sub-titles are new.
Paragraph 1.1: Text of article 148, paragraph 1, first sentence.
Paragraph 1.2: Text of article 148, paragraph 1, second and third sentences, without the last part.
Paragraph 1.3: Text of article 38, paragraph 6, of the Convention.
Paragraph 1.4: Text of article 148, paragraph 5, with a drafting amendment.
Paragraph 1.5: Text of article 148, paragraph 7.
Paragraph 1.6: Text of article 38, paragraph 2, of the Convention, last sentence.
Paragraph 2.1: Text of article 148, paragraph 1, a.
Paragraph 2.2: Text of article 148, paragraph 6.
Paragraph 2.3 Text of article 148, paragraph 3, without the part concerning telecommunications.
Paragraph 2.4: Text of article 148, paragraph 4, without the part concerning telecommunications.
Paragraph 2.5: Text of article 38, paragraph 7, of the Convention.
Paragraph 3.1: Combined text of article 148, paragraph 1, b, and article 38, paragraph 2, of the Convention, second sentence.
Paragraph 3.2: Text of article 148, paragraph 3, concerning messages received by telecommunications.
Paragraph 3.3: Text of article 148, paragraph 2, with drafting amendments.
Paragraph 3.4: Text of article 38, paragraph 4, of the Convention, with drafting amendments.
Paragraph 3.5: Text of article 148, paragraph 4, last sentence and the part of the third sentence concerning telecommunications.

Article RE 3002
Withdrawal from the post. Alteration or correction of address. Items posted in a country other than that which receives the request

1 Any office which receives a request for withdrawal of items from the post or alteration or correction of address made in accordance with article 30.2 of the Convention shall verify the identity of the sender of the item. It shall ensure, in particular, that the address of the sender appears clearly in the place provided for that purpose on the C 7 form. It shall then send the C 7 form to the office of origin or destination of the item.

2 If the request concerns a registered item or an insured letter, the certificate of posting must be presented by the sender and the C 7 form shall bear the notation: *"Vu l'original du récépissé de dépot"* (Seen, original of certificate of posting). Before the certificate of posting is given back to the sender, the following notation shall be made on it: *"Demande de retrait (de modification ou de correction d'adresse) déposée le ... au bureau de ..."* (Request for withdrawal from the post (or for alteration or correction of address) made on ... at the office of ...). This note shall be accompanied by an impression of the date-stamp of the office receiving the request. The C 7 form shall then be sent to the office of destination via the office of origin of the item.

3 Any request made by telecommunications under the conditions laid down under 1 shall be sent direct to the office of destination of the item. If, however, it refers to a registered item or an insured letter, a C 7 form bearing the notations *"Vu l'original du récépissé de dépôt"* (Seen,

original of certificate of posting) and *"Demande transmise par voie des télécommunications déposée le ... au bureau de ..."* (Request made by telecommunications on ... at the office of ...) shall, in addition, be sent to the office of origin of the item. After verifying the details, the office of origin shall write at the top of the C 7 form, in coloured pencil, the note *"Confirmation de la demande transmise par voie des télécommunications du ..."* (Confirmation of request made by telecommunications dated ...) and shall send it to the office of destination. The office of destination shall hold the registered item or the insured letter until receipt of this confirmation.

4 So that the sender may be informed, the office of destination of the item shall inform the office which receives the request how it has been dealt with. However, when a registered item or an insured letter is concerned, this information shall pass through the office of origin of the item. In the case of withdrawal, the withdrawn item shall be attached to this information.

5 Article RE 3001 shall apply, by analogy, to the office which receives the request and to its administration.

References: Title of article 149.
Paragraph 1: Text of article 149, paragraph 1, with drafting amendments and without the end of the last sentence which does not seem to be essential.
Paragraph 2: Text of article 149, paragraph 2, with drafting amendments and a clarification as regards the transmission of the C 7 form.
Paragraph 3: Text of article 149, paragraph 3, with a drafting amendment.
Paragraphs 4 and 5: Text of article 149, paragraphs 4 and 5, with a drafting amendment in paragraph 4.

Article RE 3101
Treatment of inquiries

1 General

1.1 Every inquiry shall involve the preparation of a form:

1.1.1 C 8 in the case of an unregistered item or of a recorded delivery item;

1.1.2 C 9 in the case of a registered item or of an insured letter.

1.2 The form shall be accompanied, whenever possible, by a facsimile of the address of the item. The inquiry form shall be completed with all the details called for and very legibly, preferably in roman capital letters and arabic figures, or even better, by typewriter.

1.3 If the inquiry concerns a cash-on-delivery item, it shall also be accompanied by a duplicate R 3, R 6 or R 8 money order form of the Cash-on-Delivery Agreement or by a deposit note, as the case may be.

1.4 One form may be used for several items posted at the same time at the same office by the same sender and sent by the same route to the same addressee.

1.5 Any administration may, by notifying the International Bureau, ask for inquiries concerning its service to be forwarded to its central administration or to a specially appointed office. In the case of an inquiry about a registered item or an insured letter, the C 9 form shall be furnished with the forwarding data.

1.6 The C 8 or C 9 forms and the documents which are attached to them shall invariably be returned to the administration of origin of the item under inquiry as soon as possible and at the

latest within three months from the date of the original inquiry. They shall be accompanied by the addressee's declaration made out on a C 32 form and certifying the non-receipt of the item under inquiry.

1.7 If the sender asserts that, despite the administration of destination's attestation of delivery, the addressee claims not to have received the item under inquiry, the following procedure shall be followed. At the express request of the administration of origin, the administration of destination shall be obliged to provide confirmation of the delivery by letter, C 5 advice of delivery or some other means, signed in conformity with articles RE 2102.1 or RE 2201.2, as appropriate.

2 Inquiries about unregistered items or recorded delivery items

2.1 The office which receives the inquiry shall automatically forward it to the corresponding office. The latter, after obtaining the necessary information from the addressee or the sender, as the case may be, shall automatically return the form to the office which prepared it. The form shall be sent in an envelope and without a covering letter, preferably by registered mail and by the quickest route (air or surface).

2.2 If the inquiry is acknowledged to be justified, the office which prepared it shall forward the form to its central administration for further investigation.

3 Inquiries about registered items and insured letters

3.1 The inquiry, furnished with the forwarding data, shall be sent from office to office following the same route as the item. Where an inquiry concerns registered items exchanged under the system of bulk advice, the number and date of dispatch of the mail must be entered on the C 9 inquiry form or be provided in a manner agreed between the administrations of origin and destination. The inquiry shall be sent automatically without a covering letter by registered post and always by the quickest route (air or surface).

3.2 If the administration of origin or the administration of destination so requests, the inquiry shall be forwarded direct from the office of origin to the office of destination.

3.3 If, upon receipt of the inquiry, the office of destination or the central administration of the country of destination or the specially appointed office, as the case may be, is able to say what finally happened to the item, it shall complete part 3 of the form. In cases of delayed delivery, retention or return to origin the reason shall be shown briefly on the C 9 form.

3.4 An administration which is unable to establish either delivery to the addressee or correct transmission to another administration shall immediately order the necessary inquiry. It shall record in part 4 of the C 9 form its decision on liability.

3.5 The form, duly completed as prescribed under 3.3 and 3.4, shall be returned by the quickest route (air or surface) and by registered post to the address given at the end of it or, if no address is given, to the office which prepared it.

3.6 Any intermediate administration which forwards a C 9 form to the next administration shall be responsible for informing the administration of origin of the fact by means of a C 9bis form. If within a period of one month the administration of origin has not received the C 9bis form, it shall send the administration concerned a reminder supported by a copy of the C 9 form.

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3.7 If an inquiry has not been returned within a period of two months, a duplicate of the C 9 form, furnished with the forwarding data, shall be sent to the central administration of the country of destination. The word *"Duplicata"* (Duplicate) and the date of dispatch of the original inquiry shall be written very conspicuously on the duplicate.

4 Requests to be sent by telecommunications or by EMS

4.1 If a request is made for transmission of an inquiry by telegraph, a telegram shall be sent, instead of the C 8 or C 9 form, direct to the office of destination. As applicable, the telegram shall be sent either to the central administration of the country of destination or to a specially appointed office. The telegraph charge shall be collected in addition to the inquiry charge.

4.2 If a request is made for transmission by other means of telecommunication or by EMS, the charges normally collected for these services may be collected from the inquirer.

4.3 In relations between two countries admitting this procedure, the sender may ask to be advised by telegram of the action taken on his inquiry. In this case, he must pay the charge for a reply-paid telegram, calculated on a fifteen-word basis. When telex is used, the charge collected from the sender shall normally be the same amount as that charged for forwarding the inquiry by telex. The cost of a reply sent by other means of telecommunication or by EMS shall be waived on the basis of reciprocity.

4.4 If the inquiry by telecommunications does not establish what happened to a registered item or an insured letter, the inquiry shall be made again by post before indemnity is considered. A C 9 form shall then be prepared for treatment according to 3.1 to 3.7.

References:
New title. The four sub-titles are new.
Paragraphs 1.1 and 1.2: Merged text of articles 150, paragraph 1, and 151, paragraph 1, without the last sentence.
Paragraph 1.3: Text of article 151, paragraph 2.
Paragraph 1.4: Merged text of articles 150, paragraph 4, and 151, paragraph 3.
Paragraph 1.5: Merged text of articles 150, paragraph 5, and 151, paragraph 5.
Paragraph 1.6: Merged text of articles 150, paragraph 6, and 151, paragraph 12.
Paragraph 1.7: Text of article 151, paragraph 13, with a drafting amendment.
Paragraph 2.1: Text of article 150, paragraph 2.
Paragraph 2.2: Text of article 150, paragraph 3.
Paragraph 3.1: Text of article 151, paragraph 4, and paragraph 1, last sentence, with a drafting amendment.
Paragraphs 3.2 to 3.7: Text of article 151, paragraphs 6 to 11.
Paragraph 4.1: Merged text of article 47, paragraph 4, second sentence, of the Convention, and articles 150, paragraph 7, and 151, paragraph 15. The drafting has been recast.
Paragraph 4.2: Text of article 47, paragraph 4, penultimate sentence, of the Convention, with a drafting amendment.
Paragraph 4.3: Merged text of article 47, paragraph 4, third, fourth and last sentences, of the Convention, and of articles 150, paragraph 7, and 151, paragraph 15. The drafting has been recast.
Paragraph 4.4: Text of article 151, paragraph 15, last sentence, with a drafting amendment.

Article RE 3102
Inquiries concerning items posted in another country

1 If the inquiry concerns an item posted in another country, the C 8 or C 9 form shall be forwarded to the office of origin of the item, unless the administration concerned has requested that these forms be sent to its central administration or a specially appointed office. The certificate of

posting must be produced but shall not be attached to the C 9 form. The latter shall be endorsed *"Vu récépissé de dépôt No ... délivré le ... par le bureau de ..."* (Seen, certificate of posting No ... issued on ... by the office of ...).

2 The form must reach the administration of origin within the period prescribed for the retention of documents.

Reference: Text of article 152, with drafting amendments.

Chapter 4

Customs matters

Article RE 3201
Items subject to customs control

1 Items to be submitted to customs control shall bear on the front a C 1 adhesive green label, or be provided with a tie-on label in the same form. The C 1 adhesive label shall be affixed on the address side, in so far as possible in the top left-hand corner, beneath the sender's name and address where these are given. With the authorization of the administration of origin, users may use envelopes or wrapping bearing, in the place provided for affixing the C 1 label, a preprinted facsimile of that label. The dimensions and colour must be the same as those of the C 1 label. If the value of the contents declared by the sender exceeds 300 SDR, or if the sender prefers, the items shall also be accompanied by the prescribed number of separate C 2/CP 3 customs declarations. In this case, only the upper part of the C 1 label shall be affixed to the item.

2 C 2/CP 3 customs declarations shall be securely attached to the outside of the item by a string tied crosswise. If the administration of the country of destination so requests, they shall be inserted in the item itself. Exceptionally, these declarations may, if the sender prefers, also be inserted in registered letters in a closed envelope containing valuable articles as mentioned in article 27.2 of the Convention, or in insured letters.

3 For small packets, the formalities prescribed under 1 shall be compulsory in every case.

4 For M bags, the C 1 label shall be stuck on the address label if the country of destination so requests. If the value of the contents declared by the sender exceeds 300 SDR, or if the sender prefers, the upper part of the C 1 label shall be affixed to the address label and the C 2/CP 3 customs declarations shall be affixed to that same label. If the administration of the country of destination so requests, they shall be attached to one of the items contained in the bag.

5 The absence of a C 1 label shall not, in any circumstances, involve the return to the office of origin of consignments of printed papers, serums, vaccines, perishable biological substances, radioactive materials and urgently required medicines which are difficult to obtain.

6 The contents of the item shall be shown in detail on the customs declaration. Descriptions of a general character shall not be admitted.

7 Administrations shall accept no liability for the customs declarations. However, they shall do their utmost to inform senders of the correct way to complete the C 1 labels or customs declarations.

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Reference: Text of article 117, with drafting amendments.

Article RE 3401
Cancellation of customs duty and other fees

1 Postal administrations shall undertake to seek from the appropriate services in their country cancellation of customs duty and other fees on items:

1.1 returned to origin;

1.2 destroyed because of total damage to the contents;

1.3 redirected to a third country.

Reference: Text of article 46 of the Convention, with a drafting amendment.

Chapter 5

Liability

Article RE 3501
Application of the liability of postal administrations

1 Postal administrations' liability shall be as binding for items conveyed à découvert as for those forwarded in closed mails.

2 Postal administrations which undertake to cover risks arising from a case of force majeure shall be liable towards senders of items posted in their country for any loss due to a case of force majeure occurring at any time during transmission of the items. This undertaking shall also cover any redirection or return to origin.

3 The administration in whose service the loss, theft or damage occurred shall decide, according to the laws of its country, whether the loss, theft or damage was due to circumstances amounting to force majeure. These circumstances shall be communicated to the administration of the country of origin if the latter administration so requests.

References: New title.
Paragraph 1: Text of articles 57, 58 and 59 of the Convention, merger of the second sentence of paragraph 1 of each of these articles.
Paragraph 2: Text of articles 57 and 59 of the Convention, merger of the second sentence of paragraph 2 of each of these articles.
Paragraph 3: Text derived from articles 60 and 61, paragraph 2, i, a, of the Convention.

Article RE 3601
Delivery of a rifled or damaged insured letter

1 The office making delivery of a rifled or damaged insured letter shall prepare a VD 4 report on the joint inspection and have it countersigned, whenever possible, by the addressee. One copy

of the report shall be handed to the addressee or, if the item is refused or redirected, attached to it. One copy shall be retained by the administration which prepared the report.

2 If the item is delivered, the copy of the VD 4 report prepared in accordance with article RE 4121.9.2 shall be attached to the item and dealt with in accordance with the regulations of the country of destination. If the item is refused, the said copy shall remain attached to the item.

3 When internal regulations so require, an item subjected to the treatment specified in paragraph 1 shall be returned to the sender if the addressee refuses to countersign the VD 4 report.

Reference: Text of article 153, with drafting amendments.

Article RE 3701
Establishment of sender's liability

1 An administration which finds damage that is due to the fault of the sender shall inform the administration of origin, whose responsibility it is to take action against the sender where appropriate.

Reference: Text of article 62, paragraph 3, of the Convention.

Article RE 3801
Period for payment of indemnity

1 The payment of the indemnity shall be made as soon as possible and, at the latest, within a period of four months from the day following the day of inquiry.

2 The payment of the indemnity may be postponed for a further period of three months:

2.1 when the administration responsible for the payment does not undertake to cover risks of force majeure; and

2.2 when, at the end of the period prescribed in 1, the question of whether the loss is due to such causes has not been decided.

References: New title.
Paragraphs 1 and 2: Text of article 66, paragraphs 2 and 3.

Article RE 3802
Automatic payment of indemnity

1 The return of a C 9 form in which tables 3, 4 and 5 have not been completed shall not be considered as a final reply within the meaning of article 38.3 of the Convention.

2 Postal administrations which have made reservations in the Final Protocol regarding the application of article 38.3 of the Convention shall notify a period within which they will finally settle the matter.

Convention, Detailed Regulations – Text as recast by the EC

References: New title.
Paragraph 1: Text of article 66, paragraph 6, of the Convention, with a drafting amendment.
Paragraph 2: Text of article 66, paragraph 5, of the Convention, with a drafting amendment.

Part III

Provisions concerning the letter post: Relations between postal administrations

Chapter 1

Treatment of letter-post items

Article RE 4001
Priority treatment of airmail correspondence and priority items

1 Administrations shall be bound to forward by the air communications they use for the conveyance of their own airmail correspondence the items of this type which reach them from other administrations.

2 Administrations of countries without an air service shall forward airmail correspondence by the most rapid means used for mails. The same shall apply if for any reason routeing by surface means is more advantageous than the use of airlines.

3 Administrations shall take all necessary steps to:

3.1 ensure the best conditions for the receipt and onward transmission of mails containing airmail correspondence and priority items;

3.2 ensure that agreements concluded with the carriers concerning the priority due to such mails are respected;

3.3 speed up the operations relating to customs control of airmail correspondence and priority items addressed to their countries;

3.4 keep to a strict minimum the time required for forwarding airmail correspondence and priority items posted in their country to the countries of destination and for having airmail correspondence and priority items arriving from abroad delivered to the addressees.

4 Administrations of transit and destination shall treat priority items as airmail correspondence. On the basis of bilateral rules, administrations may also give the same treatment to surface LC items when no better service is offered to the sender. Similarly, no distinction shall be made between non-priority items and surface AO items, or surface AO conveyed by air with reduced priority (S.A.L.).

References: Title of article 37 of the Convention.
Paragraphs 1 and 2: Text of article 83, paragraphs 1 and 2, of the Convention.

Paragraph 3: Text of article 37 of the Convention.
Paragraph 4: Text of article 19, paragraph 6, of the Convention.

Article RE 4101
Mails

1 Mails shall be classified as follows.

1.1 "Airmails" which are conveyed by air with priority. Airmails may contain airmail correspondence and priority items.

1.2 "Priority mails" which are conveyed by surface but which have the same priority as "airmails". "Priority mails" may contain priority items and airmail correspondence.

1.3 "Surface airlifted (S.A.L.) mails" which contain surface mail conveyed by air (S.A.L.) and non-priority items.

1.4 "Surface mails" which contain surface mail and non-priority items.

References: New title.
Text of article 154, paragraph 2.

Article RE 4102
Exchange in closed mails

1 It shall be obligatory to make up closed mails whenever one of the intermediate administrations so asks on grounds that the number or the weight of à découvert items is such as to hinder its work. Dispatches of à découvert items with an average weight exceeding 3 kilogrammes per mail or per day (when several dispatches are made in a day) can be considered as likely to hinder work as regards weight.

2 The exchange of items in closed mails shall be regulated by common consent between the administrations concerned. Any changes in routeing shall be notified by the dispatching administration to the administration of destination at the earliest opportunity and, if possible, before the date of implementation.

3 Administrations through which closed mails are to be forwarded shall be given suitable notice.

4 In cases where an exceptionally large number of ordinary or registered items has to be sent to a country to which mail is normally sent in transit à découvert, the administration of origin shall be authorized to make up closed mails for the offices of exchange of the country of destination. It shall advise the countries of transit and destination accordingly.

Reference: Text of article 155.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 4103
Transit à découvert

1 The transmission of à découvert items to an intermediate administration shall be strictly limited to cases where the making up of closed mails for the country of destination is not justified. The dispatching administration shall consult the intermediate administrations as to the suitability of the route by which it proposes to send its à découvert items. Airmail correspondence or priority items in transit à découvert shall, in so far as possible, be sent to an administration which makes up direct airmails or priority mails for the administration of destination.

2 In the absence of a special agreement, all items posted on board a ship and not included in a closed bag mentioned in article 42 of the Convention shall be handed over à découvert by the ship's agent direct to the post office at the port of call, whether these items have been stamped on board or not.

3 In the absence of special agreement, items for transit à découvert shall be bundled as follows.

3.1 Airmail correspondence and priority items shall be made up in bundles identified by AV 10 labels.

3.2 Surface items and non-priority items shall be made up in bundles identified by C 30 labels.

4 When their number and make-up permit, items sent à découvert to an administration shall be separated by country of destination. They shall be made up in bundles labelled with the name of each country in roman letters.

References: Title of article 158.
Paragraphs 1, 2 and 3: Text of article 158, paragraphs 1, 2 and 3.
Paragraph 4: Text of article 158, paragraph 4, first sentence, without the weight details which are transferred to the Manual along with the rest of the text.

Article RE 4104
Routes and methods of transmission of insured letters

1 By means of the VD 1 tables received from the others concerned, each administration shall decide on the routes to be used for the transmission of its insured letters.

2 The transmission of insured letters between adjacent countries or between countries connected by a direct sea or air service shall be effected by the offices of exchange which the two administrations concerned appoint by mutual agreement.

3 In the relations between countries separated by one or more intermediate services, insured letters shall follow the most direct route. Nevertheless, the administrations concerned may arrange with one another to provide for transmission à découvert by circuitous routes where the transmission by the most direct route would not carry with it a guarantee of liability over the whole distance.

4 Subject to service requirements, insured letters may be dispatched in closed mails. They may also be handed over à découvert to the first intermediate administration if that administration is able to arrange for their transmission under the conditions prescribed in the VD 1 tables.

5 Administrations of origin and destination may agree among themselves to exchange insured letters in closed mails by means of the services of one or more intermediate countries, whether these participate in the insured letters service or not. The intermediate administrations shall be advised at least one month prior to commencement of the service.

Reference: Text of article 157, with drafting adjustments.

Article RE 4105
Make-up of mails

1 Making up of bundles

1.1 Ordinary items which can be bundled shall be classified by size (standardized items and other items) and arranged with the addresses facing the same way. They shall be bundled according to categories, namely:

1.1.1 letters and postcards;

1.1.2 newspapers and periodicals as mentioned in article RE 4113.4;

1.1.3 other AO items.

1.2 The bundles shall be distinguished by labels bearing the indication in roman letters of the office of destination or of the reforwarding office of the items enclosed in the bundles. AV 10 labels shall be used in the case of airmail correspondence or priority items and C 30 labels in the case of surface mail or non-priority items.

1.3 Unpaid or underpaid items shall be made up in separate bundles which shall be placed in the bag containing the letter bill. The bundle label shall be impressed with the T stamp.

1.4 The thickness of the bundles of standardized items shall be limited to 150 mm after bundling. The weight of bundles of non-standardized items may not exceed 5 kilogrammes.

1.5 If letters show signs of opening, deterioration or damage, a note of the fact shall be made on them and they shall be marked with the date-stamp of the office which discovered it. In addition, when the security of the contents so requires the items shall be placed if possible in a transparent envelope or in a fresh packing on which the details appearing on the envelope shall be reproduced.

2 Making up of bags

2.1 Mails, including those made up solely of empty bags, shall be contained in bags the number of which shall be kept to the strict minimum. The bags shall be in good condition to protect their contents. Each bag shall be labelled.

2.2 The bags shall be closed, sealed preferably with lead. The seals may also be made of light metal or plastic. The sealing shall be so done that it cannot be handled or tampered with without showing signs thereof. The impressions of the seals shall reproduce, in very legible roman letters, the name of the office of origin or an indication sufficient to identify that office.

2.3 For the make-up of airmails, bags either entirely blue or with wide blue bands shall be used. In the absence of special agreement between the administrations concerned, the airmail bags

shall also be used for priority mails. For making up surface airlifted mails, surface bags or bags of the same colour shall be used.

2.4 The bags shall show legibly in roman letters the office or country of origin and bear the word *"Postes"* (Post) or any other similar expression distinguishing them as postal dispatches.

2.5 When the number or volume of the items necessitates the use of more than one bag, separate bags shall, as far as possible, be used:

2.5.1 for letters and postcards;

2.5.2 where applicable, for the newspapers and periodicals mentioned in article RE 4113.4;

2.5.3 for other AO items;

2.5.4 where applicable, for small packets; the labels on these bags shall bear the words *"Petits paquets"*.

2.6 The packet or bag of registered items or insured letters shall be placed in one of the bags of letters or in a separate bag; the outer bag shall invariably bear a red label. When there are several bags of registered items or insured letters, all the bags must bear a red label.

2.7 The weight of each bag shall in no circumstances exceed 30 kilogrammes.

3 Making up of packets and envelopes

3.1 In the absence of special agreement, small mails shall simply be wrapped in strong paper so as to prevent any damage to the contents.

3.2 The packets shall be tied with string and sealed with lead, light metal or plastic seals.

3.3 When the packets contain only ordinary items they may be closed by means of gummed seals bearing the printed indication of the office of origin.

3.4 For airmail correspondence and priority items in small quantities, AV 9 envelopes may be used. They shall be made either of strong blue paper or of plastic or other material and bearing a blue label.

3.5 Late postings at airport offices of airmail correspondence and priority items in small quantities may be sent, by aircraft about to leave, in AV 9 envelopes. This procedure shall be admitted only for dispatch to the exchange offices of those administrations of destination which have agreed to receive airmail items made up in this manner.

4 *Sacs collecteurs.* Conveyance in containers

4.1 As far as possible, offices of exchange shall include in their own mails for a particular office all the small mails (packets or bags) which reach them for that office.

4.2 Where warranted by the number of light-weight bags, envelopes or packets to be conveyed on the same sector, *sacs collecteurs* shall be made up, wherever possible. They shall be made up by the post offices responsible for handing over airmails to the airline undertaking the conveyance. The labels of *sacs collecteurs* shall bear in bold letters the indication *"Sac collecteur"*. The administrations concerned shall agree as to the address to be put on the labels.

4.3 For conveyance purposes, mails may be placed in containers, subject to special agreement between the administrations concerned on the methods of using the containers.

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References: Title of article 159.
The four subtitles are new.
Paragraph 1.1: Text of article 159, paragraph 1, first and fourth sentences.
Paragraph 1.2: Text of article 159, paragraph 1, second and third sentences.
Paragraph 1.3: Text of article 159, paragraph 1, fifth and sixth sentences.
Paragraph 1.4: Text of article 159, paragraph 1, last two sentences.
Paragraph 1.5: Text of article 159, paragraph 2.
Paragraph 2.1: Text of article 159, paragraph 3, first sentence and part of third sentence.
Paragraph 2.2: Text of article 159, paragraph 3, part of second sentence, third and last sentences. Remainder of paragraph 3 transferred to the Manual.
Paragraph 2.3: Text of article 159, paragraph 4, combined with article 203, paragraph 1, first sentence and article 221, paragraph 1.
Paragraph 2.4: Text of article 159, paragraph 5.
Paragraphs 2.5 and 2.6: Text of article 159, paragraphs 7 and 8.
Paragraph 2.7: Text of article 159, paragraph 10.
Paragraph 3.1: Text of article 159, paragraph 6, first part of first sentence.
Paragraph 3.2: Text of article 159, paragraph 6, second part of first sentence.
Paragraph 3.3: Text of article 159, paragraph 6, third sentence.
Paragraph 3.4: Text of article 203, paragraph 1, second sentence.
Paragraph 3.5: Text of article 203, paragraph 5, with drafting adjustments.
Paragraph 4.1: Text of article 159, paragraph 11, which also comprises the text of article 203, paragraph 4.
Paragraph 4.2: Text of article 205.
Paragraph 4.3: Text of article 159, paragraph 12.

Article RE 4106
Letter bills

1 A C 12 letter bill shall accompany each mail. The letter bill shall be placed in an envelope marked in bold letters *"Feuille d'avis"* (Letter bill). This envelope shall be pink if the mail contains insured letters and blue if it does not. It shall be fastened to the outside of the packet or bag of registered items. If there are no registered items, the envelope shall whenever possible be attached to a bundle of ordinary items.

2 In relations between countries whose administrations have reached agreement, the dispatching office of exchange shall send one copy of the C 12 by air to the office of exchange of destination. Administrations may, by means of special agreements, decide that mails containing empty bags exclusively shall not be accompanied by a letter bill.

3 The dispatching office shall complete the letter bill with all the details called for, taking the following into account.

3.1 Heading: in the absence of special agreement, dispatching offices shall number the letter bills according to an annual series for each office of destination separately for surface mail, S.A.L. mail and airmail. Each mail shall thus bear a separate number. In the case of the first dispatch of each year the bill shall bear, in addition to the serial number of the mail, that of the last mail of the preceding year. If a mail is suppressed, the dispatching office shall enter beside the number of the last mail the indication "Last mail".

3.2 Table II: administrations may agree that only red-label bags shall be entered in table II of the letter bills.

3.3 Table V: the number of bags used by the dispatching administration and the number of bags returned to the administration of destination shall be entered in this table. Where applicable, the number of empty bags belonging to an administration other than that to which the mail is addressed shall be shown separately with a reference to that administration. When two administrations have agreed to enter red-label bags only (3.2), the number of bags used

for the make-up of the mail or the number of empty bags belonging to the administration of destination shall not be given in table V.

4 Administrations may arrange with each other to include additional tables or headings in the letter bill or modify the tables to suit their needs when they consider it necessary.

5 A "Nil" letter bill shall be sent in the next mail when an office of exchange has no item to pass forward to a corresponding office and when, by special agreement between the administrations concerned, the letter bills are not numbered. In the case of annually numbered mails, no "Nil" letter bill shall be sent.

References: Title of article 160.
Paragraph 1: Text of article 160, paragraph 1, first three sentences.
Paragraph 2: Text of article 160, paragraph 1, last two sentences.
Paragraph 3: Text of article 160, paragraph 2, with drafting amendments. The texts of subparagraphs b, d, e and g are deleted because they simply recall the data appearing on the C 12 form. Part of the text of subparagraphs a, b and g is transferred to the Manual.
Paragraph 4: Text of article 160, paragraph 3.
Paragraph 5: Text of article 160, paragraph 4, with drafting amendments.

Article RE 4107
Transmission of registered items

1 Registered items shall be transmitted entered individually in table VI of the letter bill. One or more C 13 special lists may be used, either in place of table VI or as a supplement to the letter bill. The use of special lists shall be compulsory if the administration of destination so requests. The lists in question shall show the same mail number as that shown on the letter bill of the corresponding mail. When several special lists are used they shall also be numbered in their own series for each mail. The number of registered items which can be entered on a single special list or in table VI of the letter bill shall be restricted to the number for which the layout of the respective form provides.

2 Administrations may agree to the bulk advice of registered items. The total number of items shall be entered in table III of the letter bill. When the mail comprises several bags of registered items, every bag except the one in which the letter bill is inserted shall contain a special list showing, in words and figures in the space provided, the total number of registered items it contains. The number of items inserted in the bag containing the letter bill shall be mentioned thereon in the box in table VI reserved for that purpose.

3 Registered items and, where applicable, the special lists provided under 1 shall be made up in one or more separate packets or bags which shall be suitably wrapped or closed and sealed with or without lead so as to protect the contents. Bags and packets made up in this way may be replaced by heat-sealed plastic bags. The registered items shall be arranged in each packet according to their order of entry. When one or more special lists are used, each of them shall be tied up with the registered items to which it refers and placed on top of the first item in the bundle. When several bags are used each of them shall contain a special list detailing the items which it contains.

4 Subject to agreement between the administrations concerned and when their volume permits, registered items may be enclosed in the special envelope containing the letter bill. This envelope shall be sealed.

5 In no case may registered items be included in the same bundle as unregistered items.

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6 As far as possible a single bag shall not contain more than 600 registered items.

7 Registered M bags shall be entered as a single item in table VI of the C 12 letter bill or on a C 13 special list. The letter M shall be added in the "Observations" column.

References: Paragraphs 1 and 2: Text of article 161, paragraphs 1 and 2.
Paragraph 3: Text of article 161, paragraph 4, without the second sentence concerning the seals, which already appears in article 4306, 2.2.
Paragraphs 4, 5 and 6: Text of article 161, paragraphs 5, 6 and 7.
Paragraph 7: Text of article 166, last sentence, with a drafting adjustment.

Article RE 4108
Transmission of recorded delivery items

1 Recorded delivery items shall be transmitted in the same manner as unregistered items.

Reference: Text of article 162, with a drafting adjustment.

Article RE 4109
Transmission of insured letters

1 The dispatching office of exchange shall enter the insured letters on VD 3 special dispatch lists with all the details for which the form provides. The VD 3 dispatch list shall bear, at the head, a *"Par avion"* (By airmail) label or a blue stamp impression bearing the words *"Par avion"* (By airmail) if it concerns an airmail dispatch.

2 Insured letters shall be made up with the dispatch list or lists into one or more special packets tied to one another. The latter shall be wrapped in strong paper, tied on the outside and sealed with fine wax on every fold by means of the seal of the dispatching office of exchange. These packets shall be endorsed *"Valeurs déclarées"* (Insured items).

3 Instead of being made up in a packet, the insured letters may be placed in a strong paper envelope, closed by means of wax seals.

4 The packets or envelopes of insured letters may also be closed by means of gummed seals bearing the printed indication of the administration of origin of the mail. An impression of the date-stamp of the dispatching office shall be added to the gummed seal in such a way that it appears partly on the seal and partly on the wrapping. This method of closure cannot be used if the administration of destination of the mail requires the packets or envelopes of insured letters to be sealed with wax or lead.

5 If their number or volume makes it necessary, insured letters may be placed in a bag suitably closed and sealed with wax or lead.

6 The packet, envelope or bag of insured letters shall be enclosed in the packet or bag containing registered items or, failing those, in the packet or bag which would normally contain registered items. When the registered items are enclosed in more than one bag, the packet, envelope or bag of insured letters shall be placed in the bag to the neck of which the special envelope containing the letter bill is attached.

7 The outer bag containing insured letters must be in perfect condition and the edge of its mouth shall be provided, if possible, with piping which makes it impossible to open the bag illicitly without leaving visible traces.

Convention, Detailed Regulations – Text as recast by the EC

References: Title of article 163.
Paragraph 1: Text of article 163, paragraph 1, supplemented by the text of article 203, paragraph 2, concerning the VD 3 dispatch lists.
Paragraphs 2, 3, 4, 5, 6 and 7: Text of article 163, paragraphs 2 to 7, with drafting amendments.

Article RE 4110
Transmission of money orders and unregistered COD items

1 Postal money orders sent unenclosed shall be made up in a separate bundle and placed in a packet or bag containing registered items or, if there is one, in the packet or bag with insured items. The same shall apply to unregistered COD items. If the mail contains neither registered nor insured items, the money orders and any unregistered COD items shall be placed in the envelope containing the letter bill or bundled with the latter.

Reference: Text of article 164.

Article RE 4111
Transmission of express items

1 The presence of express items shall be shown by a cross (x) in the corresponding box of table I on the C 12 letter bill.

2 Express items shall be made up in separate bundles bearing labels marked in bold letters *"Exprès"* (Express). These bundles shall be enclosed by the offices of exchange in the envelope containing the letter bill accompanying the mail.

3 If, however, this envelope has to be fixed to the packet or bag of registered items, the bundles of express items shall be placed in the outer bag.

4 Registered express items shall be arranged in their order among the other registered items. The word *"Exprès"* (Express) shall be written opposite the appropriate entries in the "Observations" column of table VI of the letter bill or the C 13 special lists. In the case of bulk advice, the presence of such registered items shall be shown by a cross in the corresponding box of table VI of the letter bill. A similar indication shall be made in the "Observations" column of the VD 3 dispatch lists opposite the entries of insured letters for delivery by express.

Reference: Text of article 165.

Article RE 4112
Transmission of M bags

1 Every M bag shall be furnished with a C 28, AV 8 or AV 8bis label to which a large letter M has been added in the upper right-hand corner. This label shall be additional to the address label provided by the sender.

Reference: Text of article 166, first sentence, with a drafting adjustment.

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Article RE 4113
Labelling of mails

1 The labels of the bags shall be made of sufficiently rigid canvas, of plastic, of strong cardboard, of parchment, or of paper glued to wood. They shall be provided with an eyelet. Their layout and text shall conform to the specimens annexed hereto and mentioned below:

1.1 C 28 in the case of surface bags;

1.2 AV 8 in the case of airmail bags;

1.3 AV 8bis in the case of surface airlifted (S.A.L.) bags.

In the service between neighbouring offices, strong paper labels may be used. These shall, however, be strong enough to withstand the various handling processes the mails undergo during transmission.

2 Bags containing registered items, insured letters, and/or the letter bill shall be provided with a vermilion red label.

3 A white label shall be used for bags containing only ordinary items of the following categories:

3.1 letters and postcards dispatched by surface and air;

3.2 mixed items (letters, postcards, newspapers and periodicals and other items).

4 A white label shall also be used for bags containing newspapers posted in bulk by publishers or their agents and dispatched by surface only, except those returned to sender. The word *"Journaux"* (Newspapers) or the reference *"Jx"* shall be written on the white label, when the bags contain only items of this category.

5 A light blue label shall be used for bags containing only ordinary items of the printed papers, literature for the blind, small packets and non-priority items categories.

6 A light blue label shall also be used for bags containing periodicals other than those mentioned under 4. The words *"Ecrits périodiques"* (Periodicals) may be written on the blue label when the bags contain only items of this category.

7 A green label shall be used for bags containing only empty bags being returned to origin.

8 Where priority mails conveyed by surface are concerned, the C 28 label shall be marked "PRIOR" in large, very bold letters.

9 The label of the bag or packet containing the letter bill shall always bear a bold letter "F". The number of bags comprised in the mail may be written on it.

10 The label of receptacles containing express items must bear a tab or be marked *"Exprès"* (Express).

11 A white label may also be used in conjunction with a 5 x 3 cm tab in one of the colours mentioned under 2 to 7. A blue label may also be used in conjunction with a similar tab in red.

12 Letters containing perishable infectious biological substances shall be placed in separate bags. Each bag shall be provided with an identification label, similar in colour and form to the label provided for in article RE 2501 but made bigger to make room for affixing an eyelet. Besides the special symbol for items containing infectious substances, this label shall bear the phrase:

"Infectious substance" and "In case of damage or leakage immediately notify public health authority".

13 In the case of bags containing only items exempted from transit charges and terminal dues, the C 28 label shall be marked "Exempt" in very bold characters.

14 The gross weight of each bag, envelope or packet forming part of the mail shall be shown on the bag label or with the external address. If a *sac collecteur* is used, its weight shall not be taken into account. The weight shall be rounded up to the nearest hectogramme when the fraction of the hectogramme is equal to or greater than 50 g and rounded down to the nearest hectogramme otherwise. The indication of the weight shall be replaced by the figure 0 for airmails weighing 50 g or less.

15 Intermediate offices shall not enter any serial number on the labels of bags or packets of closed mails in transit.

References: Title of article 167.
Paragraph 1: Text of article 167, paragraph 1, first part, with drafting adjustments, supplemented by the texts of articles 203, paragraph 3, and 221, paragraph 2, without the last sentence which is transferred to the Manual.
Paragraphs 2, 3, 4, 5, 6 and 7: Text of article 167, paragraph 1, second part relating to the colour of the labels, without the last sentence of subparagraph b, iii, which is transferred to the Manual.
Paragraph 8: Text of article 167, paragraph 2, without the second sentence which becomes superfluous.
Paragraphs 9, 10, 11, 12 and 13: Text of article 167, paragraphs 3, 4, 5, 6 and 7.
Paragraph 14: Text of article 204, paragraphs 1 and 2, with drafting adjustments, which includes the text of article 167, paragraph 9.
Paragraph 15: Text of article 167, paragraph 10.

Article RE 4114
Routeing of mails

1 When a mail consists of several bags, these shall as far as possible remain together and be forwarded by the same post.

2 The administration of the country of origin may prescribe the route to be followed by the closed mails which it dispatches, provided that the use of that route does not entail special costs for an intermediate administration. Information about the routeing shall be entered on the C 18, AV 7 or C 18bis bills and on the C 28, AV 8 or AV 8bis labels.

3 Closed airmails shall be forwarded by the flight requested by the administration of the country of origin, provided that it is used by the administration of the country of transit for the transmission of its own mails. If that is not the case or if there is insufficient time for the transhipment, the administration of the country of origin shall be so informed.

4 In the event of a change in a service for the exchange of closed mails established between two administrations via one or more third-party countries, the administration of origin of the mail shall inform the administrations of those countries of the fact.

5 If it is a question of an alteration in the routeing of mails, the new route to be followed shall be reported to the administrations which previously provided the transit. The old route shall be reported, for information, to the administrations which will provide the transit in the future.

References: New title.
Paragraphs 1 and 2: Text of article 168, paragraphs 1 and 2.
Paragraph 3: Text of article 83, paragraph 3, of the Convention.
Paragraphs 4 and 5: Text of article 168, paragraphs 5 and 6.

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Article RE 4115
Transhipment of airmails and of surface airlifted (S.A.L.) mails

1 In principle, the transhipment at the same airport of mails in course of transmission shall be performed by the administration of the country in which the transhipment takes place.

2 This shall not apply when the transhipment takes place between aircraft of the same airline performing successive stages of the journey.

3 If the administration of the country of origin so wishes, its mails shall be transhipped directly at the transit airport, between two different airlines. The airlines concerned must however agree to make the transhipment and the administration of the transit country must be informed of it beforehand.

4 In the cases referred to under 2 and 3, the bags of mails may be provided with an AV 8ter label, in addition to the labels provided for the conveyance of airmail.

5 When surface mails from an administration are reforwarded by air by another administration, the conditions of such reforwarding shall be covered by a special agreement between the administrations concerned.

References: New title.
Paragraph 1: Text of article 209, paragraph 1.
Paragraph 2: Text of article 209, paragraph 2, a.
Paragraph 3: Text of article 83, paragraph 4, of the Convention combined with the text of article 91, paragraph 3, of the Convention and that of article 209, paragraph 2, b.
Paragraph 4: Text of article 209, paragraph 3, adapted.
Paragraph 5: Text of article 91, paragraph 2, of the Convention.

Article RE 4116
Steps to be taken when direct transhipment of airmails cannot take place as scheduled

1 If mails documented for direct transhipment fail to connect with the scheduled flight at the transhipment airport, the airline shall hand them over immediately to postal officials at the transhipment airport for reforwarding by the quickest route (air or surface).

2 This shall not apply when:

2.1 the administration dispatching the mails has provided for reforwarding on a later flight;

2.2 in the absence of the arrangements referred to under 2.1, the airline responsible for handing over the mails can arrange for them to be reforwarded within 24 hours of their arrival at the transhipment airport.

3 In the case referred to under 1, the office which did the reforwarding shall inform the office of origin of each mail by C 14 verification note, indicating in particular on the verification note the air service from which the mail was taken and the services used (air or surface) for onward transmission to its destination.

Reference: Text of article 210.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 4117
Preparation of trial notes

1 To determine the most favourable route and the transmission time for a mail, the office of exchange of origin may send to the office of destination of the mail a C 27 trial note. This note shall be included in the mail and attached to the letter bill, on which its presence shall be shown by a cross in the corresponding box of table V. If the C 27 form is missing when the mail arrives, the office of destination shall make out a duplicate. The trial note, duly completed by the office of destination, shall be returned by the quickest route (air or surface) either to the address specified or, if no address is given, to the office which prepared it.

2 To determine the most favourable route and the transmission time for items sent à découvert through the intermediary of an administration, the office of exchange of origin may send the administration of destination of such items a C 27 trial note. This note shall be inserted in an envelope on which the indication "C 27" shall be written in the top right-hand corner of the front. The trial note, duly completed by the administration of destination, shall be returned by the quickest route (air or surface).

References: New title.
Paragraphs 1 and 2: Text of article 168, paragraphs 3 and 4.

Article RE 4118
Transfer of mails

1 Surface mails

1.1 In the absence of special agreement between the administrations concerned, the transfer of mails between two corresponding offices shall be carried out by means of a C 18 delivery bill. Two copies of the bill shall be prepared. The first shall be for the receiving office and the second for the dispatching office. The receiving office shall acknowledge receipt on the second copy and return it immediately by the quickest route (air or surface).

1.2 The delivery bill may be prepared in triplicate when the transfer of mails between two corresponding offices is made through a transport service. In that case, the first copy shall be for the receiving office and shall accompany the mail. The second shall receive the acknowledgement of receipt by the transport service and shall be given to the dispatching office. The third shall be retained by the transport service after being signed by the receiving office.

1.3 It may also be prepared in triplicate when the transmission of mails is effected by a means of transport without accompanying staff. The first two copies shall be sent with the mail and the third retained by the dispatching office. The first copy shall be for the receiving office and the second shall be returned by the quickest route, duly signed by the latter, to the dispatching office.

1.4 Because of their internal organization, certain administrations may request that separate C 18 bills be made out for letter-post mails on the one hand, and for parcels on the other.

1.5 When the transfer of mails between two corresponding offices involves a sea service, the dispatching office of exchange may prepare a fourth copy which the receiving office of exchange shall return after certifying it. In this case the third and fourth copies shall accompany the mail. In the absence of special agreement between the administrations dispatching and receiving sea mails, one copy of the C 18 bill shall be sent by air either to the receiving office of exchange of the port of offloading or to its central administration.

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2 Airmails and surface airlifted (S.A.L.) mails

2.1 Mails to be handed over at the airport shall be accompanied by five copies of a white AV 7 delivery bill, for each stop in the case of airmails or a C 18bis, in the case of surface airlifted (S.A.L.) mails.

2.2 One copy of the AV 7 or C 18bis bill, signed as a receipt for the mails by the airline or the authority responsible for the ground services, shall be retained by the dispatching office.

2.3 Two copies of the AV 7 or C 18bis bill shall be retained at the airport of loading by the airline carrying the mails.

2.4 Two copies of the AV 7 or C 18bis bill shall be inserted in a light blue AV 6 envelope. This shall be conveyed in the aircraft's flight portfolio or other special pouch in which the flight documents are kept. Upon arrival at the airport of offloading of the mails, the first copy, duly signed as a receipt for the mails, shall be kept by the airline which has carried the mails. The second copy shall accompany the mails to the post office to which the AV 7 or C 18bis bill is addressed.

2.5 AV 7 or C 18bis bills which have been transmitted electronically by the air carrier may be accepted at the receiving exchange office if the two copies identified under 2.4 are not immediately available. In this case, two copies of the AV 7 or C 18bis bill must be signed by the air carrier representative at the destination airport prior to submission to the receiving administration. One copy shall be signed by the receiving administration as a receipt for the mails and shall be kept by the air carrier. The second copy shall accompany the mails to the post office to which the AV 7 or C 18bis bill is addressed.

2.6 Administrations may agree among themselves to make systematic use of electronic mail or any other appropriate means of telecommunication for transmitting AV 7 or C 18bis bills between the office preparing the document and the office receiving it.

2.7 When mails are sent by surface to an intermediate administration for reforwarding by air, they shall be accompanied by an AV 7 or C 18bis bill for the intermediate office. An AV 7 or C 18bis bill shall also be prepared for the country of destination in respect of airmails reforwarded by surface.

3 The mails shall be handed over in good condition. However, a mail may not be refused because of damage or theft.

References: Title of article 169.
The two subtitles are new.
Paragraphs 1.1, 1.2, 1.3, 1.4 and 1.5: Text of article 169, paragraphs 1, 2, 3 and 4.
Paragraph 2.1: Text of article 206, paragraph 1, combined with the text of article 222, paragraph 1, and adapted accordingly.
Paragraphs 2.2, 2.3, 2.4, 2.5, 2.6 and 2.7: Text of article 206, paragraphs 2, 3, 4 and 5, with drafting adjustments.
Paragraph 3: Text of article 169, paragraph 8.

Article RE 4119
Preparation and checking of C 18, AV 7 or C 18bis delivery bills

1 The delivery bills shall be completed, in accordance with their layout, on the basis of the particulars appearing on the bag labels or with the address. The total number and total weight of the bags and items in each mail shall be entered in bulk by category (LC/AO, M bags). Administrations of origin may elect to enter each bag individually should they wish to do so. The number and weight of bags bearing red labels shall be shown separately; they shall be indicated by an "R" in the "Observations" column of the delivery bill. If the weights entered on the C 18 bill include those

of mail exempted from transit charges and terminal dues, the "Observations" column shall also be used to enter, by category (LC/AO and M bags), the weight to be deducted.

2 The presence of priority surface mails shall be indicated by the entry "PRIOR" in the "Observations" column of the C 18 bill.

3 The following shall also be entered on the AV 7 delivery bill:

3.1 mails included in a *sac collecteur* entered individually with an indication that they are so included;

3.2 mails in AV 9 envelopes.

4 Any intermediate office or office of destination which notices errors in the entries on the AV 7 or C 18bis delivery bill shall immediately correct them. It shall report them by C 14 verification note to the last dispatching office of exchange and to the office of exchange which made up the mail. Administrations may agree to make systematic use of electronic mail or any other appropriate means of telecommunication for reporting irregularities.

5 When the mails forwarded are inserted in containers sealed by the postal service, the serial number and the number of the seal of each container shall be entered in the "Observations" column of the C 18, AV 7 or C 18bis bill.

References: New title.
Paragraph 1: Text of article 169, paragraph 5, with drafting adjustments, and combined with the text of article 207, paragraph 1.
Paragraph 2: Text of article 169, paragraph 6.
Paragraphs 3, 4 and 5: Text of article 207, paragraphs 3, 4 and 5.

Article RE 4120
Missing C 18, AV 7 or C 18bis delivery bill

1 In the absence of the C 18 bill, the receiving office shall prepare one in triplicate in accordance with the load received. Two copies accompanied by a C 14 verification note shall be sent to the dispatching office, which shall return one copy after examination and signature.

2 When a mail reaches the airport of destination – or an intermediary airport responsible for forwarding it with another carrier – without an AV 7 or C 18bis bill, the administration under whose jurisdiction the airport comes shall automatically prepare one. The latter shall be duly countersigned by the carrier from whom the mail is received. This fact shall be reported by C 14 verification note, together with two copies of the AV 7 thus prepared, to the office responsible for loading the mail. The latter office shall be requested to return one copy duly authenticated.

3 If the original AV 7 or C 18bis bill is missing, the administration receiving the mail shall accept the substitute AV 7 or C 18bis prepared under the conditions set out under 2. This fact shall be reported to the office of origin by means of a C 14 verification note, accompanied by two copies of the substitute bill.

4 Administrations may agree to make systematic use of electronic mail or any other appropriate means of telecommunication for settling cases where the AV 7 or C 18bis bill is missing.

5 The exchange office at the airport of destination – or an intermediary airport responsible for forwarding the mail with another carrier – may accept, without preparation of a C 14 verification note, an AV 7 or C 18bis bill provided by the original carrier which has been electronically transmitted from its office at the airport of dispatch and signed by its representative at the airport where the mail is unloaded.

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6 If the airport of loading cannot be determined, the verification note shall be sent straight to the office of dispatch of the mail for it to forward the note to the office through which the mail transited.

References: New title.
Paragraph 1: Text of article 169, paragraph 9.
Paragraphs 2, 3, 4, 5 and 6: Text of article 208, paragraphs 1, 2, 3, 4 and 5.

Article RE 4121
Checking of mails

1 Every office receiving a mail shall check:

1.1 the origin and destination of the bags making up the mail and entered on the delivery bill;

1.2 the sealing and make-up of the bags bearing red labels;

1.3 the accuracy of the information on the delivery bill.

2 The weight entered on the C 28, AV 8 or AV 8bis label shall be checked by sampling or systematically. The data given by the office of origin shall be accepted as valid if they differ from the weights established:

2.1 by 200 g or less in the case of bags of surface mails or surface airlifted (S.A.L.) mails;

2.2 by 100 g or less in the case of bags of airmails.

3 If an intermediate office or office of destination establishes that the actual weight of a bag in an airmail differs by more than 100 g from the weight recorded, it shall amend the AV 8 label and the AV 7 bill. It shall immediately notify the dispatching office of exchange and when appropriate the last intermediate office of exchange of the mistake by C 14 verification note.

4 When an intermediate office receives a mail in bad condition, it shall check the contents if it thinks that these have not remained intact. It shall put it in new packing just as it is. This office shall copy the particulars from the original label on to the new one and apply to the latter an impression of its date-stamp, preceded by the endorsement *"Remballé à ..."* (Repacked at ...). It shall make out a C 14 verification note and insert one copy thereof in the repacked mail.

5 Upon receipt of a mail, the office of exchange of destination shall proceed as follows.

5.1 It shall check whether the mail is complete and has arrived in the sequence in which it was dispached.

5.2 It shall check whether the entries on the letter bill and, where applicable, on the VD 3 dispatch lists and the special lists of registered items are correct.

5.3 It shall satisfy itself that there is no irregularity in the external condition of the outer bag and of the packet, envelope or inner bag containing insured letters.

5.4 It shall check the number of insured letters and inspect them individually.

5.5 If a mail or one or more bags thereof are missing, the facts shall be immediately established by two officials. These shall make the necessary corrections on the bills or lists. They shall take care to cross out, where necessary, the incorrect entries in such a way as to leave the original entries legible. Unless there is an obvious error the corrections shall be accepted in preference to the original statement.

5.6 The procedure provided for in 5.5 shall also apply in the case of any other irregularity such as missing insured letters, registered items, letter bill, dispatch list or special list of registered items.

5.7 If the letter bill, dispatch list or a special list is missing the inward office shall, in addition, prepare a fresh letter bill, dispatch list or special list or make a precise note of the insured letters or registered items received.

6 When the mails are opened, the constituent parts of the fastening (lead and other seals, string, labels) shall be kept together. To achieve this the string shall be cut in one place only.

7 When an office receives letter bills, dispatch lists or special lists which are not intended for it, it shall send them or, if its internal regulations so require, certified true copies to the office of destination by the quickest route (air or surface).

8 Irregularities established upon receipt of a mail containing insured letters shall immediately be made the subject of reservations to the transferring service. Notification of a missing item, alteration or any other irregularity for which administrations may be liable in respect of insured letters shall be sent immediately by telecommunications to the dispatching office of exchange or to the intermediate service. In addition, a VD 4 formal report shall be made out. The condition in which the packing of the mail was found shall be indicated therein. The formal report shall be sent under registered cover to the central administration of the country to which the dispatching office of exchange belongs independently of the verification note, which shall be sent to that office immediately. A duplicate of the report shall be sent at the same time either to the central administration to which the receiving office of exchange belongs or to any other controlling authority appointed by that administration.

9 The office of exchange which receives from a corresponding office a damaged or an insufficiently packed insured letter shall send it on after observing the following rules.

9.1 If it is a matter of slight damage or of partial destruction of the seals, it is sufficient to reseal the insured letter to safeguard the contents. This shall be authorized on condition that it is obvious that the contents are not damaged nor, according to a check of the weight, short. The existing seals shall be preserved. If necessary, the insured letters shall be repacked, retaining the original packing as far as possible. Repacking may also be done by placing the damaged letter in a bag labelled and sealed with lead. In such cases, it is unnecessary to re-seal the damaged letter. The bag label shall be marked *"Lettre avec valeur déclarée endommagée"* (Damaged insured letter). It shall show the following information: registration number, office of origin, amount of the insured value, name and address of addressee, the date-stamp impression and the signature of the official who bagged the item.

9.2 If the state of the insured letter is such that the contents could have been removed, the office shall automatically open it, where this is not contrary to the laws of the country, and check the contents. The result of this check shall be given in a formal VD 4 report. A copy of this report shall be attached to the insured letter. This shall be repacked.

9.3 In all these cases, the weight of the insured letter on arrival and the weight after repacking shall be checked and noted on the cover. This note shall be followed by the words *"Scellé d'office à ..."* (Sealed at ...) or *"Remballé à ..."* (Repacked at ...). This note shall be supplemented by an impression of the date-stamp and by the signature of the officials who have affixed the seals or done the repacking.

10 The discovery of any irregularity whatsoever during the check may in no case be the cause of the return of an ordinary, registered or insured item contained in the mail examined except as provided in article 27 of the Convention.

Convention, Detailed Regulations – Text as recast by the EC

References: New title.
Paragraph 1: Text of article 170, paragraph 1, first part with drafting adjustments.
Paragraph 2: Text of article 170, paragraph 1, second part combined with the text of article 204, paragraph 3, last sentence.
Paragraph 3: Text of article 204, paragraph 3, first sentence, with drafting adjustments.
Paragraph 4: Text of article 170, paragraph 2.
Paragraph 5: Text of article 170, paragraph 3, broken down for greater clarity.
Paragraphs 6 and 7: Text of article 170, paragraphs 4 and 5.
Paragraph 8: Text of article 170, paragraph 8.
Paragraph 9: Text of article 170, paragraph 11, with drafting adjustments.
Paragraph 10: Text of article 170, paragraph 7.

Article RE 4122
Verification notes

1 The irregularities established shall be reported immediately to the office of origin of the mail, by means of a C 14 verification note made out in duplicate, after the complete check of the mail. Where transit is involved, the verification note shall be sent to the last intermediate office which transmitted the mail in bad condition.

2 The details on the verification note shall specify as precisely as possible the bag, cover, packet or item concerned. If the mail contains bundles provided with C 30 and AV 10 labels, such labels shall, in case of irregularity, be attached to the verification note. In the case of service irregularities which gave grounds for presuming loss or theft, the condition in which the packing of the mail was found shall be indicated in as much detail as possible on the verification note.

3 Unless this is impossible for a stated reason, the following elements shall be kept intact for a period of six weeks from the date of verification and shall be sent to the administration of origin if the latter so requests:

3.1 the bag, or envelope, with the string, labels and lead or other seals;

3.2 all the inner and outer packets or bags in which the insured letters and registered items were enclosed;

3.3 the packing of any damaged items which can be recovered from the addressee.

4 When the mails are transmitted through the intermediary of a carrier, the C 18, AV 7 or C 18bis delivery bill mentioning the irregularities established by the intermediate administration or administration of destination on taking over the mails shall where possible be countersigned by the carrier or his representative. The copies of the C 18, AV 7 or C 18bis bill must indicate the reservations made with respect to the carrier service. Where the mails are transported in containers, these reservations shall relate solely to the condition of the container and of its fastening and seals.

5 In the cases provided for in article RE 4121.4, 5 and 7, the office of origin and, where appropriate, the last intermediate office of exchange may, in addition, be advised by telecommunications at the expense of the administration which sends it the advice. Such an advice shall be sent whenever the mail shows obvious traces of having been tampered with, so that the dispatching or intermediate office may investigate the matter without delay. Where necessary, the intermediate office shall advise the preceding administration also by telecommunications for the continuation of the inquiry.

6 When the absence of a mail is the result of a missed mail connection or when it is duly explained on the waybill, a verification note shall be prepared only if the mail does not reach the office of destination by the next post.

7 As soon as a mail which has been reported as missing to the office of origin and, where appropriate, to the last intermediate office arrives, a second verification note announcing the receipt of the mail shall be sent to these offices by the quickest route (air or surface).

8 When a receiving office responsible for checking a mail has not sent a note reporting irregularities of any kind to the office of origin and, where appropriate, to the last intermediate office of exchange by the quickest route (air or surface), it shall be considered, until the contrary is proved, as having received the mail and its contents. The same assumption shall be made in respect of irregularities to which no reference has been made or which have been incompletely reported in the verification note. The same shall apply when the provisions of the present article and of article RE 4121 regarding the formalities to be fulfilled have not been observed.

9 Verification notes and any associated evidence shall be sent under registered cover by the quickest route (air or surface). If the administration of origin has asked to be sent the articles mentioned under 3, these, together with a copy of the verification note, may be sent by registered surface mail, unless the two administrations concerned have agreed on their being sent by air.

10 Verification notes shall be forwarded in envelopes marked in bold letters *"Bulletin de vérification"* (Verification note). These envelopes may either be pre-printed or distinguished by a stamp impression clearly reproducing the indication.

11 The offices to which the verification notes are sent shall return them as promptly as possible to the office of exchange from which they came, after having examined them and indicated thereon their observations, if any. The verification notes shall be considered duly accepted until proved otherwise:

11.1 if they are not returned within a period of one month from the date of their dispatch;

11.2 if the administration of origin is not advised within that time of any investigations which may still be necessary or of the additional dispatch of relevant documents.

References: New title.
Paragraph 1: Text of article 170, paragraph 6, first part, without the mode of transmission to be used which appears in paragraph 16.
Paragraph 2: Text of article 170, paragraph 6, second part, with drafting adjustments.
Paragraph 3: Text of article 170, paragraph 9, with drafting adjustments.
Paragraph 4: Text of article 170, paragraph 10, with drafting adjustments. Some details can be transferred to the Manual.
Paragraphs 5, 6, 7, 8, 9 and 10: Text of article 170, paragraphs 12, 13, 14, 15, 16 and 17, with drafting adjustments.
Paragraph 11: Text of article 170, paragraph 18, with drafting adjustments.

Article RE 4123
Missent items

1 Missent items of all kinds shall be redirected to their destination without delay by the quickest route.

Reference: Text of article 171.

Article RE 4124
Steps to be taken in the event of an accident

1 When, as a result of an accident in course of conveyance, a ship, train, aircraft or any other transport facility is unable to continue its journey and deliver the mail at the scheduled ports of call or stations, the crew shall hand over the mails to the post office nearest to the place of the

accident or to the office best able to reforward the mail. If the crew are unable to do this, that office, having been informed of the accident, shall take immediate action, taking over the mail and reforwarding it to its destination by the quickest route after its condition has been checked and any damaged correspondence put in order.

2 The administration of the country in which the accident occurred shall inform all administrations of previous ports of call or stations, by telecommunications, of the fate of the mail. These administrations in turn shall advise by the same means all other administrations concerned.

3 Administrations which had mail on the transport facility involved in the accident shall send a copy of the C 18, AV 7 or C 18bis delivery bills to the administration of the country where the accident occurred.

4 The qualified office shall then notify the offices of destination of the mails involved in the accident by C 14 verification note giving details of the circumstances of the accident and the results of the check of the mails. One copy of each verification note shall be sent to the offices of origin of the relative mails and another to the administration of the country to which the transport company belongs. These documents shall be sent by the quickest route (air or surface).

Reference: Title of article 212.
Combined texts of articles 172 and 212.

Article RE 4125
Steps to be taken in the event of an interrupted flight, or of diversion or missending of airmails

1 When an aircraft interrupts its flight for a length of time likely to delay the mails or when, for any reason whatsoever, the mails are unloaded at an airport other than that given on the AV 7 delivery bills, the airline shall hand over such mails immediately to the officials of the administration of the country where the stop has been made. The latter shall reforward them by the quickest route (air or surface).

2 The administration which receives missent airmail dispatches or bags owing to a labelling error shall attach a new label to the dispatch or bag, with an indication of the office of origin, and reforward it to its correct destination.

3 In every case the office which did the reforwarding shall inform the office of origin of each dispatch or bag by C 14 verification note, indicating in particular on the verification note the air service from which the mail was taken and the services used (air or surface) for onward transmission to its destination.

Reference: Article 211, with drafting adjustments.

Article RE 4126
Steps to be taken in the event of an interrupted flight, or of diversion or missending of surface airlifted (S.A.L.) mails

1 When mails included in a surface dispatch sent by air (S.A.L.) are on a flight that is interrupted or are unloaded at an airport other than the one indicated on the C 18bis delivery bill, the procedure shall be as follows.

1.1 Officials of the administration of the country where the mails are in transit shall take charge of them and reforward them by surface if conditions are such that the mails can be

sent promptly to the country of destination. The administration of origin shall be informed by telecommunications.

1.2 If rapid delivery by surface to the country of destination cannot be ensured, the administration of the transit country shall get in touch, by telecommunications, with the administration of origin of the mails to determine how the latter are to be reforwarded to their destination and how compensation for reforwarding is to be calculated and settled.

1.3 The administration of the country of transit shall make out a new delivery bill (C 18, C 18bis or AV 7, as required) and redirect the mails as instructed by the administration of origin.

Reference: Text of article 223, with drafting adjustments.

Article RE 4127
Return of empty bags

1 In the absence of special agreement between the administrations concerned, bags shall be returned empty by the next post in a mail for the country to which they belong and if possible by the normal route followed on the outward journey. The number of bags returned by each mail shall be noted in table V of the letter bill. This entry shall not be made when two administrations have agreed to indicate only red-label bags on the letter bill.

2 Administrations of origin may make up special mails for the return of empty bags. However, the make-up of special mails shall be compulsory when the administrations of transit or destination so request. The special mails shall be described on C 18 S bills. If special mails are not made up, the number and the weight of sacks of empty bags shall be entered in the "Observations" column of the C 18 and C 18bis delivery bills.

3 The make-up of special mails shall be compulsory as soon as the number of empty airmail bags to be returned reaches ten. These mails shall be described on AV 7 S statements.

4 The return shall be carried out between offices of exchange appointed for the purpose. The administrations concerned may agree among themselves as to the procedure for the return. In long-distance services, they shall, as a general rule, appoint only one office responsible for receiving the empty bags returned to them.

5 The empty bags shall be rolled into suitable bundles. Where appropriate the label blocks, labels of canvas, parchment or other stout material shall be placed inside the bags. The bundles shall bear a label showing the name of the office of exchange from which the bags were received whenever they are returned via another office of exchange.

6 If there are not too many of them, the empty bags to be returned may be placed in the bags containing letter-post items. Otherwise, they shall be placed in separate bags, sealed, or unsealed (if the administrations concerned agree on this), and labelled with the name of the offices of exchange. The labels shall be endorsed *"Sacs vides"* (Empty bags).

7 The bags used for printed papers for the same addressee at the same address (M bags) shall be recovered after they have been handed over to the addressees and shall be returned, in accordance with the above-mentioned provisions, to the administrations of the countries to which they belong.

8 If the check made by an administration establishes that bags belonging to it have not been returned to its service within a period longer than that required for their transmission (round trip), it shall be entitled to claim reimbursement of the value of the bags as provided for under 9.

The administration in question may refuse this reimbursement only if it can prove the missing bags were returned.

9 Each administration shall fix, periodically and uniformly for each kind of bag used by its offices of exchange, a value in SDRs and communicate it to the administrations concerned through the International Bureau. In case of reimbursement, the cost of replacing the bags shall be considered.

10 By prior agreement, an administration may use the bags belonging to the administration of destination for making up its own airmails.

References: Title of article 173.
Paragraph 1: Text of article 173, paragraph 1, with drafting adjustments.
Paragraph 2: Text of article 173, paragraph 2.
Paragraph 3: Text of article 216, paragraphs 1 and 2 combined.
Paragraphs 4, 5, 6, 7, 8 and 9: Text of article 173, paragraphs 3, 4, 5, 6, 7 and 8.
Paragraph 10: Text of article 216, paragraph 3.

Article RE 4128
Use of bar codes

1 Administrations may use computer-generated bar codes and a unique identification system in the international postal services for purposes such as track/trace systems and other identification applications. The specifications shall be laid down by the Consultative Council for Postal Studies.

References: New title.
Text of article 7, paragraph 1, first sentence, and paragraph 2, last part of the first sentence.

Article RE 4201
Mails exchanged with military units

1 Intermediate administrations shall be informed, as far as possible in advance, of the establishment of an exchange of closed mails as mentioned in article 42 of the Convention.

2 The address of these mails shall be worded as follows:

From the office of
the (nationality) naval unit of (designation of the unit) at
For (Country)
the (nationality) ship (name of ship) at

or

From the (nationality) naval unit of (designation of the unit) at
From the (nationality) ship (name of ship) at (Country)
For the office of

or

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From the (nationality) naval unit of (designation of the unit) at
From the (nationality) ship (name of ship) at (Country)
the (nationality) naval unit of (designation of the unit) at
For (Country)
the (nationality) ship (name of ship) at

3 The mails concerned shall be forwarded by the fastest route (air or surface), according to the indication written on the address, and under the same conditions as mails exchanged between post offices.

4 The captain of a mail-boat conveying mails for a naval unit or a warship shall hold them at the disposal of the commanding officer of the naval unit or ship of destination, should the latter ask him for delivery en route.

5 If the ships are not at the place of destination when the mails addressed to them arrive there, the mails shall be kept at the post office until they are collected by the addressee or redirected to another point. Redirection may be requested either by the administration of origin, by the commanding officer of the naval unit or ship of destination, or by a consul of the same nationality.

6 Those mails which are marked *"Aux soins du Consul d' ..."* (Care of the Consul of ...) shall be delivered to the consulate indicated. At the request of the consul they may afterwards be received back into the postal service and redirected to the place of origin or to another address.

7 Mails addressed to a warship shall be regarded as being in transit up to the time of their delivery to the commanding officer of that ship, even when they have been originally addressed to the care of a post office or to a consul charged to act as forwarding agent. They shall not, therefore, be regarded as having reached their address until they have been delivered to the warship concerned.

8 By agreement between the administrations concerned, the above procedure shall also be applicable, if necessary, to mails exchanged with military units placed at the disposal of the United Nations and with military aircraft.

Reference: Text of article 174.

Article RE 4301
Steps to be taken in the event of temporary suspension and resumption of services

1 If services are temporarily suspended, the administration or administrations concerned must be notified of the fact by telecommunications, indicating, if possible, the probable duration of the suspension of services. The same procedure shall be applied when the suspended services are resumed.

2 The International Bureau must be notified of the suspension or resumption of services if a general announcement is considered necessary. If necessary, the International Bureau shall notify administrations by telecommunications.

3 The administration of origin shall have the option of refunding the postage charges, special charges and air surcharges to the sender if, owing to the suspension of services, the benefit accruing from conveyance of the item in question was obtained only in part or not at all.

References: New title.
Paragraph 1: Text of article 4, paragraph 1, of the Convention, part of text concerning means of notification.
Paragraphs 2 and 3: Text of article 4, paragraphs 2 and 3, of the Convention.

Chapter 2

Treatment of cases of liability

Article RE 4401
Procedures for determining the liability of postal administrations

1 Until the contrary is proved and subject to article 44.2 of the Convention, an intermediate administration or administration of destination shall be relieved of all liability:

1.1 when it has observed the provisions for inspection of mails and establishment of irregularities;

1.2 when it can prove that it was informed of the inquiry after the destruction of the official records relating to the item in question, the period of retention having expired. This reservation shall not prejudice the rights of the claimant;

1.3 when, in the case of individual entry of registered items, correct delivery of the lost item cannot be proved because the administration of origin did not enter the registered items in detail on the C 12 letter bill or on the C 13 special lists.

2 Until the contrary is proved, an administration dispatching an insured letter shall be relieved of all liability if the office of exchange to which the item has been consigned has not sent to the dispatching administration, by the first available mail after inspection, a report stating either that the whole packet of insured articles or the particular item is missing or has been tampered with.

3 If the theft or damage of an insured letter has been established in the country of destination or, in the case of return to sender, in the country of origin, it shall be for the administration of that country to prove:

3.1 that neither the packet, envelope or bag and its fastening, nor the wrapping and fastening of the item bore any apparent trace of theft or damage;

3.2 that the weight established at the time of posting has not varied.

4 When the proof mentioned in 3 has been furnished, none of the other administrations concerned may repudiate its share of liability on grounds that it handed over the item without the next administration having made any objection.

5 When a registered item or an insured letter has been lost, rifled or damaged as the result of force majeure, the administration in whose territorial jurisdiction or services the loss, theft or damage occurred shall be liable to the administration of origin only if the two administrations undertake to cover risks of force majeure.

References: New title.
Paragraph 1: Text of articles 63 and 64 of the Convention. Merger of paragraph 2 of each of these articles, with drafting adjustments.
Paragraph 2: Text of article 64, paragraph 3, of the Convention.
Paragraphs 3 and 4: Text of article 64, paragraph 4, of the Convention, without the first part.
Paragraph 5: Text of articles 63, paragraph 5, and 64, paragraph 6, of the Convention. Merger of the texts, with drafting adjustments.

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Article RE 4402
Recovery of indemnities paid from air carriers

1 When the loss occurs in the service of an air carrier, the administration of the country which collects the conveyance dues shall reimburse the administration of origin for the indemnity paid to the sender. It shall be for the former administration to recover this amount from the air carrier in question. Where the administration of origin settles the conveyance dues direct with the air carrier, it shall itself seek reimbursement of the indemnity from the air carrier.

References: New title.
Text of article 63, paragraph 3, of the Convention, merged with the text of article 65.

Article RE 4403
Reimbursement of the indemnity to the paying administration

1 The administration which is liable or on behalf of which payment is made shall reimburse the paying administration the amount of indemnity paid to the rightful claimant. The reimbursement shall be made within four months of the date of dispatch of the notice of payment.

2 If the indemnity is due to be borne by several administrations, the whole of the indemnity shall be paid to the paying administration, within the period mentioned under 1, by the first administration which, having duly received the item claimed for, is unable to prove its correct transfer to the next service. It shall rest with this administration to recover from the other administrations which are liable each one's share of the indemnity paid to the rightful claimant.

3 The administration whose liability is duly established and which has at first declined to pay the indemnity shall assume all additional costs resulting from the unwarranted delay in payment.

References: New title.
Paragraphs 1 and 2: Texts of article 68, paragraphs 1 and 2, adapted.
Paragraph 3: Text of article 68, paragraph 7.

Article RE 4404
Settlement of indemnities between postal administrations

1 Immediately after paying the indemnity, the paying administration shall communicate to the administration which is liable the date and the amount of payment made. If, one year after the date of dispatch of authorization to pay the indemnity, the paying administration has not communicated the date and amount of payment or debited the account of the administration which is liable, the authorization shall be considered null and void. The administration which received it shall then no longer be entitled to claim reimbursement of any indemnity paid.

2 When liability has been admitted, as well as in the case provided for in article 38.3 of the Convention, the amount of the indemnity may also be automatically recovered from the administration which is liable through a liquidation account, either direct or through the intermediary of an administration which regularly draws up liquidation accounts with the administration which is liable.

3 When proof of delivery is supplied after the period laid down in article RE 3801.1, the indemnity paid shall continue to be borne by the intermediate administration or administration of destination if the sum paid cannot, for any reason, be recovered from the sender.

4 If the sender or the addressee takes delivery of an item found afterwards against repayment of the amount of the indemnity, that sum shall be refunded to the administration or, where appropriate, administrations which bore the loss, within one year of the date of such repayment.

5 Administrations may agree to settle periodically for the indemnities which they have paid to the rightful claimants and which they have accepted as justified.

6 The administrations of origin and destination may agree that the whole of the loss shall be borne by the administration which has to make the payment to the rightful claimant.

7 The creditor administration shall be reimbursed in accordance with the rules for payment laid down in article RE 5303.

References: New title.
Paragraph 1: Text of article 68, paragraph 6, of the Convention.
Paragraph 2: Text of article 68, paragraph 5, of the Convention.
Paragraph 3: Text of article 69, paragraph 4, of the Convention.
Paragraph 4: Text of article 69, paragraph 2, of the Convention.
Paragraph 5: Text of article 68, paragraph 8, of the Convention.
Paragraph 6: Text of article 68, paragraph 3, of the Convention.
Paragraph 7: Text of article 68, paragraph 4, of the Convention, with a drafting adjustment.

Article RE 4405
Accounting for amounts due in respect of indemnity for letter-post items

1 When payments have to be charged to the administrations which are liable, the creditor administration shall prepare C 31 monthly or quarterly accounts.

2 The C 31 account shall be sent in duplicate to the debtor administration by the quickest route (air or surface), and at the latest within two months following the period to which it relates. "Nil" accounts shall not be prepared.

3 After checking and acceptance, one copy of the C 31 account shall be returned to the creditor administration, at the latest by the end of two months from the date of dispatch. If the creditor administration has not received any notice of amendment within the prescribed time limit, the account shall be regarded as fully accepted.

4 In principle, these accounts shall be settled separately. However, administrations may come to an agreement that they are to be settled with the AV 5 detailed account or with the AV 11 general account, or possibly with the CP 18 general accounts for postal parcels.

Reference: Text of article 201.

Chapter 3

Transit charges and terminal dues

Article RE 4501
Application of transit charges

1 In the absence of special agreement, direct sea conveyance between two countries by the ships of one of them shall be regarded as a third party service.

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2 Sea transit shall begin when the mails cease to be under the control of a postal administration and shall end when the administration of destination is informed by the shipping line that the mails are available for collection.

3 When a country gives permission for its territory to be crossed by a foreign transport service without the participation of its services in accordance with article 41.2 of the Convention, mails thus forwarded shall not be subject to the payment of land transit charges.

References: New title.
Paragraph 1: Text of article 71, paragraph 3, of the Convention.
Paragraph 2: Text of article 71, paragraph 4, of the Convention.
Paragraph 3: Text of article 71, paragraph 2, of the Convention.

Article RE 4601
Kilometric distances

1 The distances used to determine the transit charges for distances traversed by land according to article 46.1.1 of the Convention shall be taken from the "List of Kilometric Distances relating to land sectors of mails in transit" published by the International Bureau.

References: New title.
Text of article 72, paragraph 2, of the Convention, with drafting adjustments.

Article RE 4602
Transit bulletin for surface mails

1 For the routeing data of the mails to be known with certainty, the office of exchange of origin may attach, as necessary, to the mails subject to transit charges a C 19 green transit bulletin.

2 The transit bulletin shall be used only if the routeing of the mails is uncertain or if the transport services used are unknown to the administration of origin. Before deciding on its preparation, the administration of origin shall satisfy itself that it has no other way of finding out the routeing of the mails it dispatches. If necessary, it shall consult the administration of destination in writing beforehand.

3 The presence of a transit bulletin accompanying a mail shall be shown by the endorsement "C 19" written in bold letters:

3.1 at the head of the C 12 letter bill;

3.2 on the C 28 label of the bag containing the letter bill;

3.3 in the "Observations" column of the C 18 delivery bill.

4 The transit bulletin annexed to the C 18 delivery bill shall be forwarded unenclosed, with the mail to which it refers, to the different services participating in the conveyance of that mail. In each transit country, the inward and outward offices of exchange, and no other (intermediate) office, shall enter on the bulletin particulars of the transit performed by them. The last intermediate office of exchange shall forward the C 19 bulletin to the office of destination, which shall record on it the exact date of arrival of the mail. The C 19 bulletin shall be returned to the office of exchange of origin.

5 When a transit bulletin whose dispatch is advised on the C 18 delivery bill or the C 28 label is missing, the intermediate office of exchange or the office of exchange of destination which notices its absence shall make immediate inquiries about it of the preceding office of exchange.

Nevertheless, the intermediate office of exchange shall without delay prepare a new bulletin bearing the words "*Etabli d'office par le bureau de ...*" (Routinely prepared by the office of ...), and forward it with the mail. When the C 19 bulletin prepared by the office of exchange of origin reaches the office which has been inquiring about it, the latter shall send it direct to the office of destination under sealed cover, having endorsed it accordingly.

Reference: Text of article 180.

Article RE 4603
Extraordinary services. Multimodal transport

1 The transit charges specified in article 46 of the Convention shall not be applicable to conveyance by extraordinary services specially established or maintained by a postal administration at the request of one or more other administrations. The conditions of this class of conveyance shall be regulated by mutual consent between the administrations concerned.

2 When surface mails from an administration are reforwarded by combined land and sea transport facilities, the conditions of such reforwarding shall be covered by a special agreement between the administrations concerned.

Reference: Text of article 76 of the Convention.

Article RE 4604
Transit charges for diverted or missent mails

1 For the payment of transit charges, diverted or missent mails shall be considered to have followed their normal route. Consequently, administrations concerned in the conveyance of such mails shall not normally be entitled on that account to demand a payment from the dispatching administrations. The latter shall however remain liable for the appropriate transit charges to the postal administrations whose services they normally use. However, administrations reforwarding diverted or missent mails may, if they so wish, claim payment of transit charges from the administration of origin. The latter may in its turn claim reimbursement from the administration whose services made the dispatching error.

Reference: Text of article 80 of the Convention, with drafting adjustments.

Article RE 4701
Statistical period for calculating the proportions by weight of LC items and AO items

1 Administrations which apply separate rates of terminal dues for LC items and AO items in their bilateral relations shall make a statistical count every year to determine the proportions by weight of LC items and AO items. This statistical count shall cover surface mails (including S.A.L. mails) and airmails. It shall take place during May in odd years and October in even years.

2 For application of the separate LC and AO rates laid down in article 47.2.2 and 3 of the Convention, the annual weight of LC/AO mail must exceed 150 tonnes. To establish whether this threshold has been reached, administrations shall refer to the total mail received during the last four quarters for which the C 12ter statements have been prepared by the administration of destination.

3 When the threshold of 150 tonnes of LC/AO per annum is exceeded in a single direction, the administration receiving this traffic in excess of 150 tonnes shall notify the administration of

origin of the payment system chosen not later than two months before the statistical period of the year in which it is to be applied. After that date, the rate laid down in article 47.2.1 of the Convention shall apply with full legal validity to the calendar year concerned.

4 If no mails have been sent during the statistical period owing to the absence of transportation, the office of exchange shall make up, on the last day of the statistical period, a mail for the office concerned containing all the items awaiting dispatch, whatever the actual date of forwarding.

5 For mails exchanged between two administrations for the first time, the terminal dues for the current year shall be calculated, by agreement between the administrations concerned, according to the actual weight of all the LC/AO items in the mails, and the uniform rate of terminal dues laid down in article 47.2.1 of the Convention shall apply.

6 The administration of origin shall inform the administrations of transit and destination of the date of the first mail exchanged between two administrations for the first time.

References: New title.
Paragraph 1: Text of article 181, paragraph 1, with drafting adjustments.
Paragraphs 2, 3, 4, 5 and 6: Text of article 181, paragraphs 2, 3, 5, 6 and 7.

Article RE 4702
Bill of weights of LC and AO in mails of the statistical period

1 Surface mails (including S.A.L. mails) and airmails made up during the statistical period shall be provided, in addition to the C 12 letter bill, with an accompanying C 15 bill. The number and weight of LC bags and the number and weight of AO bags shall be entered on this bill.

2 During the statistical period, the LC items and AO items in each mail shall be placed in separate bags. When the number or volume of items requires the use of only one bag, the LC items and AO items shall be bundled separately. In this case, the weight of each bundle shall be shown on the C 15 bill.

3 The first and last surface mails or airmails dispatched during the statistical period shall be indicated on the C 15 bill by means of a cross in the appropriate box. When the dispatching office has been unable to indicate the last mail of the statistical period, it shall send the office of exchange of destination by the quickest route a copy of the bill corresponding to the last mail with the annotation *"dernière dépêche de la période de statistique"* (last mail of the statistical period).

4 Printed papers in M bags shall not be taken into consideration for determining the proportions by weight of LC items and AO items.

References: New title.
Paragraph 1: Texts of article 181, paragraph 4, and article 182, paragraph 1, merged.
Paragraphs 2, 3 and 4: Text of article 182, paragraphs 2, 3 and 4.

Article RE 4703
Labelling of mails during the statistical period

1 During the statistical period, bags of surface mail (including S.A.L. mail) and airmail, excluding M bags, shall be provided, in addition to the ordinary labels, with a special C 28bis label.

Reference: Text of article 183.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 4704
Checking of mails for the statistical period

1 The entries on the C 15 bills for the statistical period shall be checked by the office of exchange of destination. If that office finds an error in the weights indicated, it shall correct the bill and immediately notify the dispatching office of exchange of the mistake by means of a C 16 verification note. However, as regards the weight of a bag, the entry of the dispatching office of exchange shall hold good unless the corrected weight differs by more than 200 grammes from the weight entered on the C 28bis label.

Reference: Text of article 184.

Article RE 4705
Preparation of statistical statements for calculating the proportions of LC and AO

1 As soon as possible after receipt of the last surface mail and of the last airmail made up during the statistical period, the office of exchange of destination shall prepare for each office of exchange of origin a C 15bis statistical statement of mails received from the data on the C 15 bills of weights of LC and AO. It shall then send it to the relevant central service of its administration.

2 On the basis of the C 15bis statistical statements of mails received relating to one and the same administration of origin, the administration of destination shall prepare and send as soon as possible to each administration concerned, separately for surface mails and airmails, a C 15ter recapitulative statistical statement of weights of LC and AO bags dispatched during the statistical period. This recapitulative statistical statement will enable the proportions of the weights of LC and AO bags contained in the surface mails and in the airmails to be determined.

3 If the administration that prepared the C 15ter recapitulative statistical statements of mails received has not received any notice of amendment within three months of the date of dispatch, it shall regard these statements as fully accepted.

4 The proportions of the weights of LC and AO bags contained in the surface mails and airmails, mentioned under 2, applied separately to the total annual weight of surface mails and airmails, shall determine the annual weight of LC and AO surface mail and airmail. The weights thus determined will serve as the basis for terminal dues accounting in the relations concerned by article 47.2.2 and 2.3 and 47.3 of the Convention.

Reference: Text of article 185.

Article RE 4706
Revision of the proportions resulting from the annual statistics

1 When an administration finds that the respective proportions of LC and AO resulting from the annual statistics vary quite substantially from the normal structure of the traffic actually received, it may request that the results of these statistics be revised.

2 Administrations may agree to make this revision. In the absence of agreement, the administrations shall prepare new statistics for a period of one month, and the results shall serve as the basis for preparing the accounts of the year at issue.

3 The results of these supplementary statistics shall be taken into consideration if they affect by more than 1633.45 SDR per annum the accounts between the administrations concerned.

Convention, Detailed Regulations – Text as recast by the EC

4 In the event of continued disagreement, the administrations may resort to the arbitration procedure provided for in article 50.3 of the Convention.

Reference: Text of article 186.

Article RE 4707
Revision of the rates of terminal dues for LC and AO items. Correction mechanism

1 If an administration receiving more than 150 tonnes of LC/AO a year establishes that the average number of LC and/or AO items per kg actually received is greater than the number mentioned in article 47.3 of the Convention, it may ask the dispatching country for the application of the correction mechanism described below for determining new rates of terminal dues suited to their traffic. This request may be made at any time during the year.

2 The correction mechanism shall consist in a special statistical count to calculate the average number of LC and/or AO items per kg, in accordance with the procedures set out in article RE 4708. If the results of the statistical count confirm the finding of the administration of destination, the latter shall be entitled to apply to the traffic it receives from the administration in question new rates of terminal dues calculated in SDRs as follows:

2.1 LC rate = [(Average number of items per kg x 0.10) + 0.88] x 1.43

2.2 AO rate = [(Average number of items per kg x 0.10) + 0.88] x 1.43.

3 If the request for application of the correction mechanism occurs before 1 July, the new rate or rates thus calculated shall come into force with effect from 1 January of the year of the request. If the request occurs after 1 July, the new rate or rates shall apply for the following year. These rates shall remain in force until such time as a new revision is requested by one or other of the administrations concerned. If the number of items per kg resulting from this revision no longer exceeds the threshold of 55 LC items or 7 AO items which gave rise to the first revision, the rates laid down in article 47.2.2 of the Convention shall apply to the traffic in question.

4 In the event of disagreement between the two parties about the application of the correction mechanism, the administrations may resort to the arbitration procedure provided for in article 50.3 of the Convention.

Reference: Text of article 187, with a drafting adjustment.

Article RE 4708
Special statistical count for the application of the correction mechanism

1 To apply the correction mechanism, in the absence of a special agreement, all the mails (surface and air) exchanged in the direction concerned for one month shall be taken into consideration for the revision of the average number of LC and/or AO items per kg.

2 The administrations shall reach agreement on the conditions for this special statistical count, which should if possible take place at the same time as the statistical count provided for in article RE 4701.1, for calculating the proportions by weight of LC items and AO items. In the absence of agreement on the establishment of the special statistical count, the administration that made the request shall be authorized to perform the statistical count as a matter of course three months after the dispatch of its request.

3 During the observation days, the office of exchange of origin shall enter, separately for surface mails (including S.A.L. mails) and for airmails, the number and weight of LC items and/or

the number and weight of AO items on a C 17 bill. This C 17 bill shall be attached to the C 12 letter bill of the mails concerned. If the dispatching office of exchange fails to prepare the C 17 bill, the office of exchange of destination shall prepare it as a matter of course in accordance with the results of its own analyses.

4 From the C 17 bills, the administration that requested the special statistical count shall prepare a C 17bis statement consolidating the data concerning the mails from one and the same dispatching office of exchange to one and the same office of exchange of destination. From the C 17bis statements, or from the C 17 bills if consolidation of the data is unnecessary, the administration that requested the statistical count shall prepare a C 17ter statement. On this C 17ter statement it shall calculate, for both surface mail and airmail, the average number of LC and/or AO items per kg and the new rates of terminal dues by application of the formulas set forth in article RE 4707.2.

5 The C 17ter statements, accompanied by the C 17bis forms or, where applicable, the C 17 forms, shall be sent to the other administration concerned not later than three months after the dispatch of the last mail included in the statistics.

6 If the other administration concerned has made no comment within three months of the date of transmission of the statement, the C 17ter statement shall be regarded as fully accepted.

Reference: Text of article 188.

Article RE 5001
Statement of weights of surface mails, including S.A.L. mails

1 After receipt of the last mail of every month, the office of exchange of destination shall prepare, by dispatching office of exchange, from the particulars on the C 12 letter bills, a C 12bis statement of weights of mails received. It shall then send these statements to its central administration.

2 For each administration of origin of the mails, the administration of destination shall prepare quarterly, from the particulars on the C 12bis statements, by office of origin and office of destination and, where appropriate, by forwarding route, a C 12ter statement of weights of mails received.

3 The C 12bis statements shall be supplied to the administration of origin in support of the C 12ter statements.

4 The administration of transit may transcribe the weights shown on the C 18 delivery bill, as stipulated under 1 to 3. It may also request from the administration of origin of the mails or from the administration of destination a duly accepted copy of the C 12ter quarterly statements which concern it.

Reference: Text of article 175.

Article RE 5002
Statement of weights of airmails

1 Each office of destination shall prepare monthly, by dispatching office of exchange, from the particulars on the pertinent C 12 letter bills, an AV 3bis statement of the weights of airmails received. It shall then send these statements to its central administration.

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2 For each administration of origin of the mails the administration of destination shall prepare quarterly from the particulars on the AV 3bis statements, by office of origin and office of destination, an AV 5bis statement of the weights of airmails received.

3 The AV 3bis statements shall be supplied to the administration of origin of the mails in support of the AV 5bis statements of weights.

Reference: Text of article 176.

Article RE 5003
Transmission and acceptance of statements of weights of mails

1 C 12ter statements and AV 5bis statements shall be sent in duplicate to the administrations of origin of the mails within six months at the latest after the end of the quarter to which they relate.

2 After accepting them, the administration of origin of the mails shall return one copy to the administration which prepared them. If the administration concerned has not received any notice of amendment within three months of the date of dispatch, it shall regard them as fully accepted. If verification reveals any discrepancies, the corrected C 12bis and AV 3bis statements shall be attached in support of the duly amended and accepted C 12ter and AV 5bis statements. If the administration of destination of the mails disputes the amendments made to the C 12bis or AV 3bis statements, the administration of origin shall confirm the actual data by sending photocopies of the C 12 forms drawn up by the office of origin upon dispatch of the disputed mails.

3 Administrations may agree that the C 12bis, C 12ter, AV 3bis and AV 5bis statements shall be prepared by the administration of origin of the mails. In this case, the acceptance procedure provided for under 1 and 2 shall be adapted accordingly.

References: New title.
Paragraphs 1, 2 and 3: Text of article 177, paragraphs 1, 2 and 3.

Article RE 5004
Airmails and S.A.L. mails in transit by surface

1 In the absence of special agreement between the administrations concerned, airmails and S.A.L. mails conveyed frequently by surface for part of their journey in third countries shall be subject to payment of transit charges.

2 In the case referred to above, the transit charges shall be calculated in accordance with the actual gross weights shown on the AV 7 delivery bills for airmails and on the C 18bis bills and, where appropriate, the AV 8bis labels for S.A.L. mails.

Reference: Text of article 178.

Article RE 5005
Closed mails exchanged with military units

1 It shall be the responsibility of the postal administrations of countries to which military units, warships or military aircraft belong to settle direct with the administrations concerned the transit charges and terminal dues arising from the mails sent by those military units, ships or aircraft.

2 If these mails are redirected, the redirecting administration shall report the fact to the administration of the country to which the military unit, ship or aircraft belongs.

Reference: Text of article 179.

Article RE 5006
Preparation, transmission and approval of transit charges and surface-mail (including S.A.L. mail) and airmail terminal dues accounts

1 The creditor administration shall be responsible for preparing the accounts and forwarding them to the debtor administration. However, the forwarding of accounts shall not be required when the balance is less than the minimum provided for this purpose in article 50.1.5 and 50.2.5 of the Convention.

2 The detailed accounts shall be prepared as follows.

2.1 Transit charges. On a C 20 form, on the basis of the total weight of the categories (LC/AO + M bags) as appears from the C 12ter quarterly statements.

2.2 Terminal dues. On a C 20bis form, on the basis of the difference between the weights of mail received and dispatched for each category (LC/AO and M bags or LC, AO and M bags) as appears from the C 12ter, AV 5bis and, where applicable, C 15ter statements, or on the basis of the difference between the amounts to be brought to account in relations using a different rate of terminal dues in each direction.

3 The C 20 and C 20bis detailed accounts shall be sent in duplicate to the debtor administration as soon as possible after the end of the year to which they refer.

4 The debtor administration shall not be obliged to accept accounts that are not sent to it within eighteen months of the end of the year concerned.

5 If the administration sending the detailed account receives no notice of amendment within three months of the date of dispatch the account shall be regarded as fully accepted.

6 Administrations may agree to settle terminal dues accounts for surface mails and for airmails separately. In this case, the administrations concerned shall determine the procedures for preparing, accepting and settling such accounts.

Reference: Text of article 189.

Article RE 5007
Provisional payments of transit charges and surface-mail (including S.A.L. mail) and airmail terminal dues

1 Creditor administrations may claim provisional payments in respect of transit charges and terminal dues. The provisional payments for one year shall be calculated on the basis of the weights of mail used for the final settlements of the previous year. The provisional payments in respect of a year shall be made no later than the end of January following that year. The provisional payments shall then be adjusted as soon as the final accounts of the year are accepted or regarded as fully accepted.

Reference: Text of article 190.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 5008
Special address for the transmission of forms concerning transit charges and terminal dues

1 Each administration shall notify other administrations, through the International Bureau, of the special address to which all the forms entering into consideration for the settlement of transit charges and terminal dues (C 12ter, C 14, C 15ter, C 16, C 17ter, C 19, C 20, C 20bis and AV 5bis) must be sent.

Reference: Text of article 191.

Article RE 5009
General liquidation account. Role of the International Bureau

1 As soon as the C 20 and C 20bis detailed accounts between the administrations are accepted or regarded as fully accepted, the creditor administration shall prepare separate C 21 and C 21bis statements in duplicate for transit charges and for terminal dues respectively.

2 The C 21 or C 21bis statements shall be sent in duplicate to the administration concerned by the quickest route (surface or air). If, within one month of the date of dispatch of these statements, the administration which prepared them has received no objection from the administration concerned, the statements shall be regarded as fully accepted.

3 In the case provided for under 2, the statements shall be endorsed *"Aucune observation de l'Administration débitrice n'est parvenue dans le délai réglementaire"* (No comment received from debtor administration within the prescribed period).

4 The C 21 or C 21bis statements concerning the provisional payments laid down in article RE 5007 shall be sent by the creditor administration to the debtor administration in the last calendar quarter of the year to which they relate.

5 Administrations may agree to settle their accounts through the International Bureau. In this case, as soon as the detailed accounts between two administrations are accepted or regarded as fully accepted, each of these administrations shall forward without delay to the International Bureau separate C 21 and C 21bis statements for transit charges and for terminal dues respectively, indicating the total amounts of the accounts. At the same time a copy of each of the statements shall be sent simultaneously to the administration concerned.

6 In the event of discrepancy between corresponding particulars furnished by two administrations, the International Bureau shall invite them to reach agreement and to supply it with the finally agreed sums.

7 When only one administration has furnished C 21 or C 21bis statements, the International Bureau shall so inform the other administration concerned and tell it the amounts of the statements received. If, within one month from the date of the dispatch of the statements, the International Bureau has received no comment, the amounts on these statements shall be regarded as fully accepted.

8 At least twice a year the International Bureau shall prepare, on the basis of the statements which it has received and which are accepted or regarded as fully accepted, a general liquidation account of transit charges and terminal dues.

9 The International Bureau shall make all proper arrangements to produce the general liquidation account in time for the settlements of the provisional payments to be made on the terms set out in article RE 5007.

10 The account shall show separately for transit charges and for terminal dues:

10.1 the debit and credit of each administration;

10.2 the debit balance or the credit balance of each administration;

10.3 the amounts payable by the debtor administrations;

10.4 the amounts receivable by the creditor administrations.

11 The International Bureau shall offset balances so as to restrict to a minimum the number of payments to be made.

Reference: Text of article 192.

Article RE 5010
Payment of transit charges and terminal dues

1 If the amounts payable in respect of transit charges or terminal dues as a result of the general liquidation account of the International Bureau have not been paid within three months of the expiry of the prescribed period (article RE 5303.9), the International Bureau shall include them in the next general liquidation account to the credit of the creditor administration. In this case, compound interest shall be chargeable, that is to say, the interest shall be added to the principal at the end of each year until full settlement.

2 When the provisions set out under 1 are applied, the general liquidation account in question and those of the following four years shall not, as far as possible, include in the balances due as the result of the offsetting table amounts payable by the defaulting administration to the creditor administration concerned.

Reference: Text of article 193.

Chapter 4

Air conveyance dues

Article RE 5201
Calculation of air conveyance dues for closed mails

1 Air conveyance dues shall be calculated according to the actual basic rate (less than and at most equal to the basic rate fixed in article 52.1 of the Convention) and the kilometric distances given in the "List of Airmail Distances" and to the gross weight of the mails. No account shall be taken of the weight of *sacs collecteurs*.

2 When dues are payable for air conveyance within the country of destination, they shall be fixed in the form of a single price. This single price shall include all the dues for air conveyance within the country, regardless of the airport of arrival of the mails, less the corresponding surface conveyance costs. It shall be calculated on the basis of the rates actually paid for conveyance of the mail within the country of destination, but not exceeding the maximum rate specified in article 52.1 of the Convention, and according to the weighted average distances of the sectors flown by international mail on the internal network. The weighted average distance shall be calculated by the International Bureau in terms of the gross weight of all the airmails arriving at the country of destination, including the mail which is not reforwarded by air within that country.

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3 Dues payable for air conveyance, between two airports in the same country, of airmails in transit may also be fixed in the form of a single price. This price shall be calculated on the basis of the rate actually paid for air conveyance of mail within the country of transit, but not exceeding the maximum rate specified in article 52.1 of the Convention, and according to the weighted average distances of the sectors flown by international mail on the internal air network of the country of transit. The weighted average distances shall be determined in terms of the gross weight of all the airmails transiting through the intermediate country.

4 The sum of the dues referred to under 2 and 3 may not exceed in total the amounts which actually have to be paid for conveyance.

5 The prices for international and internal air conveyance, obtained by multiplying the effective basic rate by the distance, which are used in calculating the dues mentioned under 1, 2 and 3, shall be rounded up to the nearest tenth of an SDR when the number made up by the figure of hundredths and that of thousandths is equal to or greater than 50; they shall be rounded down to the nearest tenth of an SDR in other cases.

References: New title.
Paragraphs 1 to 5: Text of article 85, paragraphs 2 to 6, of the Convention, with drafting amendments.

Article RE 5202
Calculation of and accounting for air conveyance dues for airmail correspondence and priority items in transit à découvert

1 General

1.1 Air conveyance dues for airmail correspondence and priority items in transit à découvert shall be calculated, in principle, as indicated in article RE 5201.1 but according to the net weight of such correspondence. They shall be fixed on the basis of not more than 10 average rates, each relating to a group of countries of destination and fixed according to the weight of mail offloaded at different destinations within the group. The sum of these dues, which may not exceed the amounts which have to be paid for conveyance, shall be increased by 5 percent.

1.2 Accounting for air conveyance dues for airmail correspondence and priority items in transit à découvert shall take place, in principle, on the basis of the data of statistical returns.

1.3 Accounting shall take place on the basis of actual weight in the case of misrouted airmail correspondence and priority items or correspondence posted on board ship or sent at irregular intervals or in too varying amounts. However, this accounting shall be done only if the intermediate administration asks to be paid for the conveyance of this correspondence.

2 Statistical operations

2.1 The statistical operations shall be conducted annually and alternately during May and October, such that the periods coincide with those for the statistics provided for in article RE 4701.1.

2.2 During the statistical period, à découvert transit airmail correspondence and priority items shall be accompanied by AV 2 bills. The AV 10 bundle label and the AV 2 bill shall be overprinted with the letter "S". When there are no à découvert airmail correspondence and priority items, registered or unregistered, to be inserted in a mail which normally includes such correspondence, one or two AV 2 bills, as necessary, endorsed *"Néant"* (Nil) shall accompany the letter bill of the mail.

Convention, Detailed Regulations – Text as recast by the EC

2.3 During the statistical period, all airmail correspondence and priority items in transit à découvert shall be placed with the AV 2 delivery bill in a closed bag, which may be of transparent plastic, inserted in the bag containing the letter bill.

2.4 Each administration dispatching transit airmail correspondence or priority items à découvert shall inform intermediate administrations of any change occurring during an accounting period in the provisions laid down for the exchange of this mail.

3 Preparation and checking of AV 2 bills

3.1 The weights shall be shown separately for each group of countries of destination on the AV 2 bills. These shall be specially numbered in two consecutive series, one for unregistered items and the other for registered items. The number of AV 2 bills shall be entered in the corresponding item of table III of the C 12 letter bill. Transit administrations may request the use of special AV 2 bills listing in a set order the most important groups of countries. All AV 2 bills shall be inserted into the bag containing the C 12 letter bill.

3.2 The weight of à découvert airmail correspondence and priority items for each group of countries shall be rounded up to the nearest decagramme when the fraction of the decagramme is equal to or greater than 5 grammes; it shall be rounded down to the nearest decagramme otherwise.

3.3 If the intermediate office establishes that the actual weight of à découvert airmail correspondence and priority items differs by more than 20 g from the weight recorded, it shall amend the AV 2 bill and immediately notify the dispatching office of exchange of the mistake by C 14 verification note. If the discrepancy noted is within the above-mentioned limits the entries made by the dispatching office shall hold good.

3.4 In the absence of an AV 2 bill, airmail correspondence and priority items à découvert shall be forwarded by air, unless the surface route would be quicker. In appropriate cases, the AV 2 bill shall be prepared routinely and the irregularity pointed out to the office of origin by C 14 note.

4 Airmail correspondence and priority items in transit à découvert which are excluded from statistical operations

4.1 Airmail correspondence and priority items in transit à découvert which are excluded from statistical operations and for which accounts are prepared on the basis of the actual weight shall be accompanied by AV 2 bills. If the weight of missent airmail correspondence and priority items originating at one and the same office of exchange and contained in a dispatch from that office does not exceed 50 grammes, routine preparation of an AV 2 bill shall not take place.

4.2 Airmail correspondence and priority items posted on board ship on the high seas, prepaid by means of postage stamps of the country whose flag the ship flies or in which it is registered, shall be accompanied by an AV 2 bill when handed over à découvert to the administration at an intermediate port of call. If the ship does not have a post office, they shall be accompanied by a statement of weights which shall serve as a basis for the intermediate administration to claim the air conveyance dues. The AV 2 bill or statement of weights shall include the weight of the airmail correspondence and priority items for each country of destination, the date, and the name and flag of the ship, and be numbered in a consecutive annual series for each ship. These particulars shall be checked by the office to which the correspondence is handed over from the ship.

References: New title.
The 4 subtitles are new.
Paragraph 1.1: Text of article 86, paragraph 1, of the Convention.
Paragraph 1.2: Text of article 86, paragraph 2, of the Convention, with drafting amendments.
Paragraph 1.3: Text of article 86, paragraph 3, of the Convention.
Paragraph 2.1: Text of article 214, paragraph 1, with drafting amendments.
Paragraph 2.2: Text of article 214, paragraph 2, with drafting amendments.

Paragraphs 2.3 and 2.4: Text of article 214, paragraphs 3 and 4, with drafting amendments.
Paragraph 3.1: Text of article 213, paragraph 1, with drafting amendments.
Paragraphs 3.2 to 3.4: Text of article 213, paragraphs 2 to 4.
Paragraphs 4.1 and 4.2: Text of article 215, paragraphs 1 and 2, with drafting amendments.

Article RE 5203
Accounting for air conveyance dues

1 Accounting for air conveyance dues shall be effected in accordance with articles RE 5201 and RE 5202.

2 Notwithstanding the rule mentioned under 1, administrations may, by common consent, decide that accounts for airmail dispatches shall be settled on the basis of statistical returns. In that case, they shall arrange between themselves the method of compiling the statistics and preparing the accounts.

Reference: Text of article 217, with the necessary amendments.

Article RE 5204
Preparation of AV 3 and AV 4 statements of weights

1 Each creditor administration shall prepare an AV 3 statement, monthly or quarterly as preferred, on the basis of the airmail particulars entered on the AV 7 delivery bills. Mails carried over the same air sector shall be entered on the AV 3 statement by office of origin, then by country and office of destination, and in chronological order of the mails for each office of destination. When the copies of the AV 3bis statement are used for the settlement of air conveyance dues inside the country of destination in accordance with article 51.4 of the Convention, AV 3bis statements of weights prepared on the basis of C 12 letter bills shall be used.

2 For à découvert airmail correspondence and priority items reforwarded by air, the creditor administration shall prepare a yearly AV 4 statement. This shall be done at the end of each statistical period as laid down in article RE 5202.2.1, and based on the particulars appearing on the AV 2 "S" bills. The total weights shall be multiplied by 12 on the AV 4 statement. If the accounts have to be prepared on the basis of the actual weight of à découvert airmail correspondence and priority items, AV 4 statements shall be drawn up as often as is provided for under 1 for AV 3 statements and on the basis of the corresponding AV 2 bills.

3 If, during an accounting period, a change occurring in the arrangements made for the exchange of airmail correspondence and priority items in transit à découvert results in a variation of at least 20 percent and exceeding 163.35 SDR in the total amounts to be paid by the dispatching administration to the intermediate administration, these administrations, at the request of one or the other, shall agree to replace the multiplier referred to under 2 by another valid only for the year in question.

4 When the debtor administration so requests, separate AV 3, AV 3bis and AV 4 statements shall be drawn up for each office of exchange which dispatches airmails or airmail correspondence and priority items in transit à découvert.

Reference: Text of article 218, with necessary amendments.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 5205
Preparation of AV 5 detailed accounts and AV 11 general accounts

1 The creditor administration shall prepare on an AV 5 form, detailed accounts showing the amounts due to it according to the AV 3, AV 3bis and AV 4 statements of weights. Separate detailed accounts shall be prepared for closed airmails and for airmail correspondence and priority items à découvert as often as indicated in article RE 5204.1 or 2 respectively.

2 The amounts to be included in the AV 5 detailed accounts shall be calculated:

2.1 for closed mails, on the basis of the gross weights appearing on the AV 3 and AV 3bis statements;

2.2 for airmail correspondence and priority items à découvert, according to the net weights shown on the AV 4 statements, increased by 5 percent.

3 When the air conveyance dues within the country of destination are to be settled, the administration of that country shall send the AV 5 accounts relating thereto for acceptance together with the AV 5bis statements of weights and the AV 3bis statements.

4 Monthly or quarterly AV 5 accounts may be summarized by the creditor administration in a quarterly, half-yearly or annual recapitulative airmail account, as agreed between the administrations concerned.

5 AV 5 detailed accounts may be summarized in an AV 11 quarterly general account, prepared by the creditor administrations which have adopted the offset system of settling accounts. This account may, however, be prepared half-yearly after agreement between the administrations concerned.

Reference: Text of article 219, with necessary amendments.

Article RE 5206
Submission and acceptance of AV 3, AV 3bis and AV 4 statements of weights, AV 5 detailed accounts and AV 11 general accounts

1 As soon as possible and at the latest within six months from the end of the period to which they refer, the creditor administration shall send the debtor administration AV 3 statements, the copies of AV 3bis statements, AV 4 statements when payment for à découvert airmail correspondence and priority items is made on the basis of the actual weight, and the relevant AV 5 detailed accounts, all together in duplicate. The debtor administration may refuse to accept accounts not forwarded to it within that period.

2 After verifying the AV 3, AV 3bis and AV 4 statements and accepting the relative AV 5 detailed accounts, the debtor administration shall return one copy of the AV 5 accounts to the creditor administration. If the verification reveals any discrepancies, the corrected AV 3, AV 3bis and AV 4 statements shall be attached in support of the duly amended and accepted AV 5 accounts. If the creditor administration disputes the amendments made to these AV 3, AV 3bis or AV 4 statements, the debtor administration shall confirm the actual data by sending photocopies of the AV 7 or AV 2 forms drawn up by the office of origin upon dispatch of the disputed mails. A creditor administration which has received no notice of amendment within three months of the date of dispatch of the accounts shall regard the accounts as fully accepted.

3 The provisions under 1 and 2 shall also apply to airmail correspondence and priority items for which payment is made on the basis of statistics.

4 The AV 5 recapitulative accounts and the AV 11 general accounts shall be prepared and dispatched by the creditor administration as soon as the AV 5 detailed accounts relative to the

period concerned are accepted or regarded as fully accepted. The debtor administration shall make payment within the period of six weeks provided for in article RE 5303.9.

5 Notwithstanding the rule set out under 4, the AV 11 general account may be prepared and dispatched without waiting for the AV 5 accounts to be returned, accepted, as soon as an administration which has all the accounts relative to the period concerned finds that it is the creditor. The check of the AV 11 account by the debtor administration and payment of the balance shall be made within a period of three months after receipt of the general account.

6 Whenever the statistics fall in October, annual payments for airmail correspondence and priority items in transit à découvert may be made provisionally on the basis of statistics compiled during May of the previous year. The provisional payments shall then be adjusted in the following year when the accounts based on the October statistics are approved or regarded as fully accepted.

7 If an administration is unable to carry out the annual statistical operations it shall reach agreement with the administrations concerned to make the annual payment on the basis of the statistics of the preceding year and, if necessary, to use the special multiplier laid down in article RE 5204.3.

8 If the total of AV 5 detailed accounts does not exceed 16.33 SDR per annum the debtor administration shall be excused all payment. If the balance of an AV 11 general account does not exceed 16.33 SDR, it shall be carried over to the next AV 11 general account. If a balance not exceeding 16.33 SDR is outstanding at the end of the year, the debtor administration shall be exempted from all payment.

9 AV 3, AV 3bis and AV 4 statements and the corresponding AV 5 and AV 11 accounts shall always be sent by the quickest route (air or surface).

Reference: Text of article 220, with necessary amendments.

Article RE 5207
Amendments to dues for air conveyance in the interior of the country of destination and for airmail correspondence and priority items in transit à découvert

1 The amendments made to the air conveyance dues mentioned in articles RE 5201.2 and RE 5202.1 shall:

1.1 come into effect exclusively on 1 January;

1.2 be notified at least three months beforehand to the International Bureau, which shall communicate them to all administrations at least two months before the date laid down under 1.1.

Reference: Text of article 87 of the Convention.

Article RE 5208
Payment of air conveyance dues

1 Air conveyance dues shall be payable to the administration of the country which the air service used comes under.

2 Notwithstanding this rule:

Convention, Detailed Regulations – Text as recast by the EC

2.1 the conveyance dues may be paid to the administration of the country in which the airport is situated at which the airmails were taken over by the air carrier, subject to an agreement between this administration and that of the country which the air service concerned comes under;

2.2 the administration which hands over airmails to an air carrier may settle direct with that carrier for the conveyance dues for all or part of the distance flown.

3 Conveyance dues for airmail correspondence and priority items in transit à découvert shall be paid to the administration which reforwards it.

4 Unless other arrangements have been made, conveyance dues for airmails directly transhipped between two different airlines shall be settled by the administration of origin:

4.1 either with the first carrier, which shall then be responsible for paying the subsequent carrier;

4.2 or with each carrier involved in the transhipment.

Reference: Title and text of article 88, with drafting amendments.

Article RE 5209
Air conveyance dues for diverted or missent mails or bags

1 The administration of origin of a mail which has gone off its route in course of conveyance shall pay the conveyance dues for the mail relating to the sectors actually covered.

2 It shall settle the conveyance dues as far as the airport of offloading initially provided for on the delivery bill when:

2.1 the actual forwarding route is not known;

2.2 the dues for the sectors actually covered have not yet been claimed; or

2.3 the diversion is attributable to the airline which effected the conveyance.

3 The supplementary dues relating to the sectors actually covered by the diverted mail shall be reimbursed as follows:

3.1 by the administration whose services have committed the error in the case of misrouteing;

3.2 by the administration which has collected the conveyance dues paid to the airline when the latter has offloaded in a place other than that shown on the AV 7 delivery bill.

4 The provisions set out under 1 to 3 shall be applicable by analogy when part only of a mail is offloaded at an airport other than that indicated on the AV 7 delivery bill.

5 The administration of origin of a mail or bag missent owing to a labelling error shall pay the conveyance dues relating to the whole distance flown in accordance with article 51.1.1 of the Convention.

Reference: Text of article 89 of the Convention, with drafting amendments.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 5210
Air conveyance dues for mail lost or destroyed

1 In case of loss or destruction of mail as the result of an accident occurring to the aircraft or through any other cause involving the liability of the air carrier, the administration of origin shall be exempt from any payment in respect of the air conveyance of the mail lost or destroyed, for any part of the flight of the route used.

Reference: Text of article 90 of the Convention.

Chapter 5

Miscellaneous provisions

Article RE 5301
Preparation and settlement of accounts

1 Each administration shall draw up its accounts and refer them in duplicate to the others concerned. One accepted copy, if necessary amended or accompanied by a statement of discrepancies, shall be returned to the creditor administration. This account shall serve as a basis for the preparation, as necessary, of the final liquidation account between the two administrations.

2 In the total of each account made out in SDRs on C 20, C 20bis, C 21, C 21bis, C 23, C 24, C 31, AV 5 and AV 11 forms, decimals shall be ignored in the total or the balance. Discrepancies in the accounts made out on the forms listed above shall not be taken into consideration unless they exceed a total of 9.80 SDR per account.

3 In accordance with article 113, paragraph 5, of the General Regulations, the International Bureau shall arrange the settlement of accounts of all kinds relating to the international postal service. To this end the administrations concerned shall consult with each other and with the Bureau and decide upon the method of settlement.

Reference: Text of article 101.

Article RE 5302
Payment of debts expressed in SDRs. General provisions

1 The rules for payment set out below shall apply to all debts expressed in SDRs and arising out of a postal transaction. The debts may result from general accounts or statements drawn up by the International Bureau or from liquidation accounts or statements not drawn up by the Bureau. The said rules shall also relate to the settlement of discrepancies, of interest or, where applicable, of payments on account.

2 Any administration may discharge its liabilities by payments on account, from which its debts shall be deducted when these have been established.

3 Provided the periods for payment are observed, any administration may settle postal debts expressed in SDRs by offsetting credits and debits in its relations with another administration. The offsetting may be extended by mutual agreement to debts arising from telecommunications services when both administrations operate postal and telecommunications services. Offsetting may not be effected with debts in respect of transactions contracted out to an organization or company under the control of a postal administration if that administration objects.

4 The inclusion of an airmail account in a general account containing different debts shall not result in delaying the payment of the air conveyance dues owed to the airline concerned.

Reference: Text of article 102, with drafting amendments.

Article RE 5303
Rules for payment

1 Debts shall be paid in the currency selected by the creditor administration after consultation with the debtor administration. If there is disagreement, the choice of the creditor administration shall prevail in all cases. If the creditor administration does not specify a currency, the choice shall rest with the debtor administration.

2 The amount of the payment, as determined hereafter in the selected currency, shall be equivalent in value to the balance of the account expressed in SDRs.

3 Subject to the provisions set out under 4, the amount to be paid in the selected currency shall be determined by converting the SDR into currencies of payment in accordance with the following provisions:

3.1 In the case of currencies for which the SDR exchange rate is published by the International Monetary Fund (IMF), the exchange rate in force on the day prior to payment or the most recent rate published shall be used.

3.2 In the case of other currencies of payment, as a first stage, the amount in SDRs shall be converted into an intermediate currency for which the value is published daily by the IMF in terms of the SDR, using the most recent exchange rate published. As a second stage, the result thus obtained shall be converted into the currency of payment, applying the latest rate of exchange quoted on the exchange market of the debtor country.

4 If, by mutual agreement, the creditor administration and the debtor administration have chosen the currency of a country which is not a member of the IMF and whose laws do not permit the application of the provisions set out under 3, the administrations concerned shall agree on the relationship between the SDR and the value of the selected currency.

5 For the purpose of determining the official or generally accepted foreign exchange market equivalent of a currency, the rate used shall be the closing rate for currency which can be used in the majority of merchandise trade transactions, or the most recent rate quoted.

6 The debtor administration shall transmit, on the date of payment, the amount of the selected currency by a bank cheque, transfer or any other means, acceptable to both administrations. If the creditor administration expresses no preference, the choice shall fall to the debtor administration.

7 The payment charges (fees, clearing charges, deposits, commission, etc) collected in the debtor country shall be borne by the debtor administration. The charges collected in the creditor country, including payment charges collected by banks in intermediate countries, shall be borne by the creditor administration. When the postal giro transfer system, with exemption from charges, is used, exemption shall also be granted by the office of exchange in the third country or countries acting as intermediary between the debtor administration and the creditor administration when there are no direct exchanges between these.

8 If, between the dispatch of the remittance (cheque, for example) and its receipt by the creditor administration, a variation occurs in the equivalent value of the selected currency calculated as described under 3, 4 or 5, and if the difference resulting from such variation exceeds 5 percent

of the amount due (as calculated following such variation), the total difference shall be shared equally between the two administrations.

9 Payment shall be made as quickly as possible and at the latest within six weeks from the date of dispatch for general liquidation accounts prepared by the International Bureau and from the date of acceptance or of notification of official acceptance for other liquidation accounts and accounts indicating the amounts or balances to be settled. After that period the amounts due shall be chargeable with interest at the rate of 6 percent per annum reckoned from the day following the day of expiry of the said period. By payment is meant the dispatch of funds or of the instrument of payment (cheque, draft, etc) or the signing of the order for transfer or deposit by the organization responsible for the transfer in the debtor country.

10 When payment is made, the cheque, draft or document of transfer shall be accompanied by particulars of the title, period, amount in SDRs, conversion rate used and applicable date of such rate for each account included in the total sum remitted. If it is not possible for details to accompany the remittance, an explanatory letter shall be provided by airmail on the day that payment is made. The detailed explanation shall be in French or in a language understood in the administration to which payment is made.

Reference: Text of article 103, with drafting amendments.

Article RE 5401
Information to be supplied by administrations

1 Administrations shall communicate to the International Bureau, on the forms sent by the latter, the necessary information concerning the operation of the postal service. This information shall cover, in particular, the following questions:

1.1 the decisions taken on the optional application of certain general provisions of the Convention and of its Detailed Regulations;

1.2 the reduced charges adopted under article 8 of the Constitution and details of the services to which the charges apply;

1.3 the internal postal charges applied;

1.4 the quality-of service targets fixed for the delivery in their country of priority and airmail items and, if appropriate, of non-priority and surface items, in accordance with article 40 of the Convention;

1.5 the different rates of air conveyance dues collected in accordance with articles RE 5201.2 and 3 and RE 5202.1.1 with the dates of application;

1.6 the air surcharges or combined charges for the various categories of airmail correspondence and for the various countries, with an indication of the names of the countries for which unsurcharged mail is admitted.

2 Any amendment to the information mentioned under 1 shall be communicated to the International Bureau without delay, by the quickest means. Amendments concerning the information mentioned in 1.6 must reach the International Bureau within the time limits prescribed in article RE 5207.

3 Administrations may agree to exchange direct any information about air services in which they are interested, particularly timetables and the latest times of arrival for airmail correspondence from abroad to catch various deliveries.

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4 The administrations of countries which participate in the insured letters service and which provide direct exchanges shall communicate to one another, by means of VD 1 tables, information concerning the exchange of insured letters.

5 Administrations shall supply the International Bureau with two copies of the documentation which they publish, whether relating to the internal or international service. They shall also furnish, as far as possible, other works published in their country concerning the postal service.

References: Title of article 224.
Paragraph 1: Text of article 109, paragraph 1, combined with the text of article 224, paragraph 1, retaining only the essential elements. The other data have been transferred to the Manual.
Paragraph 2: Merged texts of articles 109, paragraph 2, and 224, paragraph 2.
Paragraph 3: Text of article 224, paragraph 3.
Paragraph 4: Text of article 110.
Paragraph 5: Text of article 109, paragraph 3.

Article RE 5402
International Bureau publications

1 The International Bureau shall publish, on the basis of information supplied in accordance with article RE 5401, an official compendium of information of general interest relating to the implementation of the Convention and its Detailed Regulations in each member country. It shall also publish similar compendia relating to the implementation of the Agreements and their Detailed Regulations, on the basis of the information supplied by the administrations concerned in accordance with the relative provisions in the Detailed Regulations of each of the Agreements.

2 It shall also publish, from information supplied by administrations and, if appropriate, by the Restricted Unions as regards 2.1, or the United Nations as regards 2.5:

2.1 a list of addresses, heads and senior officials of postal administrations and Restricted Unions;

2.2 an international list of post offices;

2.3 a compendium of transit information comprising:

2.3.1 a list of kilometric distances relating to land sectors of mails in transit;

2.3.2 a list of transit services provided for surface mail (including S.A.L. mail);

2.4 a list of equivalents;

2.5 a list of prohibited articles in which are also mentioned narcotics prohibited under the multilateral treaties on narcotics and the definitions of dangerous goods prohibited from conveyance by post drawn up by the International Civil Aviation Organization;

2.6 a compendium of postal administrations' internal charges;

2.7 statistical data relating to the postal services (internal and international);

2.8 studies, opinions, reports and other statements relating to the postal service;

2.9 the following three catalogues:

2.9.1 International Bureau library catalogue (listing the works acquired by the library);

2.9.2 International Bureau periodicals catalogue (listing the periodicals received at the International Bureau);

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2.9.3 International Bureau film library catalogue (listing the films available for loan by the International Bureau to postal administrations);

2.10 a catalogue of postal equipment;

2.11 a *"Liste générale des services aéropostaux"* (known as *"Liste AV 1"*) (General List of Air-mail Services or AV 1 List);

2.12 a *"Liste des distances aéropostales"* (List of Airmail Distances) drawn up in collaboration with the air carriers.

3 It shall also publish:

3.1 the Manuals of the Convention and the Postal Parcels Agreement;

3.2 the other Acts of the UPU annotated by the International Bureau;

3.3 the Multilingual Vocabulary of the International Postal Service.

4 Amendments to the various publications listed under 1 to 3 shall be notified by circular, bulletin, supplement or other appropriate means. However, any amendments to the publications listed under 2.11 and 2.12 and the date on which the amendments take effect shall be notified to administrations by the quickest means (air or surface), with the minimum of delay and in the most appropriate form.

References: New title.
Paragraph 1: Text of article 111, paragraph 1.
Paragraph 2: Merged texts of articles 111, paragraph 2, not including subparagraph f, and 225, paragraph 1.
Paragraph 3: Text of article 111, paragraph 3, with the following changes:
– deletion of "Genesis of the Acts of the UPU";
– insertion of "the Manuals of the Convention and of the Postal Parcels Agreement".
Paragraph 4: Merged texts of articles 111, paragraph 4, and 225, paragraph 2.

Article RE 5403
Distribution of publications

1 The publications published by the International Bureau shall be distributed to administrations in accordance with the following rules:

1.1 All publications, excepting those specified under 1.2, shall be distributed in three copies, one of which shall be in the official language. The other two shall be supplied either in the official language or in the language requested in accordance with article 107 of the General Regulations.

1.2 The periodical "Union Postale" and the International List of Post Offices shall be distributed in proportion to the number of contribution units assigned to each administration under article 125 of the General Regulations. However, where administrations so request, the International List of Post Offices may be distributed at the maximum rate of ten copies per contribution unit.

2 Over and above the number of copies distributed free of charge by virtue of the rules set out under 1, administrations may purchase International Bureau publications at cost price.

3 Publications published by the International Bureau shall also be sent to the Restricted Unions.

Reference: Text of article 112, adapted.

Convention, Detailed Regulations – Text as recast by the EC

Article RE 5404
Telegraphic addresses

1 For telegraphic communications exchanged between one another, administrations shall use the following telegraphic addresses:

1.1 "Postgen" for telegrams intended for central administrations;

1.2 "Postbur" for telegrams intended for post offices;

1.3 "Postex" for telegrams intended for offices of exchange.

2 These telegraphic addresses shall be followed by the indication of the place of destination and, where appropriate, any other details considered necessary.

3 The telegraphic address of the International Bureau shall be "UPU Berne".

4 The telegraphic addresses indicated under 1 and 3, completed as necessary by the indication of the dispatching office, shall also serve as the signature to telegraphic communications.

Reference: Text of article 108.

Article RE 5405
Period of retention of documents

1 Documents of the international service shall be kept for a minimum period of 18 months from the day following the date to which they refer. However, if the documents are reproduced on microfilm, microfiche or similar medium, they may be destroyed as soon as it is established that the reproduction is satisfactory.

2 Documents concerning a dispute or inquiry shall be kept until the matter has been settled. If the initiating administration, being duly informed of the result of the inquiry, allows six months to pass from the date of the communication without raising any objections, the matter shall be regarded as closed.

Reference: Text of article 107.

Article RE 5406
Forms

1 The forms shall be in conformity with the annexed specimens.

2 The texts, colours and dimensions of forms shall be those prescribed in these Detailed Regulations.

3 Forms for the use of the public shall bear an interlinear translation in French when they are not printed in that language.

4 Forms for the use of postal administrations in their relations with one another shall be drawn up in French with or without interlinear translation, unless the administrations concerned arrange otherwise by direct agreement.

5 Forms as well as any copies thereof shall be completed in such a way that the entries are fully legible. The original form shall be sent to the appropriate administration or to the party most concerned.

Convention, Detailed Regulations – Text as recast by the EC

References: Title of article 11 of the Convention.
Paragraph 1: New text.
Paragraph 2: Text of article 11, paragraph 1, of the Convention.
Paragraph 3: Text of article 11, paragraph 4, of the Convention.
Paragraphs 4 and 5: Text of article 11, paragraphs 2 and 3, of the Convention.

Article RE 5407
Forms for the use of the public

1 For the purpose of applying article 5406.2, the following shall be considered as forms for the use of the public:

C 1 (Customs label);

C 2/CP 3 (Customs declaration);

C 3/CP 4 (Franking note);

C 5 (Advice of delivery);

C 6 (Redirection envelope);

C 7 (Request for withdrawal from the post, alteration of address, cancellation or alteration of the COD amount);

C 8 (Inquiry concerning an unregistered item);

C 9 (Inquiry concerning a registered item, etc);

C 22 (International reply coupon);

C 25 (Postal identity card).

Reference: Text of article 202, adapted.

Article RE 5408
Routine correspondence between administrations

1 For the exchange of routine correspondence administrations may use a C 29 form.

Reference: Text of article 194.

Part IV

EMS service

Article RE 5501
Operation of EMS

1 With a view to preserving the EMS network and if circumstances so require, an administration shall have the option of providing the EMS service with private sector companies operating in another country, subject to the internal legislation in that country.

Reference: Text of article 225bis.

Part V

Final provisions

Article RE 5801
Entry into force and duration of the Regulations

1 These Regulations shall come into force on the day on which the Universal Postal Convention comes into operation.

2 They shall have the same duration as that Convention unless the Executive Council decides otherwise.

Reference: Text of article 226.

Done at

For the Executive Council:

Chairman Secretary-General

Final Protocol – Text as recast by the EC

Final Protocol to the Detailed Regulations of the Universal Postal Convention

At the moment of proceeding to approval of the Detailed Regulations of the Universal Postal Convention, the Executive Council has agreed the following:

Article RE I
Printed papers. Authorized annotations and enclosures

1 Notwithstanding article RE 904.4.5, in the absence of bilateral agreement, the postal administrations of Canada and the United States of America will not accept as enclosures in dispatches of printed papers any cards, envelopes or wrappings bearing the address of the sender or of his agent in the country of destination of the original item.

Reference: Text of article XXIV of the Final Protocol to the Convention.

Article RE II
Printed papers. Authorized enclosures

1 Notwithstanding article RE 904.4.5, in the absence of bilateral agreement, the postal administrations of France and Iraq will not accept as enclosures in printed papers posted in bulk any cards, envelopes or wrappings bearing a sender's address that is not located in the country of origin of the item.

Reference: Text of article XXV of the Final Protocol to the Convention.

Article RE III
Exemption of literature for the blind from postal charges

1 Notwithstanding article RE 904.5.2, the postal administrations of Armenia, Azerbaijan, Belarus, Georgia, India, Indonesia, Kazakhstan, Kyrgyzstan, Lebanon, Moldova, Nepal, the Russian Federation, Turkmenistan, Ukraine, Yemen and Zimbabwe shall admit sound recordings as literature for the blind only if these are sent by, or addressed to, an officially recognized institute for the blind.

Reference: Text of article II, paragraph 3, of the Final Protocol to the Convention, with drafting amendments.

Final Protocol – Text as recast by the EC

Article RE IV
Items wrongly admitted

1 Notwithstanding article RE 2701.1, the postal administration of Brazil shall be authorized to handle in accordance with the provisions of its internal legislation items received not complying with articles 9 and 10 of the Convention.

Reference: Text of article VII of the Final Protocol to the Convention.

Article RE V
Seizure of items

1 The postal administrations of Afghanistan, Angola, Cuba, Djibouti, Mexico and Pakistan shall not be obliged to comply with the provisions laid down in article RE 2701.4, according to which "This notification shall clearly indicate the prohibition under which the item falls and the articles which gave rise to its seizure.".

2 The postal administrations of Afghanistan, Angola, Armenia, Azerbaijan, Belarus, Bulgaria (Rep), Cuba, Dem People's Rep of Korea, Djibouti, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Poland (Rep), the Russian Federation, Sudan, Turkmenistan, Ukraine and Yemen reserve the right to provide the information about the reasons for the seizure of a postal item only within the limits of the information provided by the customs authorities and in accordance with internal legislation.

References: New title.
Paragraphs 1 and 2: Text of article XII, paragraphs 1 and 2, of the Final Protocol to the Convention.

Article RE VI
Compulsory routeing indicated by the country of origin

1 The postal administrations of Armenia, Azerbaijan, Belarus, Bolivia, Estonia, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Moldova, the Russian Federation, Turkmenistan and Ukraine will recognize only the costs of the conveyance effected in accordance with the provision concerning the line shown on the bag labels (AV 8) of airmail dispatches and on the AV 7 delivery bills.

Reference: Text of article XXII of the Final Protocol to the Convention.

Article RE VII
Routeing of closed airmails

1 Having regard to article RE VI, the postal administrations of France, Greece, Italy, Senegal and Thailand will forward closed airmails only on the conditions laid down in article RE 4114.3.

Reference: Text of article XXIII of the Final Protocol to the Convention, with necessary amendments.

Final Protocol – Text as recast by the EC

Article RE VIII
Payment of air conveyance dues

1 Notwithstanding article RE 5208.2.2, the postal administrations of Brazil, the Czech Republic and the Slovak Republic reserve the right to give their agreement to the payment of air conveyance dues payable to the air services of their countries.

Reference: Text of article XXVIII of the Final Protocol to the Convention, adapted.

This Protocol shall have the same force and the same validity as if its provisions were inserted in the actual text of the Detailed Regulations to which it refers.

Done at , .

For the Executive Council:

Chairman Secretary-General

Congress – Doc 60/Add 3

Postal Parcels Agreement

Text as recast by the EC

Pages 1111 to 1123:	Comparative table of the present texts and the new texts of the Agreement.
Page 1124:	Synoptic table of the Postal Parcels Agreement.
Pages 1125 to 1127:	Table of contents of the Agreement and its Final Protocol.
Pages 1128 to 1150:	New text of the Agreement.
Pages 1151 to 1158:	New text of the Final Protocol to the Agreement.

Comparative table of the present texts and the new texts of the Agreement

References to the 1989 Washington text	References to the text as recast by the EC
	Part I
Preliminary provisions	Preliminary provisions
Article 1	Article 1
Purpose of the Agreement text	Purpose of the Agreement para 1
Article 2 Postal parcels para 1 para 2 para 3 para 4	Article 3 Principles para 1 First sentence: para 1, second and third sentences: article RE 301.1 Article RE 301.2 Article 1, para 2
Article 3 Operation of the service by transport companies para 1 para 2	Article 2 Operation of the service by transport companies para 1 Article RE 201.1
Article 4 Categories of parcels para 1 para 2 subpara a subpara b subpara c subpara d subpara e i ii iii subpara f subpara g para 3 subpara a subpara b para 4	deletion deletion deletion deletion Article 11.1 Article 15.1 Article 12.1 Article 13.1 Article 13.2 Article 13.2 Article 13.3 Article RE 1302.2 Article 9.1 Article 9.2 deletion Article 3.2 Article 10.1 + Article RE 1002.1 and 2 deletion; the concept is included in the articles
Article 5 Weight steps para 1 para 2	Article 4 Weight steps para 1 Article RE 401.1
Article 6 Quality-of-service targets para 1 para 2 para 3	Article 30 Quality-of-service targets para 1 para 2 para 3

References to the 1989 Washington text	References to the text as recast by the EC
Part I	deletion
Charges and fees	deletion
Article 7	deletion
Composition of the charges and fees	deletion
para 1	deletion} Contain details that are not essential
subpara a	deletion}
subpara b	deletion}
subpara c	deletion}
subpara d	deletion}
para 2	deletion; included in article 7 of the Convention
	(new text)
Chapter I	deletion
Principal charges and air surcharges	deletion
Article 8	Article 5
Principal charges	Principal charges
para 1	para 1
para 2	para 2
Article 9	Article 6
Air surcharges	Air surcharges
para 1	para 1 and article RE 601.1
para 2	para 2
para 3	para 3
Chapter II	deletion
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References to the 1989 Washington text	References to the text as recast by the EC
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para 4	Article RE 3204.5
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para 5	para 3
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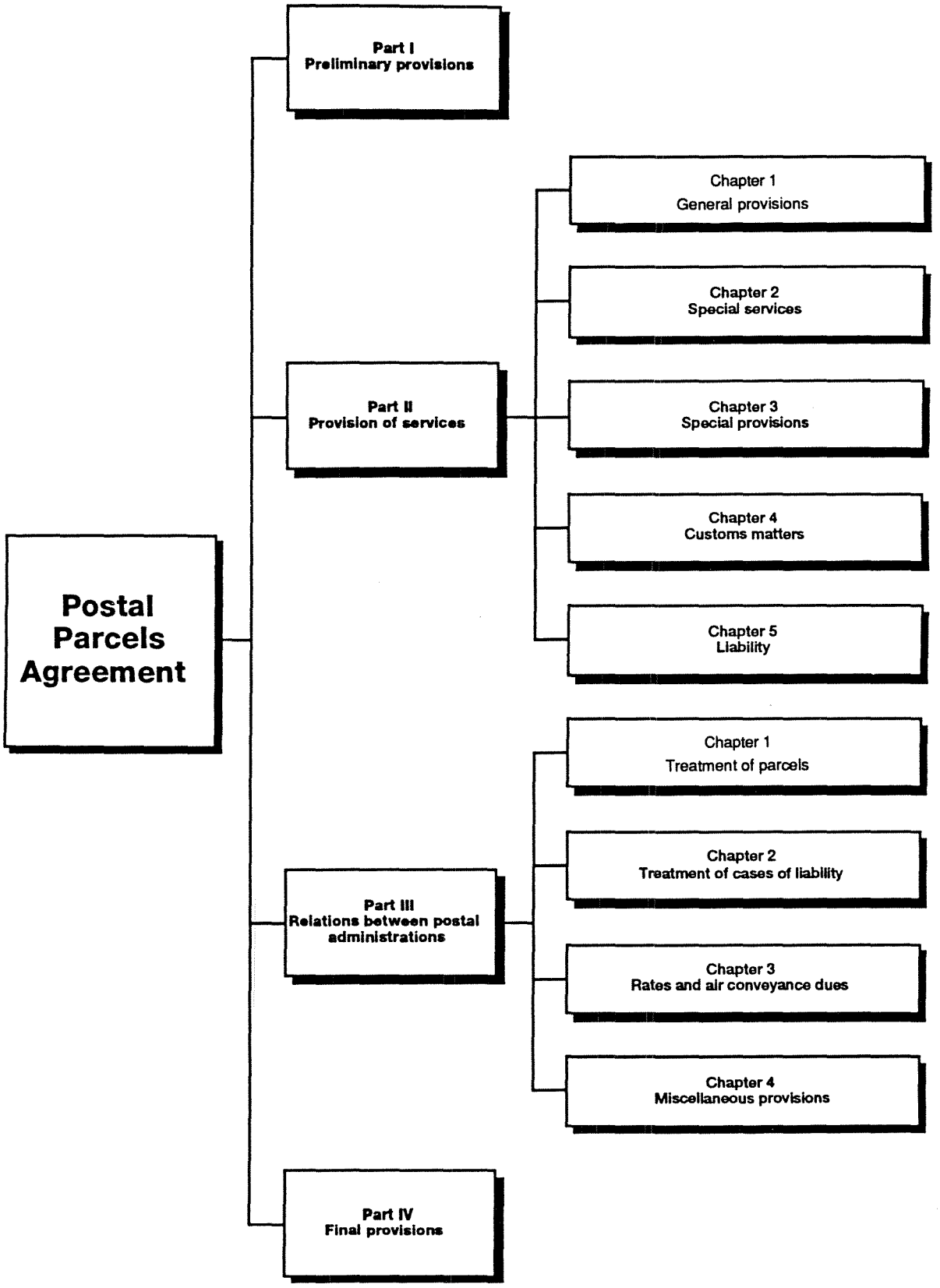
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Article 50	deletion
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References to the 1989 Washington text	References to the text as recast by the EC
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References to the 1989 Washington text	References to the text as recast by the EC
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Article XI Prohibitions para 1 para 2	Article II Prohibitions para 1 para 2
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Synoptic table of the Postal Parcels Agreement



Postal Parcels Agreement

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Parcels, Agreement – Text as recast by the EC

Postal Parcels Agreement

The undersigned, plenipotentiaries of the Governments of the member countries of the Union, having regard to article 22, paragraph 4, of the Constitution of the Universal Postal Union concluded at Vienna on 10 July 1964, have, by common consent and subject to article 25, paragraph 4, of the Constitution, drawn up the following Agreement:

Part I

Preliminary provisions

Article 1
Purpose of the Agreement

1 This Agreement shall govern the postal parcels service between contracting countries.

2 In this Agreement, its Final Protocol and its Detailed Regulations, the abbreviation "parcels" shall apply to all postal parcels.

References: Title of article 1.
Paragraph 1: Text of article 1.
Paragraph 2: Text of article 2, paragraph 4.

Article 2
Operation of the service by transport companies

1 Any country whose postal administration does not undertake the conveyance of parcels and which is a party to the Agreement may arrange for its provisions to be implemented by transport companies. It may, at the same time, limit this service to parcels originating in or addressed to places served by these companies.

References: Title of article 3.
Paragraph 1: Text of article 3, paragraph 1.

Parcels, Agreement – Text as recast by the EC

Part II

Provision of services

Chapter 1

General provisions

Article 3
Principles

1 Parcels may be exchanged either direct or via one or more countries. The individual weight may not exceed 20 kilogrammes. On the basis of bilateral agreements, administrations may, however, exchange parcels which exceed 20 kilogrammes. The exchange of parcels exceeding 10 kilogrammes shall be optional.

2 Parcels conveyed by air with priority shall be called "air parcels".

3 Details of limits of weight, limits of size and conditions of acceptance are given in the Detailed Regulations.

References: New title.
Paragraph 1: Text of article 2, paragraph 1, with a drafting amendment.
Paragraph 2: Text of article 4, paragraph 3, a, adapted.
Paragraph 3: New text.

Article 4
Weight steps

1 The parcels shall be classed in the following weight steps:

		up to	1 kg
above	1 kg	up to	3 kg
above	3 kg	up to	5 kg
above	5 kg	up to	10 kg
above	10 kg	up to	15 kg
above	15 kg	up to	20 kg
above	20 kg.		

Reference: Title and paragraph 1 of article 5.

Article 5
Principal charges

1 Administrations shall set the principal charges to be collected from senders.

2 The principal charges shall be linked with the rates. As a general rule, the sum thereof shall not in total exceed the rates set by administrations under articles 33 to 35.

Parcels, Agreement – Text as recast by the EC

References: Title of article 8.
Paragraphs 1 and 2: Text of article 8, paragraphs 1 and 2, with drafting amendments.

Article 6
Air surcharges

1 Administrations shall set the air surcharges to be collected for air parcels.

2 The surcharges shall be related to the air conveyance dues. As a general rule, the sum thereof shall not in total exceed the costs of such conveyance.

3 Surcharges shall be uniform for the whole of the territory of a country of destination whatever the routeing used.

Reference: Text of article 9. The second sentence of paragraph 1 has been transferred to the Detailed Regulations.

Article 7
Special charges

1 Administrations shall be authorized to collect in the cases mentioned below, the same charges as in the domestic service.

1.1 Charge on items posted outside normal counter opening hours, collected from the sender.

1.2 Charge for collection at the sender's address, collected from the sender.

1.3 Delivery charge which may be collected by the administration of destination for each attempted delivery of the parcel at the address. Nevertheless, in the case of express parcels, it may be collected only in respect of each attempted delivery after the first. In the event of return to sender or redirection, the amount passed on may not exceed 0.98 SDR.

1.4 Poste restante charge, collected by the administration of destination at the time of delivery, on every parcel addressed "poste restante". In the event of return to sender or redirection, the amount passed on may not exceed 0.49 SDR.

1.5 Storage charge on every parcel which has not been taken possession of within the prescribed period, whether the parcel is addressed "poste restante" or to a place of address. This charge shall be collected by the administration which effects the delivery, on behalf of the administration in whose service the parcel has been kept beyond the prescribed periods. In the event of return to sender or redirection, the amount passed on may not exceed 6.53 SDR.

2 The administration of destination shall be authorized to collect an advice of arrival charge when its legislation obliges it to do so and when delivery to the place of address is not provided. This charge shall be, at most, equal to that for an ordinary letter of the first weight step in the internal service. It shall be collected in respect of any advice (the first as well as subsequent advices) delivered to the addressee's address, except for the first advice of express parcels.

3 The administration of the first of the countries in whose territory a parcel has to be repacked in order to protect its contents shall be entitled to a repacking charge of 0.33 SDR at most per parcel. It shall be recovered from the addressee or, where appropriate, the sender. This charge may be collected once only in the course of transmission from beginning to end.

4 Administrations prepared to cover risks of force majeure may collect, in respect of uninsured parcels, a charge for cover against risks of force majeure of a maximum of 0.20 SDR per parcel. In respect of insured parcels, the amount is laid down in article 11.4.

References: New title.
Paragraph 1: Texts of article 14, a, d, e, i and j, and of article 15, paragraph 1, a, d, e, i and j, drafted so as to avoid repetition.
Paragraph 2: Texts of article 14, g, and of article 15, paragraph 1, g, drafted so as to avoid repetition.
Paragraph 3: Texts of article 14, h, and of article 15, paragraph 1, h, drafted so as to avoid repetition.
Paragraph 4: Texts of article 14, o, and of article 15, paragraph 1, o, drafted so as to avoid repetition.

Article 8
Prepayment

1 Parcels shall be prepaid by means of postage stamps or by any other method authorized by the regulations of the administration of origin.

References: New article.
Adapted text of article 19, e.

Article 9
Free postage

1 Service parcels

1.1 Parcels relating to the postal service, and called "service parcels", shall be exempt from all postal charges if exchanged between the following:

1.1.1 postal administrations;

1.1.2 postal administrations and the International Bureau;

1.1.3 post offices of member countries;

1.1.4 post offices and postal administrations.

1.2 Air parcels, with the exception of those originating from the International Bureau, shall be exempt from air surcharges.

2 Parcels of prisoners of war and civilian internees

2.1 Parcels intended for or sent by the prisoners and organizations mentioned in the Convention shall be called "prisoner-of-war and civilian internee parcels". These parcels shall be exempted from all charges, except for air surcharges.

References: Title of chapter III.
Articles 17 and 18 have been merged into one article.
Paragraph 1: Text of article 17, supplemented by the provision in article 4, paragraph 2, f.
Paragraph 2: Text of article 18, supplemented by the provision in article 4, paragraph 2, g.

Chapter 2

Special services

Article 10
Express parcels

1 At the sender's request, parcels for countries where the administration performs the service, shall be delivered to the place of address by special messenger as soon as possible after their arrival at the delivery office. They are then called "express parcels".

2 Express parcels shall be subject to a supplementary charge of not more than 1.63 SDR. This charge must be fully paid in advance. It is payable even if the parcel cannot be delivered by special messenger but only the advice of arrival.

3 When express delivery places special demands on the administration of destination, the latter may collect a supplementary charge under the provisions concerning items of the same type in the internal system. The supplementary charge shall be paid even if the parcel is returned to sender or redirected. However, in such cases, the amount passed on may not exceed 1.63 SDR.

4 If the regulations of the administration of destination permit, addressees may ask the delivery office for express delivery immediately on arrival of parcels which are intended for them. In that case the administration of destination shall be authorized to collect, on delivery, the charge that applies in the internal service.

References: Title of article 10.
Paragraph 1: Text of article 4, paragraph 3, b, first part.
Paragraph 2: Text of article 10, paragraph 1.
Paragraph 3: Text of article 10, paragraph 2.
Paragraph 4: Text of article 10, paragraph 3.
The texts have been adapted and brought into line with those of the Convention.

Article 11
Insured parcels

1 Any parcel which is insured for a declared value shall be called an "insured parcel". The exchange shall be restricted to those postal administrations which admit insured parcels.

2 Each administration may limit the insured value, so far as it is concerned, to an amount which may not be less than 3266.91 SDR. However, the limit of insured value adopted in the internal service may be applied if it is less than that amount.

3 The charge on insured parcels shall be paid in advance. It shall be made up of the principal charge, an optional dispatch charge and an ordinary insurance charge.

3.1 Any air surcharges and charges for special services shall be added to the principal charge.

3.2 The dispatch charge shall not exceed the registration charge laid down in the Convention. Instead of the fixed registration charge, postal administrations may collect the corresponding charge of their internal service or, exceptionally, a charge of 3.27 SDR at most.

3.3 The ordinary insurance charge shall be at most 0.33 SDR for each 65.34 SDR or fraction of 65.34 SDR insured value, or 0.5 percent of the insured value step.

4 Administrations which undertake to cover risks of force majeure shall be authorized to collect a charge for cover against risks of force majeure. This shall be set so that the sum of this charge and the ordinary insurance charge do not exceed the maximum prescribed in 3.3.

5 In cases where exceptional security measures are required, administrations may also collect from the sender or from the addressee the special charges provided for by their internal legislation.

References: Title of article 12.
Paragraph 1: Text of article 4, paragraph 2, a, with additions.
Paragraph 2: Text of article 24, paragraph 1, a, i.
Paragraph 3: Text of article 12, paragraph 1.
Paragraph 4: Text of article 12, paragraph 2.
Paragraph 5: Text of article 12, paragraph 3.
The texts have undergone drafting amendments.

Article 12
Cash-on-delivery parcels

1 Any parcel subject to a COD charge and covered by the Cash-on-Delivery Agreement shall be called a "cash-on-delivery parcel". The exchange of cash-on-delivery parcels shall require prior agreement between administrations of origin and destination.

References: New title.
Text of article 4, paragraph 2, c, with drafting amendments.

Article 13
Fragile parcels. Cumbersome parcels

1 Any parcel containing articles which are liable to break easily and which are to be handled with special care shall be called a "fragile parcel".

2 Any parcel whose dimensions exceed the limits laid down in the Regulations or those which administrations may set between themselves shall be called a "cumbersome parcel".

3 Any parcel which, by reason of its shape or structure, does not readily lend itself to loading with other parcels or which requires special precautions shall also be called a "cumbersome parcel".

4 Fragile parcels and cumbersome parcels shall be subject to a supplementary charge equal to not more than 50 percent of the principal charge. If the parcel is both fragile and cumbersome the supplementary charge shall be collected once only. However, the air surcharges in respect of these parcels shall not be increased.

5 The exchange of fragile parcels and cumbersome parcels shall be restricted to those administrations which admit such items.

References: Title of article 13.
Paragraph 1: Text of article 4, paragraph 2, d.
Paragraphs 2 and 3: Text of article 4, paragraph 2, e.
Paragraph 4: Text of article 13.
Paragraph 5: Text of article 4, paragraph 4, adapted.

Parcels, Agreement – Text as recast by the EC

Article 14
Advice of delivery

1 The sender of a parcel may request an advice of delivery under the conditions laid down in the Convention. However, administrations may restrict this service to insured parcels if such restriction is provided for in their internal service.

2 The advice of delivery charge shall be 0.98 SDR at most.

References: Title of article 28.
Paragraph 1: Text of article 28.
Paragraph 2: Text of article 15, paragraph 1, k.

Article 15
Parcels for delivery free of charges and fees

1 In relations between postal administrations which have notified their agreement to that effect senders may, by means of a previous declaration at the office of origin, undertake to pay the whole of the charges and fees to which a parcel is subject on delivery. This is a "parcel for delivery free of charges and fees". So long as a parcel has not been delivered to the addressee, the sender may ask after posting that it be delivered free of charges and fees, except in countries which cannot accept this procedure.

2 In the cases provided for in 1, senders shall undertake to pay the amounts which may be claimed by the office of destination. If necessary, they shall make a provisional payment.

3 The administration of origin shall collect from the sender a charge not exceeding 0.98 SDR per parcel which it shall retain as payment for services rendered in the country of origin.

4 In the case of a request made after posting, the administration of origin shall also collect an additional charge not exceeding 1.31 SDR per request. If the request is to be sent by telecommunications, the sender shall also pay the corresponding charge.

5 The administration of destination shall be authorized to collect a commission charge not exceeding 0.98 SDR per parcel. This charge shall be independent of the presentation-to-Customs charge. It shall be collected from the sender on behalf of the administration of destination.

References: Title of article 11.
Paragraph 1: Text of article 4, paragraph 2, b, with drafting amendments.
Paragraph 2: Text of article 25, paragraphs 1 and 2, with drafting amendments.
Paragraphs 3, 4 and 5: Text of article 11, paragraphs 1, 2 and 3, with drafting amendments.

Article 16
Advice of embarkation

1 In relations between administrations which agree to provide this service, the sender may request that an advice of embarkation be sent to him.

2 The advice of embarkation charge shall be 0.36 SDR at most per parcel.

Parcels, Agreement – Text as recast by the EC

References: New article.
Paragraph 1: Text of article 14, 1.
Paragraph 2: Text of article 15, paragraph 1, 1.

Chapter 3

Special provisions

Article 17
Prohibitions

1 The insertion of the following articles shall be prohibited in all categories of parcels:

1.1 articles which, by their nature or their packing, may expose officials to danger, or soil or damage other parcels or postal equipment;

1.2 narcotics and psychotropic substances;

1.3 documents having the character of current and personal correspondence as well as correspondence of any kind exchanged between persons other than the sender and the addressee or persons living with them;

1.4 live animals, unless their conveyance by post is authorized by the postal regulations of the countries concerned;

1.5 explosive, flammable or other dangerous substances;

1.6 radioactive materials;

1.7 obscene or immoral articles;

1.8 articles of which the importation or uttering is prohibited in the country of destination

2 It shall be prohibited to insert in uninsured parcels exchanged between two countries which admit insured parcels: coins, bank notes, currency notes, securities of any kind payable to bearer, platinum, gold or silver, whether manufactured or not, precious stones, jewels and other valuable articles. In addition, any administration may prohibit the enclosure of gold bullion in insured or uninsured items originating from or addressed to its territory or sent in transit à découvert across its territory. It may limit the actual value of these items.

3 The exceptions to the prohibitions and the treatment of parcels wrongly admitted are set out in the Detailed Regulations. However, parcels containing articles listed under 1.2, 1.5, 1.6 and 1.7 shall in no circumstances be forwarded to their destination, delivered to the addressees or returned to origin.

References: Title of article 20.
Paragraph 1: Text of article 20, a, without the exceptions transferred to the Detailed Regulations.
Paragraph 2: Text of article 20, b, without the exceptions transferred to the Detailed Regulations.
Paragraph 3: First sentence: new text. Second sentence: text of article 22, paragraph 1, second sentence.

Parcels, Agreement – Text as recast by the EC

Article 18
Redirection

1 If an addressee changes his address, a parcel may be redirected either within the country of destination or out of that country. The same applies if an address is altered or corrected in application of article 20.

2 The sender may forbid any redirection.

3 Administrations which collect a charge for requests for redirection in their internal service shall be authorized to collect the same charge in the international service.

4 The conditions for redirection are set out in the Detailed Regulations.

References: New title.
Paragraph 1: Text of article 32, paragraph 1, with a drafting amendment.
Paragraph 2: Text of article 32, paragraph 5.
Paragraph 3: Text of article 32, paragraph 6, a, adapted in line with the corresponding text in the Convention.
Paragraph 4: New text.

Article 19
Delivery. Undeliverable parcels

1 As a general rule, parcels shall be delivered to the addressees as soon as possible and according to the provisions in force in the country of destination. The periods of retention are laid down in the Detailed Regulations. When parcels are not delivered to the addressee's address, the addressee shall, unless this is impossible, be advised of their arrival without delay.

2 If a parcel cannot be delivered or if it is held officially, it shall be dealt with in accordance with the instructions given by the sender within the limits set by the Detailed Regulations.

3 If an advice of non-delivery is made out, the reply to such an advice may give rise to collection of a charge of 0.65 SDR at most. When the advice relates to several parcels posted at the same time at the same office by the same sender and addressed to the same addressee the charge shall be collected once only. In case of transmission by telecommunications, the corresponding charge shall also be collected.

4 Any undeliverable parcel shall be returned to the sender's country of residence. The conditions for return are given in the Detailed Regulations.

5 If the sender has abandoned a parcel which it has not been possible to deliver to the addressee, that parcel shall be treated by the administration of destination according to its own legislation.

6 Articles contained in a parcel whose early deterioration or decay is to be feared, and those articles only, may be sold immediately, without prior notice or legal formality. The sale shall be on behalf of the rightful owner even in course of transmission on either the outward or the return journey. If sale is impossible, the spoilt or decayed articles shall be destroyed.

References: New title.
Paragraph 1: Text of article 26, paragraph 1, adapted.
Paragraph 2: New text.

Paragraph 3: Text of article 29, paragraph 2, redrafted to include the charge mentioned in articles 14 and 15, f.
Paragraph 4: Text of article 30, paragraph 1, first sentence, adapted.
Paragraph 5: Text of article 31.
Paragraph 6: Text of article 37, with drafting amendments.

Article 20
Withdrawal from the post. Alteration or correction of address at the sender's request

1 The sender of a parcel may, under the terms set out in the Convention, ask for it to be returned or for its address to be altered. He must guarantee payment of the amounts due for any onward transmission.

2 However, administrations shall have the option of not accepting the requests referred to in 1 when they do not accept them in their internal service.

3 The sender shall pay, for each request, a charge for a request for withdrawal from the post or alteration or correction of address of 1.31 SDR at most. If the request is to be sent by telecommunications, the appropriate charge shall be added to this charge.

References: Title of article 38 with additions.
Paragraphs 1 and 2: Text of article 38, paragraphs 1 and 2.
Paragraph 3: Text of article 15, paragraph 1, n.

Article 21
Inquiries

1 Inquiries shall be entertained within a period of a year from the day after that on which the parcel was posted.

2 Each administration shall be bound to accept inquiries relating to any parcel posted in the service of another administration.

3 Unless the sender has already paid the charge for an advice of delivery, an inquiry charge of 0.65 SDR at most may be collected on each inquiry. If a request is made for transmission by telecommunications or by EMS, the additional costs shall, in principle, be borne by the person making the request.

4 Separate inquiries shall be made for uninsured and insured parcels. If the inquiry is related to several parcels of the same category posted at the same time at the same office by the same sender and addressed to the same addressee and sent by the same route, the charge shall be collected once only.

5 If the inquiry has been occasioned by a service error, the special charge referred to in 3 shall be refunded by the administration which collected it. In no case may this charge be demanded from another administration.

References: Title of article 39.
Paragraph 1: Text of article 39, paragraph 2.
Paragraph 2: Text of article 39, paragraph 1.

Paragraph 3: Text of article 39, paragraph 3, plus mention of the charge and use of telecommunications or EMS.
Paragraph 4: Text of article 39, paragraph 4.
Paragraph 5: Text of article 39, paragraph 5, with additions.

Chapter 4

Customs matters

Article 22
Customs control

1 The postal administrations of the countries of origin and destination shall be authorized to submit parcels to customs control, according to the legislation of those countries.

References: New article.
Paragraph 1: Text of article 42 of the Convention, with adaptations.

Article 23
Presentation-to-Customs charge

1 Parcels submitted to customs control in the country of origin may be subjected to a presentation-to-Customs charge of 0.65 SDR at most per parcel. As a general rule, the charge shall be collected at the time of posting of the parcel.

2 Parcels submitted to customs control in the country of destination may be subjected to a charge of 3.27 SDR at most per parcel. This charge shall be collected either for submission to Customs and customs clearance or for submission to Customs only. In the absence of special agreement, the charge shall be collected at the time of delivery of the parcel to the addressee. However, in the case of parcels for delivery free of charges and fees, the presentation-to-Customs charge shall be collected by the administration of origin on behalf of the administration of destination.

References: New article.
Paragraph 1: Text of article 14, b, and of article 15, paragraph 1, b, drafted so as to avoid repetition.
Paragraph 2: Text of article 14, c, and of article 15, paragraph 1, c, drafted so as to avoid repetition.

Article 24
Customs duty and other fees

1 Administrations of destination shall be authorized to collect from addressees all fees, especially customs duty, payable on the items in the country of destination.

References: New title.
Paragraph 1: Text of article 16, paragraph 1.

Chapter 5

Liability

Article 25
Liability of postal administrations. Indemnities

1 Postal administrations shall be liable for the loss of, theft from or damage to parcels, except as provided for in article 26.

2 Administrations may undertake to cover risks arising from a case of force majeure.

3 The sender shall be entitled to an indemnity corresponding, in principle, to the actual amount of the loss, theft or damage. Consequential losses or loss of profits shall not be taken into consideration. However, this indemnity may in no case exceed:

3.1 for insured parcels, the amount of the insured value in SDRs;

3.2 for other parcels, the following amounts:

44.10 SDR per parcel up to 5 kg;
65.34 SDR per parcel above 5 up to 10 kg;
88.21 SDR per parcel above 10 up to 15 kg;
111.07 SDR per parcel above 15 up to 20 kg;
above 20 kilogrammes, 22.87 SDR per parcel and per step or fraction of 5 kilogrammes.

4 Administrations may agree to apply, in their reciprocal relations, the amount of 111.07 SDR per parcel regardless of the weight.

5 The indemnity shall be calculated according to the current price, converted into SDRs, of goods of the same kind at the place and time at which the parcel was accepted for conveyance. Failing a current price, the indemnity shall be calculated according to the ordinary value of goods whose value is assessed on the same basis.

6 When an indemnity is due for the loss, total theft or total damage of a parcel, the sender or the addressee, as the case may be, shall also be entitled to repayment of the charges paid with the exception of the insurance charge. The same shall apply to items refused by the addressees because of their bad condition if that is attributable to the postal service and involves its liability.

7 When the loss, total theft or total damage is due to a case of force majeure for which indemnity is not payable, the sender shall be entitled to repayment of the charges paid, with the exception of the insurance charge.

8 Notwithstanding the provisions set out in 3, the addressee shall be entitled to the indemnity after taking delivery of a rifled or damaged parcel.

9 The administration of origin shall have the option of paying senders in its country the indemnities prescribed by its internal legislation for uninsured parcels, provided that they are not lower than those laid down in 3.2. The same shall apply to the administration of destination when the indemnity is paid to the addressee. However, the amounts laid down in 3.2 shall remain applicable:

9.1 in the event of recourse against the administration liable; or

9.2 if the sender waives his rights in favour of the addressee or vice versa.

References: New title.
Paragraph 1: Text of article 40, paragraph 1, minus the second sentence transferred to the Detailed Regulations.
Paragraph 2: Text of article 40, paragraph 2, minus the second sentence transferred to the Detailed Regulations.
Paragraph 3: Text of article 40, paragraph 3, minus part of the text of subparagraph a, which is deleted.
Paragraphs 4 to 8: Text of article 40, paragraphs 4 to 8, with drafting amendments.
Paragraph 9: Text of article 40, paragraph 10, with drafting amendments.

Article 26
Non-liability of postal administrations

1 Postal administrations shall cease to be liable for parcels which they have delivered, according to the conditions laid down in their internal regulations for items of the same kind. Liability shall however be maintained:

1.1 when theft or damage is discovered either prior to or at the time of delivery of the parcel;

1.2 when, internal regulations permitting, the addressee or, the sender if it is returned to origin, makes reservations on taking delivery of a rifled or damaged item;

1.3 when the addressee or, in the case of return to origin, the sender, although having given a proper discharge, notifies the delivery administration without delay that he has found theft or damage; he shall furnish proof that such theft or damage did not occur after delivery.

2 In the cases listed below, postal administrations shall not be liable:

2.1 in cases of force majeure, subject to article 25.2;

2.2 when they cannot account for parcels owing to the destruction of official records by force majeure, provided that proof of their liability has not been otherwise produced;

2.3 when such loss, theft or damage has been caused by the fault or negligence of the sender or arises from the nature of the contents;

2.4 in the case of parcels whose contents fall within the prohibitions specified in article 17, in so far as these parcels have been confiscated or destroyed by the competent authority because of their contents;

2.5 when the parcels have been seized under the legislation of the country of destination, as notified by the administration of that country;

2.6 in the case of insured parcels which have been fraudulently insured for a sum greater than the actual value of the contents;

2.7 when the sender has made no inquiry within one year from the day after that on which the parcel was posted;

2.8 in the case of prisoner-of-war or civilian internee parcels.

3 Postal administrations shall accept no liability for customs declarations in whatever form these are made or for decisions taken by the Customs on examination of parcels submitted to customs control.

Parcels, Agreement – Text as recast by the EC

References: Title of article 41.
Paragraph 1: Text of article 41, paragraph 1, minus the reference to article 12 of the Convention, which seems to be superfluous.
Paragraph 2: Text of article 41, paragraph 2, with drafting amendments. The explanatory texts about force majeure are transferred to the Detailed Regulations.
Paragraph 3: Text of article 41, paragraph 3.

Article 27
Sender's liability

1 The sender of a parcel shall be liable for any damage caused to other postal items as a result of the dispatch of articles not acceptable for conveyance or the non-observance of the conditions of acceptance.

2 The sender shall be liable within the same limits as postal administrations.

3 The sender shall remain liable even if the office of posting accepts such a parcel.

4 On the other hand, the sender shall not be liable if there has been fault or negligence on the part of administrations or carriers.

References: Title of article 42.
Paragraphs 1, 2 and 4: Text of article 42, paragraph 1, presented more clearly.
Paragraph 3: Text of article 42, paragraph 2.

Article 28
Payment of indemnity

1 Subject to the right of recourse against the administration which is liable, the obligation to pay the indemnity and to refund the charges and fees shall rest either with the administration of origin or with the administration of destination.

2 The sender may waive his rights to the indemnity in favour of the addressee. Conversely, the addressee may waive his rights in favour of the sender. The sender or the addressee may authorize a third party to receive the indemnity if internal legislation allows this.

3 The administration of origin or destination, as the case may be, shall be authorized to indemnify the rightful claimant on behalf of the administration which, having participated in the conveyance and having been duly informed, has allowed three months to pass without finally settling the matter, or without having reported:

3.1 that the damage appeared to be due to a case of force majeure;

3.2 that the item had been detained, confiscated or destroyed by the competent authority because of its contents or seized under the legislation of the country of destination.

References: Title of article 44.
Paragraph 1: Text of article 44, paragraph 1.
Paragraph 2: Text of article 40, paragraph 9.
Paragraph 3: Text of article 44, paragraph 4.

Article 29
Possible recovery of the indemnity from the sender or from the addressee

1 If, after payment of the indemnity, a parcel or part of a parcel previously considered lost, is found, the sender or the addressee, as the case may be, shall be informed that he may take delivery of it within a period of three months on repayment of the amount of the indemnity received. If the sender or the addressee, as the case may be, does not claim the parcel within this period, the same approach shall be made to the other party.

2 If the sender and the addressee refuse to take delivery of the parcel, it shall become the property of the administration or, where appropriate, administrations which bore the loss.

3 In the case of subsequent discovery of an insured parcel the contents of which are found to be of less value than the amount of indemnity paid, the sender or the addressee, as the case may be, shall repay the amount of this indemnity. The insured parcel shall be returned to him, without prejudice to the consequences of fraudulent insurance.

References: Title of article 46.
Paragraph 1: Text of article 46, paragraph 1.
Paragraph 2: Text of article 46, paragraph 3.
Paragraph 3: Text of article 46, paragraph 5.
The texts have undergone drafting amendments.

Part III

Relations between postal administrations

Chapter 1

Treatment of postal parcels

Article 30
Quality-of-service targets

1 Administrations of destination shall set a service target for the handling of air parcels addressed to their countries. The target, increased by the time normally required for customs clearance, shall be no less favourable than the target for comparable items in their domestic service.

2 Administrations of destination shall also, as far as possible, set a service target for the handling of surface parcels addressed to their countries.

3 Administrations of origin shall set service targets for air and surface parcels for abroad by reference to the targets set by the administrations of destination.

Reference: Title and text of article 6.

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Article 31
Exchange of parcels

1 The exchange of parcels shall take place on the basis of the provisions of the Detailed Regulations.

Reference: New article and new text.

Chapter 2

Treatment of cases of liability

Article 32
Determination of liability between postal administrations

1 Until the contrary is proved, liability shall rest with the postal administration which, having received the parcel without comment and being furnished with all the prescribed means of inquiry, cannot prove either delivery to the addressee or, where appropriate, correct transfer to another administration.

2 If the loss, theft or damage occurs in course of conveyance without it being possible to establish in which country's territory or service it happened, the administrations concerned shall bear the loss equally. However, in the case of an uninsured parcel, when the amount of indemnity does not exceed the amount fixed in article 25.3.2, for a parcel up to 5 kg, this sum shall be borne equally by the administration of origin and the administration of destination, intermediate administrations being excluded.

3 As regards insured parcels, the liability of an administration towards other administrations shall in no case exceed the maximum insured value that it has adopted.

4 If the loss, theft or damage of an insured parcel occurs in the territory or service of an intermediate administration which does not accept insured parcels or which has adopted a maximum insured value lower than the amount of the loss, the administration of origin shall bear the loss not covered by the intermediate administration. The same rule shall apply if the amount of the loss is higher than the maximum insured value adopted by the intermediate administration.

5 The rule laid down in 4 shall also apply in case of sea or air conveyance if the loss, theft or damage occurs in the service of an administration belonging to a contracting country which does not accept the liability laid down for insured parcels. This administration shall nevertheless assume, in respect of the transit of insured parcels in closed mails, the liability laid down for uninsured parcels.

6 Customs duty and other fees of which it has not been possible to secure cancellation shall be borne by the administrations liable for the loss, theft or damage.

7 An administration which has paid the indemnity shall take over the rights, up to the amount of the indemnity, of the person who has received it in any action which may be taken against the addressee, the sender or third parties.

Parcels, Agreement – Text as recast by the EC

References: Title of article 43.
Paragraph 1: Text of article 43, paragraph 1.
Paragraph 2: Text of article 43, paragraph 4, first part.
Paragraph 3: Text of article 43, paragraph 7.
Paragraph 4: Text of article 43, paragraph 9, minus the reference which does not seem essential.
Paragraph 5: Text of article 43, paragraph 10, and text of article 41, paragraph 2, iv.
Paragraphs 6 and 7: Text of article 43, paragraphs 11 and 12.

Chapter 3

Rates and air conveyance dues

Article 33
Outward and inward land rate

1 Parcels exchanged between two administrations shall be subject to the following guideline outward and inward land rates for each country and each parcel:

Weight steps	Outward and inward land rate
	Guideline rates
1	2
	SDR
Up to 1 kg	2.61
Above 1 up to 3 kg	3.27
Above 3 up to 5 kg	3.92
Above 5 up to 10 kg	4.90
Above 10 up to 15 kg	5.88
Above 15 up to 20 kg	6.53
Above 20 kg, for each step or fraction of 5 kg	0.65

2 In case of allocation of rates in accordance with article 36.3, the following guideline rates are recommended:

2.1 inward and outward land rate per parcel: 4 SDR;

2.2 inward and outward land rate per kilogramme of gross weight of the mails: 0.40 SDR.

3 Bearing in mind the above guideline rates, administrations shall set their outward and inward land rates to bring these into relation with the costs of their service. However, their inward land rates may not be more than 30 percent higher than their outward rates.

4 The rates mentioned in 1, 2 and 3 shall be payable by the administration of the country of origin, unless this Agreement provides for exceptions to this principle.

5 The outward and inward land rates shall be uniform for the whole of the territory of each country.

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References: Title of article 47.
Paragraphs 1, 2 and 3: Text of article 47, paragraph 1.
Paragraphs 4 and 5: Text of article 47, paragraphs 3 and 4.

Article 34
Transit land rate

1 Parcels exchanged between two administrations or between two offices of the same country by means of the land services of one or more other administrations shall be subject to the following transit land rates, payable to the countries whose services take part in the routeing on land:

Distance steps	Transit land rates						
	up to 1 kg	above 1 up to 3 kg	above 3 up to 5 kg	above 5 up to 10 kg	above 10 up to 15 kg	above 15 up to 20 kg	above 20 kg, for each step or fraction of 5 kg
1	2	3	4	5	6	7	8
	SDR	SDR	SDR	SDR	SDR	SDR	SDR
Up to 600 km	0.20	0.52	0.95	1.67	2.71	3.76	0.98
Above 600 up to 1000 km	0.29	0.75	1.34	2.38	3.89	5.39	1.37
Above 1000 up to 2000 km	0.39	1.01	1.80	3.20	5.19	7.22	1.83
Above 2000 for each additional 1000 km	0.10	0.23	0.46	0.78	1.27	1.76	0.26

2 In case of allocation of rates in accordance with article 36.3, the following guideline rates are recommended:

Distance steps	Transit land rate	
	per parcel	per kg of gross weight of mails
	SDR	SDR
Up to 600 km	1.47	0.20
Above 600 km up to 1000 km	2.09	0.29
Above 1000 up to 2000 km	2.81	0.39
Above 2000 for each additional 1000 km	0.65	0.10

3 For air parcels in transit à découvert, intermediate administrations shall be authorized to claim a single rate of 0.33 SDR per item.

4 The rates mentioned in 1, 2 and 3 shall be payable by the administration of the country of origin unless this Agreement provides for exceptions to this principle.

References: Title of article 48.
Paragraphs 1 and 2: Text of article 48, paragraph 1.
Paragraphs 3 and 4: Text of article 48, paragraphs 5 and 7.

Article 35
Sea rate

1 Each of the countries whose services participate in the sea conveyance of parcels shall be authorized to claim the sea rates mentioned in 2. These rates shall be payable by the administration of the country of origin, unless this Agreement provides for exceptions to this principle.

2 For each sea conveyance used, the sea rate shall be calculated according to the following table:

Distance steps		Weight steps						
a expressed in nautical miles	b expressed in km after conversion on the basis of 1 n.m. = 1.852 km	up to 1 kg	above 1 up to 3 kg	above 3 up to 5 kg	above 5 up to 10 kg	above 10 up to 15 kg	above 15 up to 20 kg	above 20 kg, for each step or fraction of 5 kg
1	2	3	4	5	6	7	8	9
		SDR	SDR	SDR	SDR	SDR	SDR	SDR
Up to 500 n.m.	Up to 926 km	0.16	0.39	0.69	1.21	1.96	2.71	0.59
Above 500 up to 1000	Above 926 up to 1852	0.20	0.46	0.82	1.44	2.35	3.27	0.78
Above 1000 up to 2000	Above 1852 up to 3704	0.20	0.52	0.95	1.67	2.71	3.72	0.91
Above 2000 up to 3000	Above 3704 up to 5556	0.23	0.59	1.05	1.86	3.01	4.15	1.05
Above 3000 up to 4000	Above 5556 up to 7408	0.26	0.62	1.11	1.99	3.23	4.48	1.14
Above 4000 up to 5000	Above 7408 up to 9260	0.26	0.65	1.18	2.12	3.43	4.77	1.24
Above 5000 up to 6000	Above 9260 up to 11 112	0.29	0.69	1.24	2.22	3.63	5.00	1.31
Above 6000 up to 7000	Above 11 112 up to 12 964	0.29	0.72	1.31	2.32	3.76	5.23	1.37
Above 7000 up to 8000	Above 12 964 up to 14 816	0.29	0.75	1.34	2.42	3.92	5.42	1.44
Above 8000 per additional 1000	Above 14 816 per additional 1852	0.03	0.03	0.03	0.07	0.13	0.16	0.03

3 In case of allocation of rates in accordance with article 36.3, the following guideline rates are recommended:

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Distance steps		Sea rate	
a expressed in nautical miles	b expressed in km after conversion on the basis of 1 n.m. = 1.852 km	per parcel	per kg of gross weight of mails
		SDR	SDR
Up to 500 n.m.	Up to 926 km	1.05	0.16
Above 500 up to 1000	Above 926 up to 1852	1.27	0.20
Above 1000 up to 2000	Above 1852 up to 3704	1.44	0.20
Above 2000 up to 3000	Above 3704 up to 5556	1.63	0.23
Above 3000 up to 4000	Above 5556 up to 7408	1.73	0.26
Above 4000 up to 5000	Above 7408 up to 9260	1.86	0.26
Above 5000 up to 6000	Above 9260 up to 11 112	1.96	0.29
Above 6000 up to 7000	Above 11 112 up to 12 964	2.03	0.29
Above 7000 up to 8000	Above 12 964 up to 14 816	2.09	0.29
Above 8000 per additional 1000	Above 14 816 per additional 1852	0.07	0.03

4 Administrations may increase by 50 percent at most the sea rate laid down in 2 or 3. On the other hand, they may reduce it as they wish.

References: Title of article 49.
Paragraph 1: Text of article 49, paragraph 1.
Paragraphs 2 and 3: Text of article 49, paragraph 2.
Paragraph 4: Text of article 50, paragraph 1.

Article 36
Allocation of rates

1 Allocation of rates to the administrations concerned shall be made, in principle, in respect of each parcel.

2 In the case of transmission by closed mails, the administrations of origin and of destination may agree to allocate rates in bulk for each weight step.

3 The administration of origin may also agree with the administration of destination and, as appropriate, with the intermediate administrations to credit them with sums calculated per parcel or per kilogramme of gross weight of the mails. These calculations shall be made on the basis of the land and sea rates.

4 Rates shall not be allocated for service parcels and for prisoner-of-war and civilian internee parcels, apart from the air conveyance dues applicable to air parcels.

References: New title.
Paragraphs 1, 2 and 3: Text of article 54, paragraphs 1, 2 and 3.
Paragraph 4: Text of article 55.

Parcels, Agreement – Text as recast by the EC

Article 37
Air conveyance dues

1 The basic rate applicable to the settlement of accounts between administrations in respect of air conveyance shall be fixed at a maximum of 0.568 thousandth of an SDR per kilogramme of gross weight and per kilometre; this rate shall be applied proportionately to fractions of a kilogramme.

2 Each administration of destination which provides air conveyance of air parcels within its country shall be entitled to reimbursement of the additional costs incurred for such conveyance provided that the weighted average distance of the sectors flown exceeds 300 km. These dues shall be uniform for all mails from abroad, whether or not the air parcels are reforwarded by air.

3 Transhipment at the same airport, in the course of transmission, of air parcels conveyed successively by several separate air services shall be performed without remuneration.

4 No transit land rate shall be payable for:

4.1 the transfer of airmails between two airports serving the same town;

4.2 the transport of such mails between an airport serving a town and a warehouse situated in the same town and the return of the same mails for reforwarding.

5 The calculation of air conveyance dues on closed mails and air parcels in transit à découvert is set out in the Detailed Regulations.

References: New title.
Paragraph 1: Text of article 52, paragraph 1.
Paragraph 2: Text of article 52, paragraph 4.
Paragraph 3: Text of article 52, paragraph 7.
Paragraph 4: Text of article 52, paragraph 8.
Paragraph 5: New text.

Chapter 4

Miscellaneous provisions

Article 38
Provision of information, retention of documents, forms

1 The provisions relating to the provision of information concerning the execution of the postal service, retention of documents and the forms to be used are set out in the Detailed Regulations.

Reference: New article.

Article 39
Parcels addressed to or originating in countries not participating in the Agreement

1 The administrations of countries participating in this Agreement which maintain an exchange of parcels with the administrations of non-participating countries shall, in the absence

of any objection on the part of the latter, allow the administrations of all the participating countries to avail themselves of these services.

References: Title of article 58.
Paragraph 1: Text of article 58, paragraph 1.

Article 40
Application of the Convention

1 The Convention shall be applicable, where appropriate, by analogy, in all cases not expressly governed by this Agreement.

Reference: Title and text of article 56.

Part IV

Final provisions

Article 41
Conditions for approval of proposals concerning this Agreement and its Detailed Regulations

1 To become effective, proposals submitted to Congress relating to this Agreement and its Detailed Regulations must be approved by a majority of the member countries present and voting which are parties to the Agreement. At least half of these member countries represented at Congress must be present at the time of voting.

2 To become effective, proposals relating to the Detailed Regulations of this Agreement which have been referred by Congress to the Executive Council for a decision or which have been introduced between Congresses must be approved by a majority of the members of the Executive Council which are parties to this Agreement.

3 To become effective, proposals introduced between Congresses relating to this Agreement must obtain:

3.1 unanimity of votes if they involve either the addition of new provisions or amendments of substance to the articles of this Agreement and of its Final Protocol;

3.2 a majority of the votes if they involve:

3.2.1 interpretation of the provisions of this Agreement and its Final Protocol;

3.2.2 drafting amendments to be made to the Acts specified in 3.2.1.

References: Title and text of article 57.
Paragraphs 1 and 2: Text of article 57, paragraphs 1 and 2.
Paragraph 3: Text of article 57, paragraph 3.

Parcels, Agreement – Text as recast by the EC

Article 42
Entry into force and duration of the Agreement

1 This Agreement shall come into force on ..... and shall remain in operation until the entry into force of the Acts of the next Congress.

Reference: Title and text of article 59.

In witness whereof, the plenipotentiaries of the Governments of the contracting countries have signed this Agreement in a single original which shall be deposited with the Director-General of the International Bureau. A copy thereof shall be delivered to each party by the Government of the country in which Congress is held.

Done at Seoul,

Parcels, Agreement, Final Protocol – Text as recast by the EC

Final Protocol to the Postal Parcels Agreement

At the moment of proceeding to signature of the Postal Parcels Agreement concluded this day, the undersigned plenipotentiaries have agreed the following:

Article I
Advice of delivery

1 The postal administration of Canada shall be authorized not to apply article 14, given that it does not offer the advice of delivery service for parcels in its internal service.

Reference: Title and text of article XVI.

Article II
Prohibitions

1 The postal administration of Canada shall be authorized not to accept insured parcels containing the valuable articles covered in article 17.2, since this is contrary to its internal regulations.

2 Exceptionally, the postal administration of Lebanon shall not accept parcels containing coins, currency notes or securities of any kind payable to bearer, travellers' cheques, platinum, gold or silver whether manufactured or not, precious stones or other valuable articles, or containing liquids or easily liquefiable elements or articles made of glass or similar or fragile articles. It shall not be bound by the provisions of article 25, including with respect to the cases set forth in articles 26 and 32.

References: Title of article XI.
Paragraph 1: Text of article XI.
Paragraph 2: Text of Lebanon's reservation.

Article III
Withdrawal from the post. Alteration or correction of address

1 Notwithstanding article 20, Costa Rica, Ecuador, El Salvador, Panama (Rep) and Venezuela shall be authorized not to return postal parcels after the addressee has requested their clearance by Customs, since this is incompatible with those countries' customs legislation.

Reference: Title and text of article X.

Parcels, Agreement, Final Protocol – Text as recast by the EC

Article IV
Compensation

1 Notwithstanding article 25, the following administrations shall have the right not to pay compensation for uninsured parcels lost, rifled or damaged in their service: Angola, the Bahamas, Barbados, Belize, Bolivia, Botswana, Brunei Darussalam, Canada, Dominica, the Dominican Republic, El Salvador, Fiji, Gambia, those of the Overseas Dependent Territories of the United Kingdom of Great Britain and Northern Ireland whose internal regulations do not permit them to comply, Grenada, Guatemala, Guyana, Kiribati, Lesotho, Malawi, Malta, Mauritius, Nauru, Nigeria Papua New Guinea, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Seychelles, Sierra Leone, the Solomon Islands, Swaziland, Trinidad and Tobago, Uganda, the United States of America, Zambia and Zimbabwe.

2 Notwithstanding article 25.8, the United States of America shall be authorized to maintain the sender's right to indemnity for insured parcels after the addressee has taken delivery thereof, unless the sender waives this right in favour of the addressee.

3 The postal administration of Brazil shall be authorized not to apply article 25 with respect to liability in cases of damage, including the cases referred to in articles 26 and 32.

4 The Untied States of America, when acting as an intermediate administration, shall be authorized not to indemnify other administrations in the event of loss of, theft from or damage to transit insured parcels conveyed à découvert or forwarded in closed mails.

Reference: Title and text of article XIII, with amendments.

Article V
Exceptions to the principle of liability

1 Notwithstanding article 25, Bolivia, Iraq, Sudan, Yemen and Zaire shall be authorized to pay no indemnity for damage to parcels coming from any country and addressed to them, containing liquids or substances which easily liquefy, glass articles or articles of a similar fragile or perishable nature.

Reference: Title and text of article XII, with amendments.

Article VI
Non-liability of the postal administration

1 The postal administration of Nepal shall be authorized not to apply article 26.1.3.

Reference: Title and text of article XV.

Parcels, Agreement, Final Protocol – Text as recast by the EC

Article VII
Payment of the indemnity

1 The postal administrations of Angola, Guinea, Lebanon and Mauritania shall not be obliged to comply with article 28.3 as regards finally settling a claim within three months. Nor do they agree to the rightful claimant's being indemnified on its behalf by another administration upon expiry of the above-mentioned period.

Reference: Title and text of article XIV.

Article VIII
Exceptional inward land rates

1 Notwithstanding article 33.3, the administrations below reserve the right to set their inward land rates over 30 percent higher than their outward land rates:

Algeria, Angola, Bahrain, Benin, Brazil, Brunei Darussalam, Bulgaria (Rep), Congo (People's Rep), Czech Rep, El Salvador, Ethiopia, Gabon, Gambia, Ghana, Greece, Iraq, Israel, Jordan, Kenya, Lebanon, Malaysia, Mongolia, Nepal, Pakistan, Papua New Guinea, Sierra Leone, Singapore, Slovak Rep, Somalia, Sri Lanka, Syrian Arab Rep, Uganda, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

2 Notwithstanding article 33, the administration of Egypt reserves the right to collect an exceptional inward land rate of 6.53 SDR per parcel, in addition to the rates mentioned in that article.

Reference: Title and text of article I.

Article IX
Exceptional transit land rates

1 For the time being, the administrations listed in the table below shall be authorized to collect the exceptional transit land rates indicated therein, in addition to the transit rates mentioned in article 34.1 and 2:

No	Authorized administrations	Amount of the exceptional transit land rate for parcels of the following weight steps:					
		up to 1 kg	over 1 and up to 3 kg	over 3 and up to 5 kg	over 5 and up to 10 kg	over 10 and up to 15 kg	over 15 and up to 20 kg
1	2	3	4	5	6	7	8
		SDR	SDR	SDR	SDR	SDR	SDR
1	Afghanistan	1.54	1.96	2.45	2.94	4.57	5.88
2	United States of America	0.65	0.98	1.31	1.96	2.61	3.27
3	Argentina	0.65	1.31	1.63	2.61	3.92	4.90
4	Australia	0.70	0.70	0.95	1.45	2.10	2.75
5	Bahamas	0.65	0.74	0.82	0.98		
6	Bahrain	0.83	0.88	0.98	1.31	1.50	1.96

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No	Authorized administrations	Amount of the exceptional transit land rate for parcels of the following weight steps:					
		up to 1 kg	over 1 and up to 3 kg	over 3 and up to 5 kg	over 5 and up to 10 kg	over 10 and up to 15 kg	over 15 and up to 20 kg
1	2	3	4	5	6	7	8
		SDR	SDR	SDR	SDR	SDR	SDR
7	Bangladesh	0.98	1.31	1.47	1.63		
8	Barbados	0.82	0.90	0.88	0.78		
9	Belgium	0.16	0.33	0.49	0.82	1.14	1.47
10	Belize	3.01	3.59	3.87	4.95	6.14	7.12
11	Benin	0.20	0.33	0.49	0.98	1.47	1.96
12	Bolivia	0.33	0.39	0.46	0.65	0.98	1.31
13	Botswana	1.31	1.63	1.96	2.45	2.94	3.27
14	Brazil	1.31	1.96	2.61	3.27	6.53	7.84
15	Brunei Darussalam	0.29	0.49	0.88	1.57		
16	Bulgaria (Rep)	0.33	0.65	0.98	1.31	1.96	2.61
17	Central African Rep	0.20	0.49	0.65	1.31	1.96	2.61
18	Chile	1.31	1.31	1.96	2.61	3.92	5.23
19	China (People's Rep)	1.31	2.35	3.01	3.43	3.92	4.90
20	Cyprus	1.31	1.63	2.12	2.45	3.27	4.25
21	Congo (People's Rep)	0.82	0.98	1.31	1.96	3.27	3.92
22	Côte d'Ivoire (Rep)	0.20	0.33	0.49	0.98	1.63	2.29
23	Dominica	1.80	1.96	2.07	2.56	3.74	4.51
24	Egypt	0.98	0.98	0.98	1.96	1.96	1.96
25	El Salvador	0.65	0.65	0.65	0.65	0.65	0.65
26	United Arab Emirates	1.11	1.24	1.31	1.11	0.72	0.65
27	Ecuador	0.98	0.98	1.31	1.96	2.61	3.27
28	France	0.33	0.65	0.98	1.31	1.96	2.61
29	Gambia	0.56	0.59	0.57	0.52		
30	United Kingdom of Great Britain and Northern Northern Ireland and Overseas Dependent Territories of the United Kingdom	4.41	5.23	5.55	7.02	8.66	9.96
31	Grenada	1.80	1.96	2.07	2.56	3.74	4.51
32	Guyana	0.33	0.36	0.39	0.46		
33	India	1.55	1.55	1.55	2.06	2.06	2.06
34	Iran (Islamic Rep)	0.33	0.39	0.46	0.52	0.65	0.85
35	Iraq	0.33	0.39	0.49	0.65	1.31	1.63
36	Jamaica	0.65	0.82	0.98	1.31	1.96	2.61
37	Kenya	0.98	1.14	1.31	1.63		
38	Madagascar	0.65	0.98	1.31	1.96	2.61	3.27
39	Malaysia	0.33	0.36	0.39	0.65		
40	Malawi	0.33	0.36	0.39	0.46		
41	Malta	0.33	0.36	0.39	0.46		
42	Mauritius	0.56	0.59	0.57	0.52		
43	Myanmar	0.23	0.20	0.20	0.29		
44	Nepal	0.65	0.82	0.98	1.14	1.47	1.80
45	Nigeria	0.98	1.14	1.31	1.63		
46	Oman	1.14	1.21	1.31	1.47		
47	Uganda	0.98	1.14	1.31	1.63		
48	Pakistan	0.65	0.98	1.31	1.63		
49	Panama (Rep)	0.33	0.49	0.65	0.98	1.31	1.63
50	Papua New Guinea	0.15	0.25	0.31	0.54	0.65	0.78
51	Peru	0.33	0.39	0.46	0.65	0.98	1.31
52	Qatar	0.33	0.36	0.39	0.46		
53	Dem People's Rep of Korea	0.98	1.31	1.63	1.80	1.96	2.12
54	Romania	0.33	0.65	0.98	1.31	1.96	2.61

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No	Authorized administrations	Amount of the exceptional transit land rate for parcels of the following weight steps:					
		up to 1 kg	over 1 and up to 3 kg	over 3 and up to 5 kg	over 5 and up to 10 kg	over 10 and up to 15 kg	over 15 and up to 20 kg
1	2	3	4	5	6	7	8
		SDR	SDR	SDR	SDR	SDR	SDR
55	Russian Federation						
	Via the European part of Russia	0.59	1.40	2.55	4.51	7.38	10.13
	Via the Asian part of Russia	1.67	3.99	7.32	12.90	21.27	29.17
	Via the European and Asian parts of Russia	2.16	5.06	9.34	16.53	27.25	37.31
56	Saint Christopher and Nevis	4.41	5.23	5.55	7.02	8.66	9.96
57	Saint Lucia	1.80	1.96	2.07	2.56	3.74	4.51
58	Saint Vincent and the Grenadines	3.01	3.59	3.87	4.95	6.14	7.12
59	Solomon Islands	3.01	3.59	3.87	4.95	6.14	7.12
60	Seychelles	1.80	1.96	2.07	2.56	3.74	4.51
61	Sierra Leone	0.46	0.65	0.82	0.91		
62	Singapore	0.33	0.36	0.39	0.65		
63	Sudan	1.31	1.96	2.61	3.27		
64	Sri Lanka	0.98	1.31	1.96	2.61	3.27	3.92
65	Syrian Arab Rep	0.65	0.98	1.31	1.63	1.96	2.29
66	Tanzania (United Rep)	0.98	1.14	1.31	1.63		
67	Thailand	1.14	1.31	1.80	2.12	2.61	3.43
68	Trinidad and Tobago	0.65	0.82	0.98	1.31		
69	Turkey	1.63	1.63	1.63	1.63	1.63	1.63
70	Tuvalu	1.80	1.96	2.07	2.56	3.74	4.51
71	Venezuela	0.49	0.98	1.47	2.12	2.94	3.92
72	Yemen	1.31	1.31	1.96	2.61	3.92	5.23
73	Yugoslavia	0.29	0.39	0.65	0.72	1.18	1.03
74	Zaire	0.26	0.59	0.98	1.96	3.27	3.92
75	Zambia	1.37	1.83	2.74	3.66	5.08	7.06
76	Zimbabwe	1.31	1.63	1.96	2.45	2.94	3.27

Reference: Title and text of article II.

Article X
Sea rates

1 The following administrations reserve the right to increase by 50 percent at the most the sea rates provided for in article 35:

Argentina, Australia, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Belize, Brazil, Brunei Darussalam, Canada, Chile, Comoros, Congo (People's Rep), Cyprus, Djibouti, Dominica, Finland, France, Gabon, Gambia, Germany, United Kingdom of Great Britain and Northern Ireland, Overseas Dependent Territories of the United Kingdom, Greece, Grenada, Guyana, India, Italy, Jamaica, Japan, Kenya, Kiribati, Madagascar, Malaysia, Malta, Mauritius, the Netherlands, Nigeria, Norway, Oman, Pakistan, Papua New Guinea, Portugal, Qatar, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Seychelles, Sierra Leone, Singapore, the Solomon Islands, Spain, Sweden, Tanzania (United Rep), Thailand, Trinidad and Tobago, Tuvalu, Uganda, the United Arab Emirates, the United States of America, Vanuatu, Yemen and Zambia.

Parcels, Agreement, Final Protocol – Text as recast by the EC

Reference: Title and text of article IV, with drafting amendments.

Article XI
Supplementary rates

1 Every parcel sent by surface or air addressed to Corsica, the French Overseas Departments, the French Overseas Territories and the Communities of Mayotte and Saint Pierre and Miquelon shall be subject to an inward land rate not exceeding the corresponding rate for France. When such a parcel transits metropolitan France it shall, in addition, give rise to the collection of the following supplementary rates and dues:

1.1 "surface" parcels:

1.1.1 the French transit land rate;

1.1.2 the French sea rate corresponding to the distance step between metropolitan France and each of the Departments, Territories and Communities in question;

1.2 air parcels:

1.2.1 the French transit land rate for parcels in transit à découvert;

1.2.2 the air conveyance dues corresponding to the airmail distance between metropolitan France and each of the Departments, Territories and Communities in question.

2 Every parcel conveyed by the Iraq-Syria trans-desert motor services shall give rise to the collection of a special supplementary rate fixed as follows:

Weight steps	Supplementary rates	Weight steps	Supplementary rates
1	2	1	2
	SDR		SDR
Up to 1 kg	0.16	over 5 and up to 10 kg	1.63
over 1 and up to 3 kg	0.49	over 10 and up to 15 kg	2.45
over 3 and up to 5 kg	0.82	over 15 and up to 20 kg	3.27

3 The postal administrations of Egypt and Sudan shall be authorized to collect a supplementary rate of 0.65 SDR over and above the transit land rates laid down in article 34.1 for each parcel in transit via Lake Nasser between El Shallal (Egypt) and Wadi Halfa (Sudan).

4 Every parcel sent in transit between Denmark and the Faröe Islands shall give rise to the collection of the following supplementary rates:

4.1 "surface" parcels:

4.1.1 the Danish transit land rate;

4.1.2 the Danish sea rate corresponding to the distance step between Denmark and the Faröe Islands;

4.2 air parcels:

4.2.1 the air conveyance dues corresponding to the airmail distance between Denmark and the Faröe Islands.

5 The postal administration of Chile shall be authorized to collect a supplementary rate of 2.61 SDR per kilogramme at most for the conveyance of parcels to Easter Island.

6 Every parcel sent by surface or by air, in transit between metropolitan Portugal and the autonomous regions of Madeira and the Azores, shall give rise to the collection of the following supplementary rates:

6.1 "surface" parcels:

6.1.1 the Portuguese transit land rate;

6.1.2 the Portuguese sea rate corresponding to the distance step between metropolitan Portugal and each of the autonomous regions in question;

6.2 air parcels:

6.2.1 the Portuguese transit land rate;

6.2.2 the air conveyance dues corresponding to the airmail distance between metropolitan Portugal and each of the autonomous regions in question.

7 Parcels addressed to the island provinces of Grand Canary and Tenerife and forwarded in transit via metropolitan Spain shall give rise to the collection, in addition to the corresponding inward land rate, of the following supplementary rates:

7.1 "surface" parcels:

7.1.1 the Spanish transit land rate;

7.1.2 the Spanish sea rate corresponding to a distance of from 1000 to 2000 nautical miles;

7.2 air parcels:

7.2.1 the air conveyance costs corresponding to the airmail distance between metropolitan Spain and each of the island provinces in question.

Reference: Title and text of article VI.

Article XII
Special tariffs

1 The administrations of Belgium, France and Norway may collect higher land rates for air parcels than for surface parcels.

2 The administration of Lebanon shall be authorized to collect for parcels up to 1 kilogramme the charge applicable to parcels over 1 and up to 3 kg.

3 The administration of Panama (Rep) shall be authorized to collect 0.20 SDR per kilogramme for surface airlifted (S.A.L.) parcels in transit.

Reference: Title and text of article VII.

Parcels, Agreement, Final Protocol – Text as recast by the EC

In witness whereof, the plenipotentiaries below have drawn up this Protocol which shall have the same force and the same validity as if its provisions were inserted in the actual text of the Agreement to which it relates, and they have signed it in a single original which shall be deposited with the Director-General of the International Bureau. A copy thereof shall be delivered to each party by the Government of the country in which Congress is held.

Done at Seoul,

Congress – Doc 60/Add 4

Detailed Regulations of the Postal Parcels Agreement

Text as recast by the EC

Pages 1160 to 1170:	Comparative table of the present texts and the new texts of the Detailed Regulations of the Agreement
Pages 1171 to 1174:	Table of contents of the Detailed Regulations of the Agreement and of its Final Protocol
Page 1175:	List of forms
Pages 1176 to 1223:	New text of the Detailed Regulations of the Agreement
Pages 1224 and 1225:	Final Protocol to the Detailed Regulations of the Agreement (new)

Comparative table of the present texts and the new texts of the Agreement

References to the 1989 Washington text	References to the text as recast by the EC
Chapter I	Part I
Preliminary provisions	Preliminary provisions
Article 101	Article RE 3801
Information to be supplied by administrations	Information to be supplied by administrations
para 1	para 1
subpara a	para 1.1
subpara b	Manual
i	Manual
ii	Manual
iii	Manual
iv	Manual
v	Manual
vi	Manual
vii	Manual
viii	Manual
ix	Manual
x	Manual
subpara c	Manual
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subpara e	Manual
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subpara g	Manual
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Routeing and rates	deletion
para 1	Article RE 3101.1
para 2	Article RE 3101.2 and 3
para 3	Article RE 3101.4
para 4	Article RE 3101.4
para 5	Article RE 3109.1
Chapter II	Part II
Treatment of parcels by the office of origin	Provision of services
Section I	Chapter 1
General conditions of admission and posting	General provisions
Article 103	Article RE 303
Addresses of the sender and the addressee	Conditions of acceptance of parcels
para 1	para 2
para 2	para 2.1
para 3	para 2.2
	para 2.3

References to the 1989 Washington text	References to the text as recast by the EC
Article 104	deletion
General packing conditions	
para 1	para 1
para 2	para 1.1
subpara a	para 1.2
subpara b	para 1.2.1
subpara c	para 1.2.2
para 3	para 1.2.3
para 4	para 1.3
para 5	para 1.4
subpara a	para 1.5
subpara b	para 1.5.1
	para 1.5.2
Article 105	Article RE 305
Special packing. Marking of parcels containing live animals, radioactive materials, urgent medicines or chemical reference substances	Special packing
para 1	deletion
subpara a	para 2.1
subpara b	deletion
subpara c	deletion
subpara d	deletion
subpara e	deletion
subpara f	deletion
subpara g	para 2.2
subpara h	para 2.3
subpara i	deletion
para 2	Article RE 1701.3
Article 106	Article RE 306
Formalities to be complied with by the sender	Formalities to be complied with by the sender
para 1	para 1
subpara a	para 1
subpara b	para 2
para 2	para 3
para 3	para 4
para 4	para 5
para 5	para 2
para 6	Article RE 2201.1
para 7	Article RE 307.3
para 8	Article RE 307.4
Article 107	Article RE 398
Formalities to be complied with by the office of origin	Formalities to be complied with by the office of origin
para 1	para 1
subpara a	paras 1 and 2
subpara b	para 3
subpara c	para 4
para 2	para 5
para 3	para 6

References to the 1989 Washington text	References to the text as recast by the EC
Section II	deletion
Special conditions of admission and posting for certain categories of parcels	deletion
Article 108	Article RE 1101
Insured parcels	Admission of insured parcels
para 1	para 1
subpara a	paras 1.1 and 1.2
subpara b	paras 1.3, 1.4 and 1.5
subpara c	Article RE 1103.1 and 2
subpara d	Article RE 1102.4
subpara e	Article RE 1102.5
subpara f	Article RE 1103.3
subpara g	Article RE 1103.4
para 2	para 2
Article 109	deletion
Fraudulent insurance	deletion
text	Article RE 1102.6
Article 110	deletion
Other categories of parcels	deletion
para 1	Article RE 304.1
para 2	Article RE 1001.1
para 3	Article RE 1501.1
subpara a	Article RE 1501.1
i	Article RE 1501.1
ii	Article RE 1501.1
subpara b	Article RE 1501.2
subpara c	Article RE 1501.2
para 4	Article RE 1301.1
subpara a	Article RE 1301.3
subpara b	Article RE 1301.2
para 5	Article RE 1302.1
para 6	Article RE 901.1
para 7	Article RE 901.2
para 8	Article RE 305.2.2
para 9	Articles RE 305.2.3 + RE 1709.3
para 10	Article RE 1401.1
subpara a	Article RE 1401.1
subpara b	Article RE 1401.2
para 11	Article RE 1601.1
subpara a	Article RE 1601.1
subpara b	Article RE 1601.2
Section III	deletion
Formalities requested after posting	deletion
Article 111	deletion
Delivery free of charges and fees requested after posting	deletion
para 1	Article RE 1501.3
para 2	deleted because of reference to the text of the Detailed Regulations of the Convention

References to the 1989 Washington text	References to the text as recast by the EC
Article 112	Article RE 2001
Withdrawal from the post. Alteration or correction of address	Treatment of requests for withdrawal of a parcel from the post, alteration or correction of address
para 1	para 1
para 2	para 2
	Part III
	Relations between postal administrations
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Section I	deletion
Routeing	deletion
Article 113	Article RE 3101
General principle of the exchange of parcels	General principle of the exchange of parcels
para 1	para 5
para 2	para 6
para 3	para 7
para 4	para 8
para 5	para 9
Article 114	deletion
Routeing and customs clearance of air parcels	deletion
para 1	Article RE 3101.10
para 2	Article RE 3101.11
para 3	deletion
para 4	Article RE 3108.1
subpara a	deletion
subpara b	deletion
subpara c	deletion
para 5	Article RE 3104.12
para 6	Article RE 2202.1
Article 115	deletion
Transhipment of air parcel mails	deletion
para 1	Article RE 3108.1
para 2	Article RE 3108.1
Article 116	deletion
Surface airlifted (S.A.L.) parcels	deletion
Text	Article RE 3102.5
Article 117	deletion
Customs clearance of express parcels	deletion
Text	Article RE 1002.4
Section II	deletion
Make-up and dispatch of mails	deletion
Article 118	Article RE 3102
Different methods of transmission	Different methods of transmission
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4

References to the 1989 Washington text	References to the text as recast by the EC
Article 119	Article RE 3104
Parcel bills	Parcel bills
para 1	para 1
para 2	para 5
para 3	para 6
para 4	para 7
para 5	para 8
para 6	para 11
Article 120	Article RE 3105
Simplified drawing up of CP 11 and CP 20 parcel bills	Simplified drawing up of CP 11 and CP 20 parcel bills
para 1	para 1
para 2	para 2
subpara a	para 2
subpara b	para 3
subpara c	para 4
para 3	para 5
para 4	para 6
para 5	para 7
Article 121	Article RE 3106
Dispatch of documents accompanying parcels	Dispatch of documents accompanying parcels
para 1	paras 1, 1.1, 1.2, 2 and 3
para 2	para 4
para 3	para 5
para 4	paras 6 and 7
para 5	para 8
para 6	para 9
Article 122	Article RE 3103
Transmission in closed mails	Transmission in closed mails
para 1	para 1
subpara a	para 2
subpara b	para 3
subpara c	para 4
subpara d	para 5
para 2	Article RE 3104.10
para 3	deletion
subpara a	para 5
subpara b	para 6
subpara c	para 7
para 4	para 9
para 5	para 10
para 6	First 3 sentences = Article RE 3104.2
	Last 2 sentences: para 8
para 7	Article RE 3104.3
para 8	Article RE 3104.13
para 9	para 11
Article 123	Article RE 3107
Treatment of parcels with advice of embarkation	Treatment of parcels with advice of embarkation
para 1	para 1
para 2	para 2
Section III	deletion
Transfer and check of mails and parcels. Return of empty receptacles	deletion

References to the 1989 Washington text	References to the text as recast by the EC
Article 124	Article RE 3110
Transfer of mails	Transfer of mails
para 1	para 1
para 2	para 2
para 3	para 3 and Article RE 3112.1
para 4	para 4
para 5	para 5
para 6	para 6
Article 125	Article RE 3111
Check of mails by offices of exchange	Check of mails
para 1	para 1
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para 3	para 3
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para 5	para 5
para 6	para 6
Article 126	Article RE 3112
Discovery of irregularities and processing of verification notes	Discovery of irregularities and processing of verification notes
para 1	para 1
–	para 1.1
–	para 1.2
–	para 1.3
para 2	para 2
para 3	paras 3 and 4
–	para 3.1
–	para 3.2
para 4	para 5
para 5	para 4
para 6	para 6
para 7	para 7
para 8	para 8
Article 127	Article RE 3113
Discrepancies of weight or size of parcels	Discrepancies of weight or size of parcels
para 1	para 1
para 2	para 2
para 3	para 3
Article 128	Article RE 3115
Notification of irregularities for which administrations may be liable	Notification of irregularities for which administrations may be liable
para 1	para 1
subpara a	para 1.1
subpara b	para 1.2
para 2	para 2
para 3	para 3
Article 129	Article RE 3114
Receipt by the office of exchange of a damaged or insufficiently packed parcel	Receipt by the office of exchange of a damaged or insufficiently packed parcel
para 1	para 1
para 2	paras 2 and 3
–	para 2
–	para 2

References to the 1989 Washington text	References to the text as recast by the EC
Article 130	Article RE 3116
Check of mails of parcels posted in bulk	Check of mails of parcels posted in bulk
para 1	para 1
para 2	para 2
para 3	paras 3 and 4
Article 131	Article RE 3117
Reforwarding of a parcel arriving out of course	Reforwarding of a parcel arriving out of course
para 1	para 1
para 2	para 4
para 3	para 5
Article 132	Article RE 3118
Return of empty receptacles	Return of empty receptacles
para 1	para 1
para 2	para 2
para 3	para 3
para 4	para 4
para 5	para 5
para 6	para 6
para 7	para 7
Chapter IV	deletion
Treatment of parcels by the office of destination	deletion
Section I	deletion
Delivery of parcels	deletion
Article 133	Article RE 2601
Reservations on delivery of rifled or damaged parcels	Delivery of rifled or damaged parcels
para 1	para 1
para 2	para 2
para 3	para 3
Article 134	Article RE 1502
Treatment of franking notes after delivery of parcels for delivery free of charges and fees	Return of franking notes (Part A). Recovery of charges and fees
para 1	para 1
para 2	deletion
para 3	deletion
para 4	deletion
para 5	deletion
para 6	para 2
Article 135	deletion
Treatment of advices of delivery after delivery of parcels with advices of delivery	deletion
para 1	Article RE 1402.1
para 2	Article RE 1401.2
Section II	deletion
Treatment of undelivered parcels	deletion

References to the 1989 Washington text	References to the text as recast by the EC
Article 136	Article RE 1902
Advice of non-delivery	Advice of non-delivery
para 1	para 1
subpara a	para 2
i	para 2.1
ii	para 2.2
subpara b	para 3
para 2	para 4
para 3	para 5
para 4	para 6
Article 137	Article RE 1903
Non-delivery. New instructions by the person concerned	Non-delivery. New instructions by the person concerned
para 1	para 2
para 2	para 1
subpara a	para 1.4
subpara b	para 1.5
para 3	paras 3 and 4
Article 138	Article RE 1904
Return of parcels to sender	Return of undelivered parcels to sender
para 1	para 4, deletion of last sentence which appears on the form
para 2	para 5
para 3	para 3
para 4	para 6
para 5	para 7
para 6	Article RE 3104.9
para 7	para 9
Article 139	deletion
Items wrongly admitted	deletion
Text	Article RE 1702.6
Article 140	Article RE 1801
Redirection of a parcel in consequence of the change of address of the addressee	Conditions for redirecting parcels
para 1	para 6
para 2	Article RE 3104.9
Article 141	deletion
Express parcels to be redirected	deletion
Text	Article RE 1801.7
Article 142	Article RE 2001
Treatment of requests for withdrawal from the post or for alteration or correction of address	Treatment of requests for withdrawal of parcels from the post or for alteration or correction of address
para 1	para 3
para 2	para 4
Article 143	Article RE 1908
Sale. Destruction	Parcels containing articles whose early deterioration or decay is to be feared
para 1	para 1
para 2	para 2
Chapter V	deletion
Inquiries	deletion

References to the 1989 Washington text	References to the text as recast by the EC
Article 144 Treatment of inquiries para 1 para 2	Article RE 2101 Treatment of inquiries para 1 para 2
Article 145 Inquiries concerning an advice of delivery or an advice of embarkation not received para 1 para 2	deletion deletion Article RE 1402.3 Article RE 1601.3
Article 146 Settlement of cases of reservations on delivery of rifled or damaged parcels Text	Article RE 2602 Settlement of cases of delivery of rifled or damaged parcels para 1
Chapter VI Accounting	Chapter 3 Rates and air conveyance dues
Section I Allocation of rates and dues	deletion deletion
Article 147 Rates and dues credited to other administrations by the administration of origin para 1 para 2 subpara a subpara b subpara c para 3	Article RE 3601 Rates and dues credited to other administrations by the administration of origin para 1 para 2 para 2.1 para 2.2 para 2.3 para 3
Article 148 Allocation and recovery of rates, charges and fees, in the case of return to sender or redirection para 1 para 2 subpara a i ii – – – – – – – iii iv subpara b para 3 para 4 para 5	Article RE 3602 Allocation and recovery of rates, charges and fees, in the case of return to sender or redirection para 1 para 2 para 2 para 2.1 para 2.2.2, the details will appear in the Manual para 3 para 4 para 5 para 6

References to the 1989 Washington text	References to the text as recast by the EC
Article 149 Special case of recovery of dues Text	deletion deletion Article RE 3602.7
Article 150 Determination of average payments per parcel or per kilogramme para 1 para 2 para 3 subpara a subpara b	Article RE 3603 Determination of average payments per parcel or per kilogramme para 1 para 2 para 3 para 3.1 para 3.2 deletion deletion
Section II Preparation and settlement of accounts	
Article 151 Preparation of accounts para 1 subpara a i ii subpara b i ii para 2 para 3 para 4 para 5 para 6 para 7 para 8 subpara a subpara b subpara c subpara d para 9	Article RE 3604 Preparation of accounts para 1 para 1.1 deletion deletion para 1.2 deletion deletion para 2 para 3 para 4 para 5 para 6 para 7 Article RE 1503.1 Article RE 1503.1 Article RE 1503.2 deletion Article RE 1503.3 Article RE 3205.1
Article 152 Account for air parcel mails Text	deletion deletion Article RE 3604.8
Article 153 Settlement of accounts para 1 para 2 para 3	Article RE 3605 Settlement of accounts para 1 para 2 para 3
Chapter VII Miscellaneous provisions	Chapter 4 Miscellaneous provisions
Article 154 Forms for the use of the public Text	Article RE 3803 Forms para 4

References to the 1989 Washington text	References to the text as recast by the EC
Article 155 Period of retention of documents para 1 para 2	Article RE 3802 Period of retention of documents para 1 deletion
Chapter VIII Final provisions	Part IV Final provisions
Article 156 Entry into force and duration of the Regulations para 1 para 2	Article RE 4201 Entry into force and duration of the Regulations para 1 para 2

Detailed Regulations of the Postal Parcels Agreement

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RE 3202 Recovery of indemnities paid from air carriers
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RE 4201 Entry into force and duration of the Regulations

Final Protocol to the Detailed Regulations of the Postal Parcels Agreement

Art
RE I Treatment of parcels wrongly accepted
RE II Weighted average distance for conveyance of parcels in transit
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Annexes: Forms

List of forms

No	Title or nature of form	References
1	2	3
CP 1	Table CP 1	RE 3101.1
CP 2	Dispatch note	RE 306.1
CP 2bis	Sender's instruction label	RE 307.3
C 2/CP 3	Customs declaration	RE 306.2
C 3/CP 4	Franking note	RE 1501.2
CP 5	Envelope for transmission of dispatch note, customs, etc, documents	RE 3106.6
CP 5bis	Envelope for transmission of dispatch note, customs, etc, documents	RE 3106.6
CP 6	Advice of embarkation	RE 1601.2
CP 7	"V" label for insured parcel combined with the number of the parcel and the name of the office of origin	RE 1103.1
CP 8	Parcel label with the number of the parcel and the name of the office of origin	RE 308.1
CP 9	Advice of non-delivery	RE 1902.1
C 33/CP 10	Label showing the reason for non-delivery	RE 1904.4
C 33/ CP 10bis	Information about a seized postal item	RE 1702.7
CP 11	Parcel bill	RE 3104.1
CP 12	Special parcel bill	RE 3104.11
CP 13	Verification note	RE 3111.4
CP 14	Report concerning the rifling, damage or decrease in weight of a postal parcel	RE 1902.4
CP 15	Monthly/Quarterly statement of amounts due for surface parcels	RE 3604.1.1
CP 15bis	Monthly/Quarterly statement of amounts due for air parcels	RE 3604.1.2
CP 16	Summarized account	RE 3604.3
CP 17	Statement of differences observed in the summarized account	RE 3604.4
CP 18	General account	RE 3604.6
CP 19	Detailed monthly account of customs, etc, charges	RE 1503.1
CP 20	Air parcel bill	RE 3104.1
CP 21	Table CP 21	RE 3101.1
CP 22	Statement of amounts due in respect of indemnity for postal parcels	RE 3205.1
CP 23	Label for parcel mail	RE 3103.2
CP 24	Label for air parcel mail	RE 3103.2
CP 24bis	Label for parcel mail	RE 3103.2
CP 25	Statement of charges	RE 1904.9

Parcels, Detailed Regulations – Text as recast by the EC

Detailed Regulations of the Postal Parcels Agreement

Having regard to article 22, paragraph 5, of the Constitution of the Universal Postal Union concluded at Vienna, on 10 July 1964, the Executive Council has drawn up the following measures for ensuring the implementation of the Postal Parcels Agreement.

Part I

Preliminary provisions

Article RE 201
Operation of the service by transport companies

1 The postal administration which has the service operated by transport companies shall make arrangements with them to ensure full implementation by them of all the provisions of the Agreement and its Detailed Regulations, with special reference to the arrangements for the exchange of parcels. The postal administration shall serve as intermediary for them in all their relations with administrations of the other contracting countries and with the International Bureau.

References: New article
Paragraph 1: Text of article 3 of the Agreement, paragraph 2, with drafting amendment.

Part II

Provision of services

Chapter 1

General provisions

Article RE 301
Special conditions relating to limits of weights for parcels

1 Countries which set a weight of less than 20 kilogrammes shall, however, admit parcels in transit in bags or other closed receptacles up to a weight of 20 kilogrammes. For parcels weighing more than 20 kilogrammes, the agreement of the country of transit shall be obligatory.

Parcels, Detailed Regulations – Text as recast by the EC

2 Parcels relating to the postal service as provided for in article 9.1 of the Agreement may weigh up to 30 kilogrammes.

References: New title.
Paragraphs 1 and 2: Text of article 2, paragraphs 2 and 3, of the Agreement.

Article RE 302
Limits of size of parcels

1 Parcels shall not exceed 1.50 metres for any one dimension or 3 metres for the sum of the length and the greatest circumference measured in a direction other than that of the length.

2 Administrations which cannot accept, for any parcel or for air parcels only, the sizes prescribed in paragraph 1, may adopt instead the following dimensions: 1.05 metres for any one dimension, 2 metres for the sum of the length and the greatest circumference measured in a direction other than that of the length.

3 Parcels shall not be smaller than the minimum size prescribed for letters.

References: Title of article 21 of the Agreement.
Paragraphs 1, 2 and 3: Text of article 21, paragraphs 1, 2 and 3, with drafting amendments.

Article RE 303
Conditions of acceptance of parcels

1 General packing conditions

1.1 Every parcel shall be packed and closed in a manner befitting the weight, the shape and the nature of the contents as well as the mode and duration of conveyance. The packing and closing shall protect the contents against crushing or damage by repeated handling and shall also be such that it is impossible to tamper with the contents without leaving clear traces thereof.

1.2 Every parcel shall be made up particularly securely if it has to be:

1.2.1 conveyed over long distances;

1.2.2 transhipped or handled many times;

1.2.3 protected against major changes in climate, temperature or, in the case of conveyance by air, variations in atmospheric pressure.

1.3 It shall be packed and closed in such a way as not to endanger the health of officials and so as not to present any danger if it contains articles of a kind likely to injure officials called upon to handle it or to soil or damage other parcels or postal equipment.

1.4 It shall have, on the packing or the wrapping, sufficient space for service instructions and for affixing stamps and labels.

1.5 The following shall be accepted without packing:

1.5.1 articles which can be fitted together or put and kept together by a strong cord with lead or other seals, so as to form one single parcel which cannot come apart;

1.5.2 parcels in one piece, such as pieces of wood, metal, etc, which it is not the custom of the trade to pack.

2 Addresses of the sender and the addressee

2.1 To be admitted to the Post, every parcel shall bear, in roman letters and in arabic figures on the parcel itself or on a label firmly attached to it, the complete addresses of the addressee and the sender. If other letters and figures are used in the country of destination, it shall be recommended that the address be given also in these letters and figures. Addresses written in pencil shall not be allowed; nevertheless, parcels of which the address is written in indelible pencil on a surface previously dampened shall be accepted.

2.2 Only one person or a corporate body may be designated as addressee. However, addresses such as "Mr A at ... for Mr Z at ..." or "Bank A at ... for Mr Z at ..." may be admitted, it being understood that only the person indicated under A shall be regarded by administrations as the addressee. In addition, the addresses of A and Z shall be in the same country.

2.3 The office of posting shall also advise the sender to put in the parcel a copy of his address and that of the addressee.

References: New title.
The two subheads correspond to the titles of articles 104, 103 and 106.
Paragraphs 1.1 to 1.5: Text of article 104, paragraphs 1 to 5.
Paragraphs 2.1 to 2.3: Text of article 103, paragraphs 1 to 3.

Article RE 304
Indication of method of forwarding

1 Every air parcel as well as the dispatch note relating to it shall bear at the time of dispatch a special blue label inscribed *"Par avion"* (By airmail), with, if desired, a translation in the language of the country of origin.

References: New title.
Text of article 110, paragraph 1.

Article RE 305
Special packing

1 The provisions of the Detailed Regulations of the Convention on special packing shall apply by analogy.

2 In addition, the following conditions shall be complied with:

2.1 Precious metals shall be packed either in a stout metal box or a case made of wood. The latter shall have a minimum thickness of 1 cm for parcels up to 10 kg and 1 1/2 cm for parcels over 10 kg. The packing may also consist of two seamless bags forming a double wrapping.

Parcels, Detailed Regulations – Text as recast by the EC

When cases made of plywood are used, their thickness may be limited to 5 mm on condition that the edges of the cases are reinforced by metal angle strips.

2.2 The wrapping of the parcel containing live animals as well as the dispatch note shall be provided with a label bearing in bold letters the words *"Animaux vivants"* (Live animals);

2.3 The content and make-up of parcels containing radioactive materials shall be in conformity with the recommendations of the International Atomic Energy Agency. They shall be plainly and durably marked by the sender with the words *"Matières radioactives. Quantités admises au transport par la poste"* (Radioactive materials. Quantities permitted for movement by post); these words shall be officially crossed out should the packing be returned to the place of origin. These parcels shall also bear, in addition to the name and address of the sender, a request in bold letters for the return of the parcels in the event of non-delivery. The sender shall give his name and address and the contents of the parcel on the inner wrapping.

References: New title.
Paragraph 1: New text. It does not seem necessary to repeat the texts which are given in the Detailed Regulations of the Convention. They will be included in the Manual.
Paragraph 2: Text of article 105, paragraph 1, a, g and h. The texts have undergone drafting amendments.

Article RE 306
Formalities to be complied with by the sender

1 Each parcel shall be accompanied by a CP 2 dispatch note of strong white cardboard.

2 A C 2/CP 3 customs declaration shall be attached to each parcel. The contents of the parcel shall be shown in detail on the customs declaration and indications of a general kind shall not be admitted. The customs declaration shall be made out in the required number of copies, these being securely attached to the dispatch note.

3 The sender may also attach to the dispatch note any document (invoice, export licence, import licence, certificate of origin, certificate of health, etc) necessary for customs treatment in the dispatching country and in the country of destination.

4 The addresses of the sender and addressee, and all other particulars to be furnished by the sender, shall be identical on the parcel and the dispatch note. In the event of a discrepancy, the particulars appearing on the parcel shall be regarded as valid.

5 Except in the case of insured parcels, parcels for delivery free of charges and fees, and cash-on-delivery parcels, the same dispatch note accompanied by the number of customs declarations required for a single parcel may suffice for three parcels at most. The parcels must be posted simultaneously at the same office by the same sender, sent by the same route, subject to the same charge and addressed to the same person. Each administration may, however, insist on a dispatch note and the prescribed number of customs declarations for each parcel.

References: Title of article 106.
Paragraph 1: Text of article 106, paragraph 1, a.
Paragraph 2: Text of article 106, paragraph 1, b, and paragraph 5.
Paragraphs 3, 4 and 5: Text of article 106, paragraphs 2, 3 and 4.

Parcels, Detailed Regulations – Text as recast by the EC

Article RE 307
Sender's instructions at the time of posting

1 At the time of posting of a parcel, the sender shall be required to indicate the treatment to be given in case of non-delivery.

2 He may give only one of the following instructions:

2.1 dispatch of an advice of non-delivery to the sender;

2.2 dispatch of an advice of non-delivery to a third party residing in the country of destination;

2.3 return forthwith to the sender by surface or air;

2.4 return to the sender by surface or air at the end of a given period, which may not exceed the regulation period of retention in the country of destination;

2.5 delivery to an alternative addressee, if necessary after redirection by surface or air (and subject to the special provisions set out in article RE 1903.1.4;

2.6 redirection of the parcel by surface or air, for delivery to the original addressee;

2.7 abandonment of the parcel by the sender.

3 For this purpose he shall insert a cross on the back of the dispatch note in the appropriate box. The sender may reproduce or have printed only one of the permitted instructions on the back of the dispatch note. The instruction marked on the dispatch note shall be typed on the parcel itself. It shall be in French or in a language known in the country of destination. The CP 2bis form may be used; the completed form shall be securely affixed to the parcel.

4 If the sender wishes to forbid any redirection under article 18.2 of the Agreement, the parcel and the dispatch note must bear the indication *"Ne pas réexpédier"* (Do not redirect) in French or in a language known in the country of destination.

5 Parcels may be returned without advice if the sender has given no or contradictory instructions.

6 Administrations shall have the option of not accepting the instructions referred to in 2.1 and 2.2 when their legislation or regulations do not so permit.

References: Title of article 23 of the Agreement.
Paragraphs 1 and 2: Text of article 23 of the Agreement, paragraphs 1 and 2.
Paragraphs 3 and 4: Text of article 106, paragraphs 7 and 8, with drafting amendments.
Paragraphs 5 and 6: Text of article 23 of the Agreement, paragraphs 3 and 4.

Article 308
Formalities to be complied with by the office of origin

1 The office of origin or the dispatching office of exchange shall be responsible for affixing a CP 8 label on the parcel beside the address and on the dispatch note. This label shall show clearly the serial number of the parcel and the name of the office of origin. If the administration of origin so permits, that part of the CP 8 label which is to be affixed to the dispatch note may be replaced by a preprinted indication having the same layout as the corresponding part of the label.

Parcels, Detailed Regulations – Text as recast by the EC

2 The weight of the parcel in kilogrammes and hundreds of grammes shall be given on the parcel and on the dispatch note. Each fraction of a hundred grammes shall be rounded up to the next hundred.

3 A date-stamp impression shall be applied on the dispatch note only.

4 The postage stamps or any other method of showing prepayment authorized by the regulations of the administration of origin shall be affixed either on the parcel, or on the dispatch note.

5 Administrations may agree to dispense with the formalities mentioned under 1 to 4.

6 The same office of origin or the same dispatching office of exchange may not use two or more series of labels at the same time, unless the series are distinguished by a distinctive mark.

References: Title of article 107.
Paragraph 1: Text of article 107, paragraph 1, a, first dash.
Paragraph 2: Text of article 107, paragraph 1, a, second dash.
Paragraph 3: Text of article 107, paragraph 1, b.
Paragraph 4: Text of article 107, paragraph 1, c.
Paragraphs 5 and 6: Text of article 107, paragraphs 2 and 3.
The texts have undergone drafting amendments.

Article RE 401
Pound avoirdupois

1 Countries which by reason of their internal regulations are unable to adopt the metric-decimal system of weight may substitute for the weight steps provided for in article 4.1, of the Agreement, the following equivalents (in pounds avoirdupois):

	up to	1 kg	up to	2 lb
above	1 and up to	3 kg		2 to 7 lb
above	3 and up to	5 kg		7 to 11 lb
above	5 and up to	10 kg		11 to 22 lb
above	10 and up to	15 kg		22 to 33 lb
above	15 and up to	20 kg		33 to 44 lb
above	20 kg			44 lb and above.

References: New article.
Text of article 5, paragraph 2, of the Agreement.

Article RE 601
Calculating air surcharges

1 Postal administrations shall be authorized to apply, for calculating air surcharges, smaller weight steps than the first weight step set out in article 4.1, of the Agreement.

References: New article.
Text of article 9, paragraph 1, second sentence of the Agreement.

Parcels, Detailed Regulations – Text as recast by the EC

Article RE 901
Marking of parcels sent post free

1 Every service parcel and its dispatch note shall bear, the former beside the address and the latter on the front of the form, the indication *"Service des postes"* (On Postal Service) or a similar indication; this indication may be followed by a translation in another language.

2 Every prisoner-of-war and civilian internee parcel and its dispatch note shall bear, the former beside the address and the latter on the front of the form, one of the indications *"Service des prisonniers de guerre"* (Prisoner-of-war Service) or *"Service des internés civils"* (Civilian Internees Service); these indications may be followed by a translation in another language.

References: New title.
Paragraphs 1 and 2: Text of article 110, paragraphs 6 and 7, with drafting amendments.

Chapter 2

Special services

Article RE 1001
Marking of express parcels

1 Every express parcel and its dispatch note shall be provided with a light red label, bearing very conspiciously the printed indication *"Exprès"* (Express). This label shall be affixed whenever possible beside the name of the place of destination.

References: New article.
Text of article 110, paragraph 2, adapted.

Article RE 1002
Treatment of express parcels

1 In countries whose postal administration does not provide delivery to the place of address, express parcels shall give rise to the delivery, by special messenger, of an advice of arrival. The advice may also be sent by telecommunications.

2 If the address of the addressee is situated outside the local delivery area of the office of destination, delivery of an express parcel or of an advice of arrival by special messenger shall not be obligatory.

3 The delivery by special messenger of an express parcel or of the advice of delivery shall be attempted once only. If the attempt is unsuccessful the parcel shall cease to be considered as express.

4 Administrations which participate in the exchange of express parcels shall take all steps to speed up customs clearance.

Parcels, Detailed Regulations – Text as recast by the EC

References: New article.
Paragraphs 1 and 2: Text of article 4, paragraph 3, b, of the Agreement, with drafting amendments.
Paragraph 3: Text of article 27, paragraphs 1 and 2, of the Agreement.
Paragraph 4: Text of article 117.

Article RE 1101
Admission of insured parcels

1 Every insured parcel shall be subject to the following special rules regarding make-up.

1.1 It shall be sealed by one or more lead seals or identical wax seals or by some other effective means, with a special design or mark of the sender. On any one parcel, only one uniform design or mark may be used.

1.2 Parcels secured by string may be sealed by a single lead or wax seal. This shall be applied in such a way that the string cannot be unknotted or removed without leaving obvious traces of tampering.

1.3 The wax, seals, labels of any kind and the postage stamps, if any, affixed to these parcels shall be spaced out so that they cannot hide any damage to the packing.

1.4 The labels and postage stamps shall not be folded over two sides of the packing so as to cover an edge.

1.5 An address-label may be gummed to the packing itself.

2 Every administration shall have the option of setting a maximum amount for the insured value up to which it will forgo application of the provisions of 1.1 and 1.2. The lower of the amounts concerned shall be applied in relations between countries whose administrations have set different maximum values.

3 A receipt shall be handed over free of charge to every sender of an insured parcel at the time of posting.

References: New article.
Paragraph 1: Text of article 108, paragraph 1, a and b, with drafting amendments.
Paragraph 2: Text of article 108, paragraph 2, with drafting amendments.
Paragraph 3: Text of article 24, paragraph 3, of the Agreement.

Article RE 1102
Insured parcels. Insured value

1 In the service between countries which have adopted different maximum values, all parties shall observe the lowest limit.

2 The insured value may not exceed the actual value of the contents of the parcel but it is permitted to insure part only of that value.

3 Any fraudulent insurance for a value greater than the actual value of the contents of a parcel shall be liable to the legal proceedings prescribed by the legislation of the country of origin.

4 The insured value shall be expressed in the currency of the country of origin and written by the sender, on the parcel and the dispatch note. These entries shall be made in roman letters and in arabic numerals, without erasure or alteration, even if certified. The amount of the insured value shall not be indicated in pencil or indelible pencil.

5 The amount of the insured value shall be converted into SDRs by the sender or by the office of origin. The result of the conversion, rounded up where appropriate to the nearest SDR, shall be shown in figures at the side of or below those representing the value in the currency of the country of origin. The amount in SDRs shall be boldly underlined in coloured pencil. The conversion shall not be carried out in direct services between countries which have a common currency.

6 When circumstances of any kind disclose a fraudulent insurance for a value greater than the actual value of the contents of the parcel, the administration of origin shall be advised as soon as possible. Where appropriate, the documents relating to the inquiry shall be sent to that administration. If the parcel has not yet been delivered to the addressee, the administration of origin may ask for its return.

References: New article.
Paragraph 1: Text of article 24, paragraph 1, a, ii, of the Agreement.
Paragraph 2: Text of article 24, paragraph 1, b, of the Agreement.
Paragraph 3: Text of article 24, paragraph 2, of the Agreement.
Paragraph 4: Text of article 108, paragraph 1, d.
Paragraph 5: Text of article 108, paragraph 1, e.
Paragraph 6: Text of article 109.
The texts have undergone drafting amendments.

Article RE 1103
Marking and treatment of insured parcels

1 Any insured parcel and its dispatch note shall be provided with a CP 7 pink label. This label shall bear in roman letters the letter "V", the name of the office of origin and the serial number of the parcel. It shall be gummed on the parcel, on the same side as, and near to, the address.

2 Administrations may, however, use at the same time the CP 8 label prescribed in article RE 308.1 and a small pink label, bearing in bold letters the words *"Valeur déclarée"* (Insured).

3 The weight in kilogrammes and tens of grammes shall be given both on the parcel beside the address and on the dispatch note in the space provided. Any fraction of ten grammes shall be rounded up to the next ten.

4 No serial number shall be placed on the front of insured parcels by the intermediate administrations.

References: New article.
Paragraph 1: Text of article 108, paragraph 1, c, first part.
Paragraph 2: Text of article 108, paragraph 1, c, second part.
Paragraph 3: Text of article 108, paragraph 1, f.
Paragraph 4: Text of article 108, paragraph 1, g.

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Article 1301
Marking of fragile parcels

1 Without prejudice to compliance with the general rules regarding make-up and packing, every fragile parcel shall be provided, either by the sender or by the office of origin, with a label featuring a picture of a glass printed in red on a white background.

2 The relative dispatch note shall bear very conspicuously on the front the indication "*Colis fragile*" (Fragile parcel) either in manuscript or printed on a label.

3 Every parcel, the fragile nature of whose contents is indicated by any external sign whatever affixed by the sender, shall be provided by the office of origin with the label prescribed in 1. The corresponding supplementary charge shall be collected. If the sender does not wish the parcel to be treated as fragile, the office of origin shall cross out the marking made by the sender.

References: New article.
Paragraphs 1, 2 and 3: Text of article 110, paragraph 4, with drafting amendments.

Article RE 1302
Marking of cumbersome parcels

1 Every cumbersome parcel and the front of its dispatch note shall bear a label showing in bold letters the word *"Encombrant"* (Cumbersome).

2 Administrations which admit the limits of sizes set out in article RE 302.1 may charge as cumbersome any parcel whose dimensions exceed the limits set out in article RE 302.2 but which weighs less than 10 kilogrammes. In such a case, the word *"Encombrant"* shall be supplemented on the dispatch note only by the words *"en vertu de l'article RE 1302.2"* (pursuant to article RE 1302.2).

References: New article.
Paragraph 1: Text of article 110, paragraph 5, with drafting amendments.
Paragraph 2: Text of article 21, paragraph 4, of the Agreement.

Article RE 1401
Marking of parcels with advices of delivery

1 Every parcel for which the sender requests an advice of delivery shall bear very conspicuously either the indication *"Avis de réception"* (Advice of delivery) or the stamp impression "A.R." The same indication shall also be made on the dispatch note.

2 The parcels mentioned in 1 shall be accompanied by a copy of the C 5 form referred to in the Detailed Regulations of the Convention duly completed. This form shall be attached to the dispatch note. If the C 5 form does not reach the office of destination, that office shall automatically make out a new copy of it.

References: New article.
Paragraph 1: Text of article 110, paragraph 10, a, with drafting amendments.

Paragraph 2: Text of article 110, paragraph 10, b. Text of article 135, paragraph 2.
The texts have undergone drafting amendments.

Article RE 1402
Treatment of advices of delivery

1 Immediately the parcel has been delivered, the office of destination shall return the C 5 form, duly completed, to the address shown by the sender. This form shall be sent à découvert and post free by the quickest route.

2 When the sender inquires about an advice of delivery which he has not received within a reasonable time, the procedure shall be in accordance with the Detailed Regulations of the Convention.

References: New article.
Paragraph 1: Text of article 135, paragraph 1.
Paragraph 2: Text of article 145, paragraph 1, adapted.

Article RE 1501
Marking and treatment of parcels for delivery free of charges and fees

1 Every parcel for delivery to the addressee free of charges and fees and its dispatch note shall bear, in very bold characters, the heading *"Franc de taxes et de droits"* (Free of charges and fees) or any other equivalent expression in the language of the country of origin. The parcel and the dispatch note shall be provided with a yellow label bearing, also very boldly, the indication *"Franc de taxes et de droits"*.

2 Every parcel sent for delivery free of charges and fees shall be accompanied by a C 3/CP 4 franking note on yellow paper. The sender of the parcel shall complete the text of the right-hand side of the front of parts A and B of the franking note. The dispatching office shall enter on it the postal service indications. The entries of the sender may be made with the use of carbon paper. The text shall include the undertaking prescribed in article 15.2 of the Agreement. The dispatch note, the customs declarations and the franking note shall be securely fastened together.

3 If, after posting, the sender requests delivery of the parcel free of charges and fees, the procedure shall be in accordance with the Detailed Regulations of the Convention.

References: New article.
Paragraph 1: Text of article 110, paragraph 3, a.
Paragraph 2: Text of article 110, paragraph 3, b and c.
Paragraph 3: New text in place of the text of article 111.
The texts have undergone drafting amendments.

Article RE 1502
Return of franking notes (Part A). Recovery of charges and fees

1 The provisions of the Detailed Regulations of the Convention shall apply.

2 When the sender disputes the amount of the charges shown in part A of the franking note, the administration of destination shall verify the amount of the sums paid out. If necessary, it shall approach its national customs services. After making any necessary corrections, it shall send part A of the note in question to the administration of origin. Likewise, if the administration of destination finds an error or omission regarding the charges relating to a parcel free of charges and fees for which part A of the franking note has been returned to the administration of origin, it shall issue a corrective duplicate. It shall send part A to the administration of origin to put the matter in order.

References: New article.
Paragraph 1: New text in place of article 134, paragraphs 1 to 5.
Paragraph 2: Text of article 134, paragraph 6.

Article RE 1503
Accounting with the administration of posting of parcels for delivery free of charges and fees

1 Accounting in respect of charges, customs duty and other fees paid out by each administration on behalf of another shall be effected by means of CP 19 detailed monthly accounts, drawn up by the creditor administration in the currency of its own country. The data of parts B of the franking notes which it has retained shall be entered in the alphabetical order of the offices which have advanced the charges and in the numerical order given to them.

2 The detailed account, accompanied by parts B of the franking notes, shall be forwarded to the debtor administration at the latest by the end of the month following that to which it relates. "Nil" accounts shall not be prepared.

3 The accounts shall be settled separately. Each administration may, however, request that they be settled with the postal money order accounts, the CP 16 accounts or the R 5 accounts relating to cash-on-delivery items, without being incorporated in them.

References: New article.
Paragraph 1: Text of article 151, paragraph 8, a.
Paragraph 2: Text of article 151, paragraph 8, b.
Paragraph 3: Text of article 151, paragraph 8, d.
The texts have undergone drafting amendments.

Article RE 1601
Marking and treatment of parcels for which an advice of embarkation is requested

1 Every parcel for which the sender requests an advice of embarkation shall be marked by means of an *"Avis d'embarquement"* (Advice of embarkation) label affixed to the parcel and to the dispatch note.

2 The parcel shall be accompanied by a CP 6 form which shall show very clearly the port (or the country) from which the advice of embarkation is to be returned. Each form may only refer to one parcel, even when more than one parcel is covered by a single dispatch note.

3 At the sender's request, a free inquiry shall be made about an advice of embarkation not received within a reasonable time, using a C 9 inquiry form which shall be treated in accordance

with the Detailed Regulations of the Convention. A duplicate CP 6 advice of embarkation bearing on the front, in very bold characters, the word *"Duplicata"* (Duplicate) shall be attached to the C 9 inquiry. The advice of embarkation charge shall not be collected a second time.

References: New article.
Paragraph 1: Text of article 110, paragraph 11, a.
Paragraph 2: Text of article 110, paragraph 11, b.
Paragraph 3: Text of article 145, paragraph 2, with drafting amendments.

Chapter 3

Special provisions

Article RE 1701
Exceptions to prohibitions

1 The prohibition relating to narcotics and psychotropic substances shall not apply to consignments sent for a medical or scientific purpose to countries which admit them on this condition.

2 If the internal regulations of the administrations concerned so permit, parcels may also contain any document exchanged between the sender and the addressee of the parcel or persons residing with them.

3 Parcels containing radioactive materials shall be admitted for conveyance by post subject to prior consent from the competent authorities of the country of origin. They may only be accepted for posting if those substances are admitted by all the administrations called upon to participate in the conveyance. In addition, their contents and make-up shall comply with the regulations of the International Atomic Energy Agency providing special exemptions for certain categories of item. Administrations may agree to accept parcels containing these materials either reciprocally or in one direction only. In this case, the radioactive materials shall be forwarded by the quickest route, normally by air, subject to payment of the corresponding air surcharges. They may be posted only by duly authorized senders. Administrations may designate special post offices for the posting of parcels containing radioactive materials.

4 Article 17.2 of the Agreement shall not apply when the exchange of parcels between two administrations admitting insured parcels can only be made in transit through the intermediary of an administration which does not admit them.

References: New article.
Paragraph 1: Text of article 20, a, ii, second sentence, of the Agreement.
Paragraph 2: Text of article 20, a, iii, third dash, of the Agreement. The wording is similar to that used for small packets. The rest of the text will be transferred to the Manual.
Paragraph 3: Text of article 20, a, vi, of the Agreement, from the second sentence + text of article 105, paragraph 2 and part of article 110, paragraph 9.
Paragraph 4: Text of article 20, b, second sentence, of the Agreement.
The texts have been adapted.

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Article RE 1702
Treatment of parcels wrongly accepted

1 Parcels containing articles mentioned in article 17.1 of the Agreement, and wrongly admitted to the post shall be dealt with according to the legislation of the country of the administration establishing their presence.

2 In the case of the insertion of a single item of correspondence prohibited within the meaning of article 17.1.3 of the Agreement, this shall be treated as an unpaid letter-post item. The parcel shall not be returned to sender on this account.

3 The administration of destination shall be authorized to deliver to the addressee, under the conditions prescribed by its regulations, an uninsured parcel originating in a country which admits insurance and containing articles listed in article 17.2 of the Agreement. If delivery is not permitted, the parcel shall be returned to sender.

4 The provisions in 4 shall be applicable to parcels the weight or the dimensions of which appreciably exceed the permitted limits. However, these parcels may, where appropriate, be delivered to the addressee if he first pays any charges which may be due.

5 If a wrongly admitted parcel or part of its contents is neither delivered to the addressee nor returned to sender, the administration of origin shall be notified without delay how the parcel has been dealt with. This notification shall clearly indicate the prohibition under which the parcel falls or the articles which gave rise to its seizure.

6 In the event of the seizure of a wrongly admitted parcel, the administration shall so inform the administration of origin through the dispatch of a C 33/CP 10bis form.

References: Title of article 22 of the Agreement.
Paragraph 1: Text of article 22, paragraph 1, first sentence, of the Agreement.
Paragraphs 2 to 5: Text of article 22, paragraphs 2 to 5, of the Agreement.
Paragraph 6: Text of article 139.
The texts have been adapted.

Article RE 1801
Conditions of redirecting a parcel

1 A parcel may be redirected within the country of destination at the request of the sender, at the request of the addressee, or automatically if the regulations of that country permit.

2 A parcel may be redirected out of the country of destination only at the request of the sender or of the addressee. In this case the parcel shall comply with the conditions required for the onward transmission.

3 A parcel may also be redirected by air at the request of the sender or the addressee. Payment of the air surcharge in respect of the onward transmission shall be guaranteed.

4 For the first and any subsequent redirection of each parcel, the following may be collected:

4.1 the charges authorized by the internal regulations of the administration concerned for such redirection, in the case of redirection within the country of destination;

4.2 the rates and air surcharges entailed in the onward transmission, in the case of redirection out of the country of destination;

4.3 the charges and fees which the former administrations of destination do not agree to cancel.

5 The charges, rates and fees mentioned in 4 shall be collected from the addressee.

6 If the charges, rates and fees mentioned in 4 are paid at the time of redirection the parcel shall be dealt with as if it had originated in the redirecting country and been addressed to the country of the new destination.

7 If an express parcel to be redirected has been the subject of an unsuccessful attempt at delivery to the place of address by special messenger, the redirecting office shall strike through the label or endorsement *"Exprés"* (Express) with two thick horizontal lines.

References: New article.
Paragraphs 1, 2 and 3: Text of article 32, paragraphs 2, 3 and 4, of the Agreement, with drafting amendments.
Paragraph 4: Text of article 32, paragraph 6, of the Agreement, with drafting amendments and deletion of references which do not seem essential.
Paragraph 5: Text of article 32, paragraph 7, of the Agreement, adapted.
Paragraph 6: Text of article 140, paragraph 1.
Paragraph 7: Text of article 141.

Article RE 1901
Periods of retention

1 When an addressee has been notified of the arrival of a parcel, it shall be held at his disposal for a fortnight or, at most, for a month from the day after that on which the advice is sent. Exceptionally, this period may be increased to two months if the regulations of the administration of destination permit. The retention period shall be renewed if the sender has, in accordance with article RE 1903.1.1, requested that the addressee be advised again.

2 When it has not been possible to notify an addressee of the arrival of a parcel, the period of retention prescribed by the regulations of the country of destination shall apply. The same shall also apply to parcels addressed poste restante. This period shall start to run from the day after the day from which the parcel is held at the addressee's disposal. It shall not, as a general rule, exceed two months. The parcel shall be returned within a shorter period if the sender has so requested in a language known in the country of destination.

3 The periods of retention prescribed in 1 and 2 shall be applicable, in the case of redirection, to parcels to be delivered by the new office of destination.

References: New article.
Paragraphs 1, 2 and 3: Text of article 26, paragraphs 2, 3 and 4, of the Agreement.

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Article RE 1902
Advice of non-delivery

1 The advice of non-delivery mentioned in article 19.3 of the Agreement shall be prepared on a form CP 9. It shall include all the particulars shown on the CP 7/CP 8 labels and the date of posting of the parcel. This advice shall be sent under registered cover and by the quickest route to the administration of the sender's country of residence.

2 The advice of non-delivery shall be prepared by the administration of destination:

2.1 in the event of non-delivery, for every parcel of which the sender has asked to be advised of non-delivery or in application of article RE 1904.2.2, last sentence;

2.2 for every parcel automatically retained or pending because of theft or damage or for some other cause of the same kind; however, this procedure shall not be compulsory in cases of force majeure or when the number of parcels automatically retained is such that the sending of an advice is physically impossible.

3 The advice of non-delivery shall be prepared by the intermediate administration concerned, for every parcel automatically retained in course of transmission either by the postal service (accidental interruption of traffic) or by the Customs. The reservation made under 2.2 shall also apply in such cases.

4 Except when it is sent to a third party, in accordance with article RE 307.2.2, the advice of non-delivery shall be accompanied by the dispatch note. In the cases referred to in 2.2 and 3, the advice shall be endorsed in bold letters *"Colis retenu d'office"* (Parcel automatically retained). If the parcel is pending owing to theft or damage, a CP 14 report shall be prepared. A copy of the report giving information on the extent of the damage shall accompany the advice of non-delivery.

5 Several parcels posted at the same time by the same sender and addressed to the same addressee may be subject of one advice of non-delivery, even if these parcels were accompanied by several dispatch notes. In such a case, all these notes shall be attached to the advice of non-delivery.

6 As a general rule, advices of non-delivery shall be exchanged between the office of destination and the office of the sender's place of residence. However, any administration may request that the advices concerning its service be sent to its central administration or to a specially appointed office. The name of that office shall be notified to administrations through the International Bureau. The administration of the sender's country of residence shall be responsible for advising the sender. The exchange of advices of non-delivery shall be expedited as much as possible by all the offices concerned.

References: Title of article 136.
Paragraphs 1, 2 and 3: Text of article 136, paragraph 1, with adaptations and drafting amendments.
Paragraphs 4, 5 and 6: Text of article 136, paragraphs 2, 3 and 4, with adaptations and drafting amendments.

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Article RE 1903
Non-delivery. New instructions by the person concerned

1 After receipt of the advice of non-delivery, the sender, or the third party concerned, shall give his instructions. These may only be the instructions presented in article RE 307.2, not including further dispatch of an advice of non-delivery to the sender or a third party. One of the following instructions may also be given:

1.1 notify the addressee once more;

1.2 correct or complete the address;

1.3 deliver a cash-on-delivery parcel to a person other than the addressee against payment of the amount indicated;

1.4 deliver a cash-on-delivery parcel to the original addressee or to another addressee without collecting the COD charge or against payment of an amount less than the original amount; in the latter case, a new R 4, R 7 or R 9 form shall be prepared in accordance with the Detailed Regulations of the Cash-on-Delivery Agreement;

1.5 deliver the parcel free of charges and fees either to the original addressee or to another addressee.

2 The advice of non-delivery shall be returned under registered cover and by the quickest route to the office which prepared it. It shall be completed with new instructions from the sender or the third party and accompanied, if appropriate, by the dispatch note. The new instructions shall be sent by telecommunications when the corresponding charge is paid.

3 Provided that no instructions have been received from the sender or third party, the administration of destination shall be authorized to deliver the parcel to the addressee originally indicated. Where appropriate, it may deliver it to another addressee indicated later. It may also redirect the parcel to a new address.

4 In such cases, the sender shall be so informed through the office of his place of residence. If the advice has been sent to a third party appointed by the sender this information shall be communicated to that third party. If a cash-on-delivery parcel is concerned and if the R 4, R 7 or R 9 money order form referred to in the Detailed Regulations of the Cash-on-Delivery Agreement has already been sent to the sender, the latter need not be advised.

5 After receipt of new instructions these alone shall be valid and binding.

References: Title of article 137.
Paragraph 1: Text of article 29, paragraph 1, of the Agreement, combined with article 137, paragraph 2.
Paragraph 2: Text of article 137, paragraph 1.
Paragraph 3: Text of article 29, paragraph 3, of the Agreement.
Paragraph 4: Text of article 137, paragraph 3.
Paragraph 5: Text of article 29, paragraph 3, of the Agreement, last sentence.

Article RE 1904
Return to sender of undelivered parcels

1 A parcel which it has not been possible to deliver shall be returned immediately if:

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1.1 the sender has requested its immediate return;

1.2 the sender (or the third party referred to in article RE 307.2.2) has made an unauthorized request;

1.3 the sender or the third party refuses to pay the charge authorized in article 19.3 of the Agreement;

1.4 the instructions of the sender, or of the third party, have not achieved the desired result, whether these instructions were given at the time of posting or after receipt of the advice of non-delivery.

2 A parcel which has not been possible to deliver shall be returned immediately after the expiry:

2.1 of the period, if any, fixed by the sender;

2.2 of the periods of retention laid down in article RE 1901, if the sender has not complied with article 307. In this case, however, the sender may be asked for instructions;

2.3 of a period of two months from the dispatch of an advice of non-delivery, if the office which prepared that advice has not received adequate instructions from the sender or the third party.

3 Every parcel shall be returned by the route normally used for dispatching mails. It shall not be returned by air unless the sender has guaranteed the payment of the air surcharges.

4 An office which returns a parcel shall give the reason for non-delivery on the parcel and on the dispatch note. It shall use for this purpose a stamped impression or a C 33/CP 10 label. If there is no dispatch note, the reason for the return shall be entered on the parcel bill. The endorsement shall be made in French. Each administration has the option of adding a translation in its own language and any other appropriate particulars.

5 The office of destination shall strike out the address particulars with which it is concerned and write *"Retour"* (Return) on the front of the parcel and on the dispatch note. It shall also apply its date-stamp beside this indication.

6 Parcels shall be returned to sender in their original packing. They shall be accompanied by the dispatch note prepared by the sender. If a parcel has to be repacked or the original dispatch note replaced, the name of the office of origin of the parcel, the original serial number and, if possible, the date of posting shall appear on the new packing and on the dispatch note.

7 If an air parcel is returned to sender by surface, the *"Par avion"* (By airmail) label and any notes relating to transmission by air shall be automatically struck through.

8 Every parcel returned to sender shall be subject to the rates entailed in the further transmission. It shall also be subject to the uncancelled charges and fees which the administration of destination incurs at the time of return.

9 The allocation and recovery of rates, charges and fees paid on the parcel shall be made as mentioned in article RE 3602. They shall be indicated in detail on a CP 25 statement of charges. This statement shall be affixed at one edge to the dispatch note.

10 These rates, charges and fees shall be collected from the sender.

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11 Parcels returned to the sender and undeliverable to him shall be dealt with by the administration concerned in accordance with its own legislation.

References: Title of article 30 of the Agreement.
Paragraphs 1 and 2: Text of article 30, paragraph 1, of the Agreement, with drafting amendments.
Paragraph 3: Text of article 30, paragraph 2, of the Agreement.
Paragraph 4: Text of article 138, paragraph 1.
Paragraph 5: Text of article 138, paragraph 2.
Paragraphs 6 and 7: Text of article 138, paragraphs 4 and 5
Paragraph 8: Text of article 30, paragraph 3, of the Agreement.
Paragraph 9: Text of article 138, paragraph 7.
Paragraphs 10 and 11: Text of article 30, paragraphs 4 and 5, of the Agreement.

Article RE 1905
Return to sender of wrongly accepted parcels

1 Any parcel wrongly accepted and returned to sender shall be subject to the rates, charges and fees prescribed in article RE 1904.8.

2 These rates, charges and fees shall be payable by the sender, if the parcel has been wrongly admitted in consequence of an error of the sender or if it falls within one of the prohibitions laid down in article 17 of the Agreement.

3 They shall be payable by the administration responsible for the error, if the parcel has been wrongly admitted in consequence of an error attributable to the postal service. In this case the sender shall be entitled to a refund of the charges paid.

4 If the rates which have been allocated to the administration returning the parcel are insufficient to cover the rates, charges and fees mentioned in 1, the outstanding charges shall be recovered from the administration of the sender's country of residence.

5 If there is a surplus, the administration which sends back the parcel shall return the balance of the rates to the administration of the sender's country of residence for refund to the sender.

References: Title of article 34 of the Agreement.
Paragraph 1: Text of article 34, paragraph 1, of the Agreement.
Paragraphs 2 and 3: Text of article 34, paragraph 2, of the Agreement, with drafting amendments.
Paragraphs 4 and 5: Text of article 34, paragraphs 3 and 4, of the Agreement.

Article RE 1906
Return to sender due to suspension of a service

1 The return of a parcel to the sender due to the suspension of a service shall be free of charge. The unallocated rates collected for the outward journey shall be credited to the administration of the sender's country of residence for refund to the sender.

Parcels, Detailed Regulations – Text as recast by the EC

Reference: Title and text of article 35 of the Agreement.

Article RE 1907
Non-compliance by an administration with given instructions

1 When the administration of destination or an intermediate administration has not complied with the instructions given at the time of posting or subsequently, it shall bear the conveyance charges (outward and return) and any other uncancelled charges or fees. Nevertheless, the charges paid for the outward journey shall remain the responsibility of the sender if he declared, at the time of posting or subsequently, that in the event of non-delivery he would abandon the parcel.

2 The administration of the sender's country of residence shall be authorized automatically to bill the charges referred to in 1 to the administration which has not complied with the instructions given and which, although duly informed, has allowed three months without finally settling the matter. The period shall run from the date in which that administration was informed of the case.

3 The provision in 2 shall also apply if the administration of the sender's country of residence has not been informed that the non-compliance appeared to be due to force majeure or that the parcel had been detained, seized or confiscated in accordance with the internal regulations of the country of destination.

References: Title of article 36 of the Agreement.
Paragraph 1: Text of article 36, paragraph 1, of the Agreement, with drafting amendments.
Paragraphs 2 and 3: Text of article 36, paragraph 2, of the Agreement, with new wording.

Article RE 1908
Parcels containing items whose early deterioration or decay is to be feared

1 When a parcel has been sold or destroyed in accordance with article 19.6 of the Agreement, a formal report of the sale or destruction shall be drawn up. A copy of the report accompanied by the dispatch note shall be sent to the office of origin.

2 The proceeds of the sale shall serve in the first instance to defray the charges on the parcel. The balance, if any, shall be sent to the office of origin to be handed to the sender. The latter shall bear the costs of forwarding it.

References: Title of article 37 of the Agreement.
Paragraphs 1 and 2: Text of article 143, paragraphs 1 and 2.

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Article RE 2001
Treatment of requests for withdrawal of parcels from the post or for alteration or correction of address

1 As a general rule, requests for withdrawal of a parcel from the post or for alteration or correction of address shall be dealt with in accordance with the Detailed Regulations of the Convention.

2 Any request for alteration or correction of address concerning an insured parcel made by telecommunications shall be confirmed by post by the first mail. The confirmatory request prepared on a C 7 form used for the letter post shall bear, underlined in coloured pencil, the note *"Confirmation de la demande transmise par voie des télécommunications du ..."* (Confirmation of request made by telecommunications dated ...). It shall be accompanied by the facsimile prescribed in the Detailed Regulations of the Convention.

3 On receipt of the request for withdrawal from the post or for alteration or correction of address, the office of destination shall search for the parcel in question and act on the request.

4 When it receives the request made by telecommunications, the office of destination shall hold the parcel and not comply with the request until receipt of the postal confirmation. However, the administration of destination may, on its own responsibility, act on the request without waiting for this confirmation.

References: Title of article 142, adapted.
Paragraphs 1 and 2: Text of article 112, paragraphs 1 and 2, adapted.
Paragraphs 3 and 4: Text of article 142, paragraphs 1 and 2.

Article RE 2101
Treatment of inquiries

1 Every inquiry about a parcel shall be dealt with according to the Detailed Regulations of the Convention. However, the R 3, R 6 or R 8 form used for the letter post shall be replaced by the R 4, R 7 or R 9 form.

2 If the inquiry concerns a parcel posted in another country, the C 9 form shall be forwarded to the administration of origin. It shall reach it within the period prescribed for the retention of documents. If the certificate of posting can be produced by the sender, the C 9 form shall bear the indication *"Vu récépissé de dépôt"* (Certificate of posting seen).

References: Title of article 144.
Paragraph 1: Text of article 144, paragraph 1, adapted and with drafting amendments.
Paragraph 2: Text of article 144, paragraph 2, with drafting amendments.

Parcels, Detailed Regulations – Text as recast by the EC

Chapter 4

Customs matters

Article RE 2201
Customs declarations

1 Although they assume no liability for the customs declaration, administrations shall do their utmost to inform senders of the correct way to complete these declarations.

References: New article.
Paragraph 1: Text of article 106, paragraph 6.

Article RE 2202
Customs clearance of air parcels

1 Administrations shall take all steps to speed up customs clearance of air parcels as much as possible.

References: New article.
Paragraph 1: Text of article 114, paragraph 6.

Article RE 2401
Cancellation of customs duty and other fees

1 Administrations shall undertake to seek from the competent authorities in their countries cancellation of the fees (including customs duty) in the case of a parcel:

1.1 returned to sender;

1.2 redirected to a third country;

1.3 abandoned by the sender;

1.4 lost in their service or destroyed because of total damage of the contents;

1.5 rifled or damaged in their service.

2 In cases of rifled or damaged parcels, cancellation of fees shall be requested only to the value of the missing contents or the depreciation suffered by the contents.

References: New article.
Paragraphs 1 and 2: Text of article 16, paragraph 2, of the Agreement, with drafting amendments.

Parcels, Detailed Regulations – Text as recast by the EC

Chapter 5

Liability

Article RE 2501
Application of the liability of postal administrations

1 Postal administrations' liability shall be as binding for parcels conveyed à découvert as for those forwarded in closed mails.

2 Postal administrations which undertake to cover risks arising from a case of force majeure shall be liable towards senders of parcels posted in their country for any loss, theft or damage due to a case of force majeure occurring at any time during transmission of the parcels. This undertaking shall also cover any redirection or return to sender.

3 The administration in whose service the loss, theft or damage occurred shall decide, according to the laws of its country, whether the loss, theft or damage was due to circumstances amounting to force majeure. These circumstances shall be communicated to the administration of the country of origin if the latter administration so requests.

References: New title.
Paragraph 1: Text of article 40, paragraph 1, of the Agreement, second sentence.
Paragraph 2: Text of article 40, paragraph 2 of the Agreement, second sentence.
Paragraph 3: Text of article 41, paragraph 2, i, a, of the Agreement, second sentence.

Article RE 2601
Delivery of a rifled or damaged parcel

1 The office making delivery of a rifled or damaged parcel shall prepare a CP 14 report on the joint inspection and have it countersigned, whenever possible, by the addressee. One copy shall be handed to the addressee or, if the parcel is refused or redirected, attached to it. One copy shall be retained by the administration which prepared the report.

2 When internal regulations so require, a parcel treated in accordance with 1 shall be returned to the sender if the addressee refuses to countersign the CP 14 report.

3 If the parcel is delivered, the copy of the CP 14 report prepared by the office of exchange in accordance with article RE 3114.2 shall be dealt with in accordance with the regulations of the country of destination. If the parcel is refused, the said copy shall remain attached to the parcel.

References: Title of article 133.
Paragraphs 1, 2 and 3: Text of article 133, paragraphs 1, 2 and 3, with drafting amendments.

Parcels, Detailed Regulations – Text as recast by the EC

Article RE 2602
Settlement of cases of delivery of rifled or damaged parcels

1 If the liability assumed according to article 2.6.1 of the Agreement has to be shared with another administration the request to this effect shall be sent to it by letter accompanied by a copy or a translation of the CP 14 report. Where appropriate, a copy of the CP 13 verification note mentioned in article RE 3111.4 shall be attached to the letter.

Reference: Title and text of article 146.

Article RE 2701
Establishment of sender's liability

1 An administration which finds damage that is due to the fault of the sender shall inform the administration of origin, whose responsibility it is to take action against the sender where appropriate.

Reference: New title.
Paragraph 1: Text of article 42, paragraph 3, of the Agreement.

Article RE 2801
Period for payment of indemnity

1 The payment of the indemnity shall be made as soon as possible and, at the latest, within a period of four months from the day following the day of inquiry.

2 The payment of the indemnity may be postponed for a further period of three months:

2.1 when the administration responsible for the payment does not undertake to cover risks of force majeure; and

2.2 when, at the end of the period prescribed in 1, the question of whether the loss is due to such causes has not been decided.

References: New title.
Paragraphs 1 and 2: Text of article 44, paragraphs 2 and 3 of the Agreement, with drafting amendments.

Article RE 2802
Automatic payment of indemnity

1 The return of a C 9 form in which tables 3, 4 and 5 have not been completed shall not be considered as a final reply within the meaning of article 28.3 of the Agreement.

2 Postal administrations which have made reservations in the Final Protocol regarding the application of article 28.3 of the Agreement shall notify a period within which they will finally settle the matter.

Parcels, Detailed Regulations – Text as recast by the EC

References: New title.
Paragraphs 1 and 2: Text of article 44, paragraphs 5 and 6, of the Agreement, with drafting amendments.

Part III

Relations between postal administrations

Chapter 1

Treatment of parcels

Article RE 3101
General principles of the exchange of parcels

1 Each administration shall state on what conditions it accepts parcels in transit for countries for which it can act as intermediary. For that purpose, it shall use the CP 1 and CP 21 tables. These shall show, in particular, the rates to be assigned to it.

2 The official Compendium of Information of general interest relating to the implementation of the Postal Parcels Agreement provides the details on the exchange of parcels.

3 On the basis of that information and of the CP 1 and CP 21 tables of intermediate administrations, each administration shall decide on the routes to be used for forwarding its parcels. These data also enable it to set the charges to be collected from senders.

4 Administrations shall send the CP 1 and CP 21 tables direct to each other at least one month before their application. They shall send copies of them to the International Bureau. Subsequent amendments to these tables shall be announced in the same way. The time limit for notification shall not apply to the cases mentioned in article RE 3302.1.

5 Each administration shall forward by the routes and means that it uses for its own parcels those parcels transferred to it by another administration for transit across its territory.

6 In the event of the interruption of a prescribed route, parcels in transit shall be forwarded by the best route available.

7 If the use of the new dispatch route occasions higher costs (additional land or sea rates), the transit administration shall act in accordance with article RE 3302.1.

8 Transit shall be effected under the conditions laid down by the Agreement and its Detailed Regulations, even when the administration of origin or destination of the parcels has not acceded to the Agreement.

9 In the relations between countries separated by one or more intermediate territories parcels shall follow the routes which the administrations concerned have agreed upon.

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10 Every administration providing the air parcel service shall forward by the air routes that it uses for its own items of that type, air parcels transferred to it by another administration. If the forwarding of air parcels by another route offers advantages over the existing air routes, the air parcels shall be forwarded by that route.

11 Administrations which do not participate in the air parcel service shall forward such parcels by the air communications they use for the conveyance of their airmail correspondence. In the absence of an air link, air parcels shall be forwarded by such administrations by the surface route normally used for other parcels.

12 The exchange of postal parcel mails shall be carried out by offices called "offices of exchange".

References: Title of article 113.
Paragraphs 1, 2, 3 and 4: Text of article 102, paragraphs 1 to 4.
Paragraphs 5, 6, 7, 8 and 9: Text of article 113, paragraphs 1 to 5.
Paragraphs 10 and 11: Text of article 114, paragraphs 1 and 2.
Paragraph 12: Text of article 118, paragraph 1.

Article RE 3102
Different methods of transmission

1 The exchange of parcel mails shall be effected, as a general rule, by means of receptacles. Adjacent administrations may agree to the handing over of certain categories of parcels unenclosed.

2 In the service between non-adjacent countries, the exchange shall, as a general rule, be effected in closed mails.

3 Administrations may agree to effect exchanges in transit à découvert. However, it shall be obligatory to make up closed mails if an intermediate administration states that the parcels in transit à découvert are such as to hinder its work.

4 Surface airlifted parcels (S.A.L.) shall be exchanged on the conditions provided for in the Convention and its Detailed Regulations.

References: Title of article 118.
Paragraphs 1, 2 and 3: Text of article 118, paragraphs 2 to 4.
Paragraph 4: Text of article 116.

Article RE 3103
Transmission in closed mails

1 In the normal circumstances of transmission in closed mails, the receptacles (bags, baskets, crates, etc) shall be marked, closed and labelled in the manner laid down for letter bags in the Detailed Regulations of the Convention.

2 However, yellow ochre coloured CP 23, CP 24 and CP 24bis labels shall be used.

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3 In addition, a special closing may be adopted for receptacles other than bags, provided that the contents are sufficiently protected.

4 The labels or addresses of closed receptacles containing air parcels shall bear the indication or label *"Par avion"* (By airmail).

5 Insured parcels shall be sent in separate receptacles. In case of dispatch in the same bag as uninsured parcels, insured parcels shall be placed in an inner receptacle sealed with wax or lead. The outer bag containing insured parcels shall be in good condition. It shall be provided, if possible, at the edge of its mouth with piping making it impossible to open the bag illicitly without leaving visible traces. Receptacles containing insured parcels, whether alone or together with uninsured parcels, shall be marked with the letter "V".

6 Fragile parcels shall also be sent in separate receptacles. They shall be provided with the label referred to in article RE 1301.1.

7 Express parcels shall be sent in separate receptacles, if their number justifies it. Receptacles containing only or some such parcels shall bear the label or indication *"Exprès"* (Express).

8 The label of the receptacle containing the parcel bill shall always be marked with a very clearly drawn "F". By special agreement between the administrations concerned, it may be marked with the number of bags making up the mail and, if applicable, the number of parcels sent à découvert.

9 Cumbersome parcels, fragile parcels, or those whose nature necessitates it may be sent unenclosed: in order to determine the mail of which they are part, such parcels shall be provided with a CP 23 or CP 24 label. Labels of unenclosed insured parcels shall be endorsed with the letter "V". However, parcels going by sea, with the exception of cumbersome parcels, shall be sent in receptacles.

10 As a general rule, bags and other receptacles containing parcels shall not weigh more than 30 kilogrammes.

11 For conveyance purposes, bags of parcels and unenclosed parcels may be placed in containers. The methods of using containers shall be subject to special agreement between the administrations concerned.

References: Title of article 122.
Paragraph 1: Text of article 122, paragraph 1, first part.
Paragraphs 2, 3 and 4: Text of article 122, paragraph 1, a, b and c.
Paragraph 5: Text of article 122, paragraph 3, a, and paragraph 1, d.
Paragraphs 6 and 7: Text of article 122, paragraph 3, b and c.
Paragraph 8: Text of article 122, paragraph 6, last two sentences.
Paragraphs 9 and 10: Text of article 122, paragraphs 4 and 5.
Paragraph 11: Text of article 122, paragraph 9.
The texts have undergone drafting amendments.

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Article RE 3104
Parcel bills

1 All the parcels to be forwarded by surface or S.A.L. shall be entered by the dispatching office of exchange on a CP 11 parcel bill. For air parcels, a CP 20 special parcel bill shall be used.

2 The parcel bill shall be inserted in one of the receptacles comprising the mail. Where appropriate, it shall be inserted in one of the bags containing insured parcels or express parcels. In the case provided for in article RE 3106.1.1, the accompanying documents concerning express parcels shall be placed in the bundle before the other documents. If the number of accompanying documents so warrants, the parcel bill may be inserted in a special bag.

3 The parcel bills relating to mails containing insured parcels shall be inserted in a pink envelope. If the insured parcels are placed in a wax-sealed inner receptacle, the pink envelope containing the parcel bill shall be attached to the outside of this receptacle.

4 The parcel bill shall be completed with all the details called for.

5 As regards service parcels and prisoner-of-war and civilian internee parcels sent by air, the air conveyance dues shall be credited to the administrations concerned.

6 In the absence of special agreement, surface and S.A.L. parcel bills shall be numbered separately according to an annual series for each dispatching office of exchange and each office of exchange of destination. The numbering shall be different for each route if more than one route is used. The last number of the year shall be shown on the first parcel bill of the following year. If a mail is cancelled, the dispatching office shall enter on the parcel bill beside the number of the mail the indication *"Dernière dépêche"* (Last mail). In the case of sea and air services, the name of the ship carrying the mail or, where appropriate, the air service used shall be shown, whenever possible, on the parcel bills.

7 If air parcels are sent from one country to another by surface routes along with other parcels, their presence shall be shown by an appropriate note on the CP 11 parcel bill.

8 Every insured parcel shall be entered on the parcel bill with the letter "V" in the "Observations" column.

9 Every parcel redirected or returned to sender shall be entered on the parcel bill with the note *"Réexpédié"* (Redirected) or *"Retour"* (Return) in the "Observations" column.

10 The number of receptacles comprising the mail and, unless otherwise agreed between the administrations concerned, the number of receptacles to be returned, shall be entered on the parcel bill. In the absence of special agreement, administrations shall number the receptacles of the same mail. The serial number of each receptacle shall be written on the CP 23 and CP 24 label.

11 Where closed mails are exchanged between countries which are not adjacent, the dispatching office of exchange shall prepare for each of the intermediate administrations a C 12 special parcel bill. That office shall insert thereon the total number of parcels per weight step or the total number of parcels or the gross weight of the mail. The CP 12 parcel bill shall be numbered in an annual series for each dispatching office of exchange and for each intermediate administration. In addition, it shall bear the serial number of the relative mail. The last number of the year shall be shown on the first parcel bill of the following year. In the case of sea services, the name of the ship carrying the mail shall be entered on the CP 12 parcel bill, whenever this is possible.

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12 When air parcels are forwarded by surface mail, the dispatching office of exchange shall prepare a CP 12 special parcel bill for the transit administrations concerned.

13 The special CP 12 parcel bill shall be sent unenclosed or in any other way agreed between the administrations concerned, accompanied, where appropriate, by the documents required by the intermediate countries.

References: Title of article 119.
Paragraph 1: Text of article 119, paragraph 1, with drafting amendments.
Paragraph 2: Text of article 122, paragraph 6, first sentence.
Paragraph 3: Text of article 122, paragraph 7.
Paragraph 4: New text.
Paragraphs 5, 6 7 and 8: Text of article 119, paragraphs 2, 3, 4 and 5, with drafting amendments.
Paragraph 9: Text of article 138, paragraph 6 and of article 140, paragraph 2, with drafting amendments.
Paragraph 10: Text of article 122, paragraph 2.
Paragraph 11: Text of article 119, paragraph 6.
Paragraph 12: Text of article 114, paragraph 5.
Paragraph 13: Text of article 122, paragraph 8.

Article RE 3105
Simplified drawing up of CP 11 and CP 20 parcel bills

1 The parcel bills shall be drawn up in a simplified way in the cases laid down in article 36.2 and 3, of the Agreement.

2 When the allocation of rates is made in bulk on the basis of weight steps, the number of parcels for each weight step, whatever the origin of the parcels, shall be entered on the parcel bill.

3 If the allocation is made in bulk per parcel, the total number of parcels, whatever their origin, shall be entered on the parcel bill.

4 If the allocation is made in bulk on the basis of the total weight of parcels, whatever their origin, the number of bags making up the mail and the total gross weight of the latter shall be shown on the parcel bill.

5 In all cases of bulk entry, parcels which are redirected, parcels returned to sender or parcels forwarded in transit à découvert to the last country of transit shall always be entered individually. Opposite each parcel shall be mentioned the amount of the dues payable or of the corresponding rate. The number or weight of these parcels shall not be included in the number per weight step, in the total number or total weight of the parcels indicated on the parcel bill according to the method of bulk entry used.

6 Insured parcels shall also be entered individually but without mention of the corresponding rate. Their number or weight shall be included in the number per weight step, in the total number or total weight of the parcels indicated on the parcel bill according to the method of bulk entry used.

7 Service parcels and prisoner-of-war and civilian internee parcels for which, under article 36.4 of the Agreement, no rates are allocated shall not be included in the number per weight

step, in the total number or total weight of the parcels indicated on the parcel bill. Article RE 3104.5, shall be applicable for the dispatch of parcels by air.

References: Title of article 120.
Paragraph1: Text of article 120, paragraph 1.
Paragraphs 2, 3 and 4: Text of article 120, paragraph 2, with drafting amendments.
Paragraphs 5, 6 and 7: Text of article 120, paragraphs 3, 4 and 5, with drafting amendments.

Article RE 3106
Dispatch of documents accompanying parcels

1 The accompanying documents referred to in article RE 306.1 and 2 shall be dispatched in accordance with one of the following methods:

1.1 by attaching them to the parcel bill;

1.2 by affixing them to the relevant parcel.

2 Where applicable, the COD money order forms, franking notes and advices of delivery shall be dispatched in the same way.

3 The choice of the method of dispatch shall be up to the administration of destination. It shall notify the other administrations accordingly through the intermediary of the International Bureau.

4 The accompanying documents relating to parcels in transit à découvert shall be dispatched to the transit administration in accordance with the method chosen by that administration.

5 In the case provided for in 1.1, the administrations concerned may agree to send the parcel bill and the documents accompanying the parcels by air to the office of exchange of destination.

6 In the case provided for in 1.2, the accompanying documents shall be placed in a CP 5 or CP 5bis transparent adhesive envelope. This shall be affixed to the parcel.

7 In the case of parcels to which the transparent adhesive envelope cannot be affixed because of their size or the nature of their wrapping, the accompanying documents shall be attached firmly to the parcels.

8 Administrations which are unable to use transparent adhesive envelopes shall have the option of sending the accompanying documents by attaching them firmly to the parcels.

9 The administrations of origin and destination may agree that documents accompanying parcels exchanged in direct mails shall be dispatched in accordance with any other system which suits them.

References: Title of article 121.
Paragraphs 1, 2 and 3: Text of article 121, paragraph 1.
Paragraphs 4 and 5: Text of article 121, paragraphs 2 and 3.
Paragraphs 6 and 7: Text of article 121, paragraph 4.
Paragraphs 8 and 9: Text of article 121, paragraphs 5 and 6.
The texts have undergone drafting amendments.

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Article RE 3107
Treatment of parcels with advice of embarkation

1 If a parcel accompanied by an advice of embarkation is included in a closed mail sent in transit through the port of embarkation concerned, the dispatching office of exchange of the mail shall withdraw the advice of embarkation attached to the documents accompanying the parcel. It shall attach it to the relevant CP 12 special parcel bill after making the necessary notes on it.

2 Every office of exchange which undertakes the embarkation either of a parcel with advice of embarkation received à découvert or of a closed mail in transit containing such a parcel shall fill up the CP 6 form appropriately and send it direct to the sender.

References: Title of article 123.
Paragraphs 1 and 2: Text of article 123, paragraphs 1 and 2, with drafting amendments.

Article RE 3108
Routeing and transhipment of mails. Steps to be taken in the event of an accident, interrupted flight or diversion of mails

1 The relevant articles of the Detailed Regulations of the Convention shall apply by analogy to parcel mails.

References: New article.
The reference to the Detailed Regulations of the Convention renders article 114, paragraphs 3 and 4 and article 115 superfluous.

Article 3109
Preparation of trial notes

1 To determine the most favourable route for the dispatch of parcels, the dispatching office of exchange may send to the office of exchange of destination a trial note in the form of the specimen C 27 referred to in the Detailed Regulations of the Convention. This note shall be attached to the parcel bill on which its presence shall be indicated. If the C 27 form is missing when the mail arrives, the office of destination shall make out a duplicate. The trial note, duly completed by the office of destination, shall be returned by the quickest route to the address indicated or, in the absence of such an indication, to the office which prepared it.

References: New article.
Paragraph 1: Text of article 102, paragraph 5.

Article RE 3110
Transfer of mails

1 In the absence of special agreement between administrations concerned, the transfer of surface parcel mails shall be carried out by means of a C 18 delivery bill referred to in the Detailed Regulations of the Convention.

2 The receiving administrations shall ensure that the carriers can hand over the mails to a competent service.

3 The mails shall be handed over in good condition. However, a mail may not be refused because of damage or theft.

4 Air parcel mails to be handed over at the airport shall be accompanied by AV 7 forms on the conditions laid down in the Detailed Regulations of the Convention.

5 Surface parcel mails to be handed over at the airport shall be accompanied by C 18bis delivery bills on the conditions laid down in the Detailed Regulations of the Convention.

6 The weight of bags or other receptacles containing insured air parcels shall be shown separately on the AV 7 delivery bill. The letter "V" shall also be written in the "Observations" column opposite this entry.

References: Title of article 124.
Paragraphs 1 and 2: Text of article 124, paragraphs 1 and 2.
Paragraph 3: Text of article 124, paragraph 3, without the last two sentences which should be contained in the article "Discovery of irregularities ...".
Paragraphs 4, 5 and 6: Text of article 124, paragraphs 4, 5 and 6.

Article RE 3111
Check of mails

1 Every office of exchange receiving a mail shall immediately check the receptacles and their fastening. It shall also check the origin and destination of the bags making up the mail and entered on the delivery bill, and then the parcels and the various documents which accompany them. These checks shall be made in the presence of the other interested parties whenever this is possible.

2 The office of destination shall keep a close check on whether the mails arrive in the sequence in which they were dispatched, particularly in the case of mails containing insured parcels.

3 When the receptacles are opened, the constituent parts of the fastening (string, lead seal, label) shall be kept together; to achieve this the string shall be cut in one place only.

4 Any irregularities discovered shall be reported without delay by a CP 13 verification note. When the office of exchange of destination has not sent off a CP 13 note by the first available post, it shall be considered, until the contrary is proved, as having received all the bags and parcels in good condition.

5 When the findings of an office of exchange are such as may involve the liability of a transport undertaking, they must where possible be countersigned by the representative of that undertaking. This signature may be made either on the CP 13 verification note, a copy of which shall be handed to the undertaking, or, as the case may be, on the C 18, C 18bis or AV 7 delivery bill accompanying the mail.

6 The discovery, at the time of the check, of any irregularities whatsoever may in no case be the cause of the return of a parcel to sender except as provided for in article RE 1702.3 and 4.

Reference: Title and text of article 125.

Article RE 3112
Discovery of irregularities and processing of verification notes

1 When an intermediate office receives a mail in bad condition, it shall check the contents if it thinks that they have not remained intact and put it in new packing just as it is. It shall copy the particulars from the original label on to a new one and apply to the latter an impression of its date-stamp, preceded by the endorsement *"Remballé à ..."* (Repacked at ...). The fact shall be reported by means of a CP 13 verification note, to be prepared in 4 or 5 copies, as appropriate. One copy shall be retained by the office which prepared it, and the others shall be sent to:

1.1 the office of exchange from which the mail was received (two copies);

1.2 the dispatching office of exchange (if this is not the office referred to above); and

1.3 the office of destination (inserted in the repacked mail).

2 In the event of the absence of a mail or one or more of the bags comprising it, or of any other irregularity the fact shall be notified as described in 1. However, intermediate offices of exchange shall not be bound to check the documents accompanying the parcel bill.

3 If the office of exchange of destination discovers errors or omissions in the parcel bill it shall immediately make the necessary corrections. It shall take care to cross out the incorrect entries in such a way as to leave the original entries legible. These corrections shall be made in the presence of two officials; unless there is an obvious error, the corrections shall be accepted in preference to the original statement. The office of exchange shall also carry out the routine checks when the receptacle or its fastening gives grounds for presuming that the contents have not remained intact or that some other irregularity has occurred. The irregularities which have been established shall be notified without delay to the dispatching office of exchange by a CP 13 verification note, to be prepared in 3 or 4 copies as appropriate. One copy shall be retained by the office of exchange which prepared it and the others shall be sent to:

3.1 the dispatching office of exchange (two copies); and

3.2 the intermediate office of exchange from which the mail was received (if the mail was not received direct).

4 The absence of a mail or of one or more of the bags comprising it, or of the parcel bill, shall be notified as described in 3. If the parcel bill is missing, the office of exchange of destination shall prepare a replacement parcel bill.

5 The absence of an air parcel mail shall be notified at the latest on receipt of the first mail following the missing mail. Similarly, the absence of one or more bags in an air parcel mail shall be notified at the latest on receipt of the first mail following the said mail.

6 The office of exchange of destination shall have the right not to make corrections and not to make out a CP 13 verification note if the errors or omissions in respect of the rates due do not exceed 3.27 SDR per parcel bill.

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7 Verification notes shall be sent under registered cover by the quickest route in a special envelope as specified in the Detailed Regulations of the Convention. Irregularities concerning insured parcels which involve the liability of administrations shall, in addition, be notified immediately by telecommunications.

8 The offices to which the CP 13 verification notes are sent shall return them as promptly as possible after having examined them and indicated thereon their observations, if any; they shall retain one copy. The returned verification notes shall be attached to the parcel bills to which they relate. Corrections made to a parcel bill which are unsupported by documentary evidence shall not be considered valid. However, if these verification notes are not returned to the office of exchange which issued them within a period of one month from the date of their dispatch they shall be considered, until the contrary is proved, as duly accepted.

References: Title of article 126.
Paragraphs 1, 2 and 3: Text of article 126, paragraphs 1, 2 and 3, with drafting amendments.
Paragraph 4: Text of article 126, paragraph 5 and part of paragraph 3.
Paragraph 5: Text of article 126, paragraph 4.
Paragraphs 6, 7 and 8: Text of article 126, paragraphs 6, 7 and 8, with drafting amendments.

Article RE 3113
Discrepancies of weight or size of parcels

1 Unless there is an obvious error, the view of the office of origin shall prevail as regards the establishment of the weight or size. However, if the discrepancies in weight established entail a change in rates, the new weight shall be valid.

2 Discrepancies in weight, within the same weight step, relating to ordinary parcels may not be made the subject of verification notes or the cause of the parcels being returned. Verification notes shall be prepared only where the discrepancy involves an alteration of the rates.

3 Discrepancies in weight of insured parcels up to 10 grammes above or below the weight stated may not be queried by the intermediate administration or administration of destination unless the external condition of the parcel makes it necessary.

References: Title of article 127.
Paragraphs 1, 2 and 3: Text of article 127, paragraphs 1, 2 and 3, with drafting amendments.

Article RE 3114
Receipt by the office of exchange of a damaged or insufficiently packed parcel

1 Any office of exchange which receives a damaged or insufficiently packed parcel shall send it on, after having repacked it if necessary. The original packing, the address and the labels shall be preserved as far as possible. The weight of the parcel before and after repacking shall be shown on the actual packing of the parcel. This indication shall be followed by the note *"Remballé à ..."* (Repacked at ...) stamped with an impression of the date-stamp and signed by the officials who did the repacking.

2 If the condition of the parcel is such that the contents could have been removed or damaged, this fact shall be reported to the dispatching office of exchange by means of a sufficiently explicit note on the CP 13 verification note. The parcel shall also be automatically opened and its contents checked. The results of this check shall be given in a CP 14 report. This shall be prepared in duplicate, one copy shall be retained by the office of exchange which prepared it and the other attached to the parcel.

3 The procedure described in 2 shall also apply if the parcel shows a discrepancy in weight such as to suggest the removal of the whole or part of the contents.

References: Title of article 129.
Paragraphs 1 and 2: Text of article 129, paragraphs 1 and 2, with drafting amendments.
Paragraph 3: New text using part of the text of article 129, paragraph 2.

Article RE 3115
Notification of irregularities for which administrations may be liable

1 Any office of exchange which, on the arrival of a mail, discovers the absence of, theft from or damage to one or more parcels shall proceed as follows.

1.1 It shall indicate in as much detail as possible on the CP 13 verification note or in the CP 14 report the condition in which it found the outer packing of the mail. Unless this is impossible for a stated reason, the receptacle, the string, the lead or other seal and the label shall be kept intact for a period of six weeks from the date of verification. They shall be sent to the administration of origin if it so requests.

1.2 It shall send a duplicate of the verification note to the last intermediate office of exchange, if any, at the same time as to the dispatching office of exchange.

2 If it considers it necessary, the office of exchange of destination may, at the expense of its administration, inform the dispatching office of exchange of its discoveries by telecommunications.

3 Where offices of exchange in direct contact are concerned, the respective administrations of these offices may agree on the method of procedure in the case of irregularities for which they may be liable.

References: Title of article 128.
Paragraphs 1, 2 and 3: Text of article 128, paragraphs 1, 2 and 3, with drafting amendments.

Article RE 3116
Check of mails of parcels forwarded in bulk

1 Articles RE 3111 to RE 3115 shall be applicable only to rifled and damaged parcels as well as to parcels entered individually on the parcel bills. The other parcels shall be simply checked in bulk.

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2 The administration of origin may agree with the administration of destination to limit to certain categories of parcels the detailed check and the preparation of the CP 13 verification notes and CP 14 reports. The same may be agreed with the intermediate administrations.

3 If the number of parcels found in the mail differs from the number given on the parcel bill, the verification note shall correct only the number of parcels per weight step and the total number of parcels.

4 If the gross weight of the mail given on the parcel bill does not correspond to the gross weight found, the verification note shall correct only the gross weight of the mail.

References: Title of article 130.
Paragraphs 1 and 2: Text of article 130, paragraphs 1 and 2, with drafting amendments.
Paragraphs 3 and 4: Text of article 130, paragraph 3.

Article RE 3117
Reforwarding of a parcel arriving out of course

1 Any parcel arriving out of course shall be reforwarded to its proper destination by the most direct route used by the administration which has received the parcel.

2 Any parcel arriving out of course shall be reforwarded by air.

3 Any parcel reforwarded in application of this article shall be subject to the rates for forwarding to its proper destination and the charges and fees mentioned in article RE 1801.4.3.

4 The reforwarding administration shall report the matter in a CP 13 verification note to the administration from which the parcel has been received.

5 It shall treat the parcel arriving out of course as if it had arrived in transit à découvert. If the rates which have been allocated to it are insufficient to cover the costs of reforwarding, it shall credit the true administration of destination and, where appropriate, the intermediate administrations with the relative conveyance rates. It shall then credit itself, through a claim on the administration responsible for the office of exchange which missent the parcel, for the amount of the expense which it has incurred. This administration shall collect them from the sender if the error is ascribable to him. The claim and its cause shall be notified by means of a verification note.

References: Title of article 131.
Paragraph 1: Combined texts of article 33, paragraph 1, of the Agreement and of article 131, paragraph 1.
Paragraphs 2 and 3: Text of article 33, paragraphs 2 and 3 of the Agreement.
Paragraph 4: Text of article 131, paragraph 2.
Paragraph 5: Text of article 131, paragraph 3, supplemented by the text of article 33, paragraph 4, last sentence, of the Agreement.

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Article RE 3118
Return of empty receptacles

1 Receptacles shall, in principle, be returned empty to the administration to which they belong by the next post. Unless this is impossible, they shall be returned by the route followed on the outward journey.

2 Administrations may agree that the administration of destination shall return the bags to origin using them for the dispatch of parcels.

3 Empty bags shall always be returned free of charge.

4 An administration returning receptacles shall indicate on the parcel bills the number of receptacles returned, unless the administrations concerned have agreed to omit such indication.

5 A special dispatch of empty airmail bags shall be made up as soon as the number of such empty bags reaches ten.

6 Empty airmail bags returned by air shall be made up as special dispatches described on AV 7 S statements, as mentioned in the Detailed Regulations of the Convention.

7 Otherwise, the provisions of the Detailed Regulations of the Convention shall apply.

References: Title of article 132.
Paragraphs 1 to 7: Text of article 132, paragraphs 1 to 7, adapted.

Chapter 2

Treatment of cases of liability

Article RE 3201
Procedures for determining the liability of postal administrations

1 Until the contrary is proved and subject to article 32.2 of the Agreement, an intermediate administration or administration of destination shall be relieved of all liability:

1.1 when it has observed the provisions for inspection of mails and parcels and establishment of irregularities;

1.2 when it can prove that it was informed of the inquiry after the destruction of the official records relating to the parcel in question, the period of retention having expired. This reservation shall not prejudice the rights of the claimant.

2 If the theft or damage has been established in the country of destination or, in the case of return to sender, in the country of residence, it shall be for the administration of that country to prove:

2.1 that neither the wrapping nor the fastening of the parcel bore any apparent trace of theft or damage;

2.2 that in the case of an insured parcel, the weight established at the time of posting has not varied;

2.3 that, in the case of parcels forwarded in closed receptacles, both the receptacles and their fastening were intact.

3 When the proof mentioned in 2 has been furnished, none of the other administrations concerned may repudiate its share of liability on grounds that it handed over the parcel without the next administration having made any objection.

4 In the case of parcels sent in bulk, in application of article 36.2 and 3 of the Agreement, none of the administrations concerned may repudiate its share of liability by showing that the number of parcels found in the mail differs from that advised on the parcel bill.

5 In the case of bulk transmission, the administrations concerned may agree that liability be shared in the event of loss of, theft from or damage to certain categories of parcels, determined by mutual agreement.

6 When a parcel has been lost, rifled or damaged as the result of force majeure, the administration in whose territorial jurisdiction or services the damage occurred shall not be liable towards the administration of origin unless the two administrations undertake to cover risks of force majeure.

References: New title.
Paragraph 1: Text of article 43, paragraph 2, of the Agreement.
Paragraphs 2 and 3: Text of article 43, paragraph 4, second part, of the Agreement.
Paragraphs 4 and 5: Text of article 43, paragraphs 5 and 6, of the Agreement.
Paragraph 6: Text of article 43, paragraph 8, of the Agreement, with drafting amendments.

Article RE 3202
Recovery of indemnities paid from air carriers

1 When the loss, theft or damage occurs in the service of an air carrier, the administration of the country which collects the conveyance dues shall reimburse the administration of origin for the indemnity paid to the sender. It shall be for the former administration to recover this amount from the air carrier in question. Where the administration of origin settles the conveyance dues direct with the air carrier, it shall itself seek reimbursement of the indemnity from the air carrier.

References: New title.
Paragraph 1: Text of article 43, paragraph 3, of the Agreement, without the references which overload the text and do not seem essential.

Article RE 3203
Reimbursement of the indemnity to the paying administration

1 The administration which is liable or on behalf of which payment is made shall reimburse the paying administration the amount of indemnity paid to the rightful claimant. The reimbursement shall be made within four months of the date of dispatch of the notice of payment.

2 If the indemnity is due to be borne by several administrations, the whole of the indemnity shall be paid to the paying administration, within the period mentioned under 1, by the first administration which, having duly received the parcel claimed for, is unable to prove its correct transfer to the next service. It shall rest with this administration to recover from the other administrations which are liable each one's share of the indemnity, paid to the rightful claimant.

3 The administration whose liability is duly established and which has at first declined to pay the indemnity shall assume all additional costs resulting from the unwarranted delay in payment.

References: New title.
Paragraphs 1 and 2: Text of article 45, paragraphs 1 and 2, of the Agreement, with drafting amendments.
Paragraph 3: Text of article 45, paragraph 7, of the Agreement.

Article RE 3204
Settlement of indemnities between postal administrations

1 Immediately after paying the indemnity, the paying administration shall communicate to the administration which is liable the date and the amount of payment made. If, one year after the date of dispatch of authorization to pay the indemnity, the paying administration has not communicated the date and amount of payment or debited the account of the administration which is liable, the authorization shall be considered null and void. The administration which received it shall then no longer be entitled to claim reimbursement of any indemnity paid.

2 When liability has been admitted, as well as in the case provided for in article 28.3 of the Agreement, the amount of the indemnity may also be automatically recovered from the administration which is liable. This shall be effected through a liquidation account, either direct or through the intermediary of an administration which regularly draws up liquidation accounts with the administration which is liable.

3 When proof of delivery is supplied after the period laid down in article 28.3 of the Agreement, the indemnity paid shall continue to be borne by the intermediate administration or administration of destination if the sum paid cannot, for any reason, be recovered from the sender.

4 If the sender or the addressee takes delivery of an item found afterwards against repayment of the amount of the indemnity, that sum shall be refunded to the administration or, where appropriate, administrations which bore the loss. This refund shall be made within one year of the date of such repayment.

5 The administrations of origin and destination may agree that the whole of the loss shall be borne by the administration which has to make the payment to the rightful claimant.

6 The creditor administration shall be reimbursed in accordance with the rules for payment laid down in the Detailed Regulations of the Convention.

References: New title.
Paragraph 1: Text of article 45, paragraph 6, of the Agreement.
Paragraph 2: Text of article 45, paragraph 5, of the Agreement.

Paragraph 3: Text of article 46, paragraph 4, of the Agreement.
Paragraph 4: Text of article 46, paragraph 2, of the Agreement.
Paragraph 5: Text of article 45, paragraph 4, of the Agreement.
Paragraph 6: Text of article 45, paragraph 3, of the Agreement.

Article RE 3205
Accounting for amounts due in respect of indemnity for parcels

1 When it is necessary to recover payments from the administrations which are liable and several amounts are involved, these shall be summarized on a CP 22 form. The total amount shall be carried forward to the CP 16 account mentioned in article RE 3604.3.

References: New title.
Paragraph 1: Text of article 151, paragraph 9.

Chapter 3

Rates and air conveyance dues

Article RE 3301
Modifications of the inward land rates

1 Modifications of the inward land rates according to article 33.1, 2 and 3 of the Agreement may only come into force on 1 January. To be applicable, such modifications must be communicated at least four months prior to that date to the International Bureau. The International Bureau shall notify them to the administrations concerned at least three months before the date of their coming into force. If these periods have not been observed, such modifications shall not come into force until 1 January of the following year.

References: New article.
Paragraph 1: Text of article 47, paragraph 5, of the Agreement.

Article RE 3302
Application of new rates following unforeseeable changes in routeing

1 Reasons of force majeure or any other unforeseeable occurrence may oblige an administration to use, for the conveyance of its own parcels, a new dispatch route which causes additional sea or land conveyance costs. In such a case, it shall be required to inform immediately by telecommunications all the administrations whose parcel mails or à découvert parcels are sent in transit through its country. From the fifth day following dispatch of this information, the intermediate administration shall be authorized to charge the administration of origin the land and sea rates corresponding to the new route.

References: Title of article 51 of the Agreement.
Paragraph 1: Text of article 51 of the Agreement, with drafting amendments.

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Article RE 3401
Application of transit land rates

1 Each of the countries taking part in conveyance shall be authorized to collect for each parcel the transit land rates applicable to the relevant distance step. This distance corresponds to the weighted average distance over which a country conveys parcels in transit. It shall be calculated by the International Bureau.

2 Reforwarding, where applicable after warehousing, by the services of an intermediate country of mails and à découvert parcels entering and leaving by the same port (transit not involving a land route) shall be subject to transit land rates.

3 As regards air parcels, the land rate for intermediate countries shall be applicable only where the parcel is conveyed by an intermediate land service.

4 When a country agrees to its territory being crossed by a foreign transport service without participation of its services, parcels thus conveyed shall not be subject to the transit land rate.

References: New article.
Paragraphs 1, 2 and 3: Text of article 48, paragraph 2, 3 and 4, of the Agreement.
Paragraph 4: Text of article 48, paragraph 6, of the Agreement.
The texts have undergone drafting amendments.

Article RE 3501
Application of sea rate

1 If necessary, the distance steps used to determine the amount of the sea rate applicable between two countries shall be calculated on the basis of a weighted average distance. This shall be determined in terms of the tonnage of the mails carried between the respective ports of the two countries.

2 Sea conveyance between two ports of the same country may not give rise to the collection of the sea rate when the administration of that country already receives, for the same parcels, payment in respect of land conveyance.

3 The sea rate for intermediate administrations or services shall be applicable to air parcels only where the parcel is conveyed by an intermediate sea service. For this purpose every sea service provided by the country of origin or destination shall be regarded as an intermediate service.

4 In the case of an increase, this shall also be applied to parcels originating in the country to which the services providing sea conveyance belong. Nevertheless, this obligation shall not apply either in the relations between a country and the territories for whose international relations it is responsible, or in the relations between these territories.

5 Article RE 3301 shall apply in case of modification of the sea rate.

References: New article.
Paragraphs 1, 2 and 3: Text of article 49, paragraph 3, 4 and 5, of the Agreement.
Paragraph 4: Text of article 50, paragraph 3, of the Agreement.
Paragraph 5: Text of article 50, paragraph 2, of the Agreement, adapted.

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Article RE 3601
Rates and dues credited to other administrations by the administration of origin of the mail

1 In the case of exchange of closed mails, the administration of origin of the mail shall credit the administration of destination and each intermediate administration with its land and sea rates, including the exceptional rates authorized by the Agreement or its Final Protocol.

2 In the case of exchange in transit à découvert the administration of origin of the mail shall credit:

2.1 the administration of destination of the mail with the rates enumerated in 1 as well as rates due to the subsequent intermediate administrations and to the administration of destination of the parcel;

2.2 the administration of destination of the mail with the amounts in respect of air conveyance dues to which it is entitled for reforwarding air parcels;

2.3 the intermediate administrations preceding the administration of destination of the mail with the rates enumerated in 1.

3 When article 36.3 of the Agreement has been applied, the administration of origin of the mail shall credit the administration of destination and any intermediate administrations with sums calculated for each parcel or kilogramme of gross weight of the mails instead of with the rates mentioned in 1.

References: Title of article 147.
Paragraph 1: Text of article 147, paragraph 1.
Paragraph 2: Text of article 147, paragraph 2, with drafting amendments.
Paragraph 3: Text of article 147, paragraph 3.

Article RE 3602
Allocation and recovery of rates, charges and fees in the case of return to sender or redirection

1 When rates, charges and fees have not been paid at the time of return to sender or redirection, the returning or redirecting administration shall proceed as indicated below.

2 In the case of exchange of direct mail the returning or redirecting administration shall recover from the administration to which the mail is addressed:

2.1 the rates due to it and to the intermediate administrations;

2.2 the charges and fees due to it and which it has incurred.

3 The administration returning or redirecting the parcel in a closed mail shall credit the intermediate administrations with the rates due to them.

4 In the case of transmission in transit à découvert, the intermediate administration, shall be debited by the administration which returns or redirects the parcel with the amounts mentioned in 2. It shall credit itself by debiting the administration to which it hands over the parcel, with the sum due to it and with that due to the returning or redirecting administration. This procedure shall be repeated, if need be, by each intermediate administration.

5 The air conveyance dues for parcels returned to sender or redirected by air shall be recovered, where appropriate, from the administration of the countries where the request for return or redirection originated.

6 The allocation and the recovery of the rates, charges and fees in the case of the redirection of missent parcels shall be made in accordance with article RE 3117.5.

7 Air conveyance dues for air parcel dispatches re-routed in the course of conveyance shall be settled in accordance with the Detailed Regulations of the Convention.

References: Title of article 148.
Paragraphs 1, 2 and 3: Text of article 148, paragraphs 1 and 2, without the list of charges and fees which will appear in the Manual.
Paragraphs 4, 5 and 6: Text of article 148, paragraphs 3, 4 and 5.
Paragraph 7: Text of article 149.
The texts have undergone drafting amendments.

Article RE 3603
Determination of average payments per parcel or per kilogramme

1 The average payment per parcel laid down in article 36.3 of the Agreement shall be obtained by dividing the amount of the land and sea rates due from the administration of origin to the administration of destination and, as appropriate, to the intermediate administrations for parcels dispatched during a period of at least three months, by the number of these parcels.

2 The average payments per kilogramme mentioned in the same article of the Agreement shall be obtained by dividing the sum of the land and sea rates by the gross weight of the mails dispatched to the administration of destination during the same period.

3 These average payments may be revised:

3.1 automatically, in the event of modification of the charges, by applying the new charges to the basic statistical factors;

3.2 at the request of one of the administrations concerned, made at least one year after the last revision, by using new statistical factors.

Reference: Title and text of article 150.

Article RE 3604
Preparation of accounts

1 Each administration shall have its offices of exchange prepare monthly or quarterly for all the items received from one and the same administration by dispatching office and per mail:

1.1 for surface parcels, a CP 15 statement;

1.2 for air parcels, a CP 15bis statement.

2 In the event of alteration of CP 11, CP 12 or CP 20 parcel bills, the number and date of the CP 13 verification note prepared by the transferring office of exchange or the office of exchange to

which the transfer is made shall be shown in the "Observations" column of the CP 15 or CP 15bis statements.

3 The CP 15 and CP 15bis statements shall be summarized in a CP 16 account made out in duplicate.

4 The CP 16 account, accompanied by the CP 15 and CP 15bis statements, but without the parcel bills, shall be sent by the quickest route to the administration concerned for examination. This dispatch shall be made during the two months following the arrival of the last parcel bill of the period to which it related. "Nil" accounts shall not be prepared. In the amount of the balance of the CP 16 account, centimes shall be ignored. Totals shall never be altered; any differences shall be noted in statements in the form of CP 17 statements. These statements shall be sent in duplicate to the administration concerned which shall incorporate the amount in its next CP 16 account. If this is not done, the administration which prepared the CP 17 statements shall consider them as fully accepted and draw attention to them in its next CP 16 summarized account. No CP 17 statement shall be made out when the final amount of the differences does not exceed 9.80 SDR per account.

5 After they have been checked and accepted, the CP 16 accounts and CP 15 and CP 15bis statements shall be returned to the administration which prepared them. They shall be returned at the latest by the end of the third month from the date of dispatch. If the administration which has sent the account does not receive any notice of amendment during this period, the account shall be regarded as fully accepted. Debtor administrations may refuse to check and to accept CP 16 accounts which have not been submitted by the creditor administrations within 18 months of the date of receipt of the CP 11, CP 12 and CP 20 parcel bills by the offices of exchange.

6 As soon as the CP 16 accounts between two administrations are accepted or regarded as fully accepted, they shall be summarized in a CP 18 quarterly general account prepared by the creditor administration. This account may, however, be prepared half-yearly by agreement between the administrations concerned. The CP 18 account shall be sent to the debtor administration by the quickest route. If, one month from the date of dispatch of the CP 18 account, the debtor administration has raised no objection, payment shall be made to the creditor administration.

7 When the balance of a CP 18 general account prepared quarterly or half-yearly does not exceed 16.33 SDR, it shall be carried into the next CP 18 general account. If, after carrying out this procedure for the whole year, the CP 18 general account drawn up at the end of the year shows a balance not exceeding 16.33 SDR, the debtor administration shall be exempted from all payment.

8 The account for air conveyance dues for air parcel mails shall be drawn up according to the Detailed Regulations of the Convention.

References: Title of article 151.
Paragraphs 1 to 7: Text of article 151, paragraphs 1 to 7, with drafting amendments.
Paragraph 8: Text of article 152, adapted.

Article RE 3605
Settlement of accounts

1 The amount of the balance of the general accounts shall be paid by the debtor administration to the creditor administration in accordance with the provisions of the Convention.

2 The preparation and dispatch of a general account may be carried out, without waiting for the CP 16 accounts to be returned accepted, as soon as an administration which has all the accounts relative to the period concerned finds that it is the creditor. The check of the CP 18 account by the debtor administration and payment of the balance shall be carried out within a period of three months after receipt of the general account. The debtor administration shall not be obliged to accept accounts which are not transmitted to it within eighteen months of the end of the year to which they refer.

3 Any administration which has consistently owing to it every month by another administration a sum greater than 9800.72 SDR shall be entitled to claim a monthly payment on account of up to three quarters of the amount of the debt. Its request shall be met within a period of two months.

References: Title of article 153.
Paragraphs 1, 2 and 3: Text of article 153, paragraphs 1, 2 and 3.

Article RE 3701
Calculation of air conveyance dues

1 Air conveyance dues relating to air parcel mails shall be calculated according to, on the one hand, the actual basic rate and the kilometric distances given in the "List of Airmail Distances" and, on the other, the gross weight of the mails. The actual basic rate may be less than and at most equal to the rate laid down in article 37.1 of the Agreement.

2 The air conveyance dues payable to the intermediate administration for à découvert air parcels shall be fixed in principle as indicated in 1, but per half-kilogramme for each country of destination. Nevertheless, when the territory of the country of destination of these parcels is served by one or more lines with several stops in that territory, dues shall be calculated on the basis of a weighted average rate. This shall be determined on the basis of the weight of the parcels offloaded at each stop. The dues to be paid shall be calculated for each individual parcel, the weight of each being rounded upwards to the next half-kilogramme.

3 Dues payable for air conveyance within the country of destination shall be set in the form of a single price. This shall include all the dues for air conveyance within the country, regardless of the airport of arrival of the mails, less the corresponding surface conveyance costs. It shall be calculated on the basis of the rates actually paid for air conveyance of the air parcels within the country of destination and according to the weighted average distances of the sectors flown by international mail on the internal network. The rate used may not exceed the maximum rate specified in article 37.1 of the Agreement. The weighted average distance shall be calculated by the International Bureau. It shall be based on the gross weight of all the airmails arriving at the country of destination, including the air parcels which are not reforwarded by air within that country.

4 Modification of the dues referred to in 3 shall be subject to the conditions laid down in article RE 3301.

References: New title.
Paragraph 1: Text of article 52, paragraph 2, of the Agreement, with drafting amendments.
Paragraph 2: Text of article 52, paragraph 3, of the Agreement.
Paragraph 3: Text of article 52, paragraph 5, of the Agreement, with drafting amendments.
Paragraph 4: Text of article 52, paragraph 6, of the Agreement, adapted.

Parcels, Detailed Regulations – Text as recast by the EC

Article RE 3702
Air conveyance dues for lost or destroyed air parcels

1 The administration of origin shall be exempt from any payment in respect of the air conveyance of air parcels lost or destroyed as a result of an accident occurring to the aircraft or through any other cause involving the liability of the air carrier. This exemption shall apply for any part of the flight of the line used.

References: Title of article 53 of the Agreement.
Paragraph 1: Text of article 53 of the Agreement, with drafting amendments.

Chapter 4

Miscellaneous provisions

Article RE 3801
Information to be supplied by administrations

1 Each administration shall notify the other administrations, through the intermediary of the International Bureau, of:

1.1 the outward and inward land rates and, where appropriate, the transit land rates and sea rates which it collects;

1.2 relevant information concerning the optional services, conditions of acceptance, limits of weights, limits of sizes and other special features.

2 Any amendment to the information mentioned in 1 shall be notified without delay by the same means.

References: Title of article 101.
Paragraph 1: Text of article 101, paragraph 1, without the list which will appear in the Manual.
Paragraph 2: Text of article 101, paragraph 2.

Article RE 3802
Period of retention of documents

1 The Detailed Regulations of the Convention shall apply with respect to documents relating to parcels.

References: Title of article 155.
Paragraph 1: Text of article 155, adapted.

Parcels, Detailed Regulations – Text as recast by the EC

Article RE 3803
Forms

1 The forms shall conform to the annexed specimens.

2 The texts, colours and dimensions of forms shall be those prescribed in these Detailed Regulations.

3 Otherwise, the Detailed Regulations of the Convention shall apply.

4 The following forms shall be considered as forms for the use of the public:

CP 2	(Dispatch note);
CP 2bis	(Sender's instruction label);
C 2/CP 3	(Customs declaration);
C 3/CP 4	(Franking note);
CP 6	(Advice of embarkation).

Reference: Title and text of article 154.

Article RE 3901
Conditions applicable to parcels addressed to or originating in countries not participating in the Agreement

1 Parcels addressed to or originating in a non-participating country shall be treated in the same way as parcels exchanged between countries participating in the Agreement, in so far as the amount of the land and sea rates and of the air conveyance dues is concerned. The same shall apply, with respect to liability, whenever it is established that the damage occurred in the service of one of the participating countries and when the indemnity has to be paid either to the sender or the addressee in one of those countries.

References: New article.
Paragraph 1: Text of article 58, paragraph 2, of the Agreement, with drafting amendments.

Part IV

Final provisions

Article RE 4201
Entry into force and duration of the Regulations

1 These Regulations shall come into force on the day on which the Postal Parcels Agreement comes into operation.

Parcels, Detailed Regulations – Text as recast by the EC

2 They shall have the same duration as that Agreement, unless otherwise decided by the Executive Council.

Reference: Title and text of article 156.

Done at Berne,

For the Executive Council:

Chairman Secretary-General

Parcels, Detailed Regulations, Final Protocol – Text as recast by the EC

Final Protocol to the Detailed Regulations of the Postal Parcels Agreement

At the moment of proceeding to approval of the Detailed Regulations of the Postal Parcels Agreement, the Executive Council has agreed the following:

Article RE I
Treatment of parcels wrongly accepted

1 Armenia, Azerbaijan, Belarus, Bulgaria (Rep), Cuba, Dem People's Rep of Korea, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Turkmenistan and Ukraine reserve the right to provide information about the seizure of a postal parcel or part of its contents only within the limits of the information provided by the customs authorities and in accordance with their internal legislation.

Reference: Title and text of article IX of the Final Protocol to the Agreement.

Article RE II
Weighted average distance for conveyance of parcels in transit

1 Article RE 3401.1, last sentence, shall not apply to the following countries unless they so request: Armenia, Azerbaijan, Belarus, Bulgaria (Rep), Cuba, Czech Rep, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Poland (Rep), Russian Federation, Slovak Rep, Turkmenistan and Ukraine.

Reference: Title and text of article III of the Final Protocol to the Agreement.

Article RE III
Determination of average rates

1 Notwithstanding article RE 3603.2, the United States of America shall be authorized to establish average land and sea rates per kilogramme based on the weight distribution of parcels received from all administrations.

Reference: Title and text of article V of the Final Protocol to the Agreement.

Parcels, Detailed Regulations, Final Protocol – Text as recast by the EC

This Protocol shall have the same force and the same validity as if its provisions were inserted in the actual text of the Detailed Regulations to which it refers.

Done at Berne,

For the Executive Council:

Chairman

Secretary-General

Congress – Doc 61

Terminal dues

Executive Council report

I. Introduction

1 In resolution C 72, the 1989 Washington Congress instructed the Executive Council:

a to continue studying the question of terminal dues with a view to ensuring that administrations of destination receive fair remuneration for handling foreign-origin mail;

b to submit to each Congress, if necessary, its recommendations concerning adjustments to be made to the terminal dues system along with proposals for amending the corresponding Acts.

2 Within the framework of this resolution, Congress instructed the Executive Council to take the following considerations into account:

a the problems posed by remuneration for services rendered by countries of destination to countries dispatching mail are among the major concerns of the Union;

b financial relations between dispatching countries and countries of destination must be based on economic criteria that take account not only of costs and services rendered but also of the environment in which postal administrations operate, particularly with regard to competition;

c the introduction of a terminal dues system other than that provided for in the Convention in reciprocal relations between certain administrations. This system, based on the principle calling for a calculation of terminal dues comprising two elements (a rate per kilogramme and a rate per item), allows, by taking into account delivery costs relating to the number of items, the possibility of ensuring better coverage of the costs borne by the countries of destination;

d the utmost importance of adopting provisions to further the use of all terminal dues revenue as remuneration for the costs of handling mail in the country of destination, in particular those costs required for the implementation of postal infrastructure replacement and improvement programmes, and serving as a basis for securing the organization and improvement of postal services in the international field, in accordance with article 1, paragraph 2, of the Constitution of the Union.

II. Work done

3 The 1990 EC set up within the framework of its Committee 5, for carrying out the permanent study on terminal dues, a Working Party (WP 5/1) comprising Cameroon, Colombia, Great Britain, Hungary (Rep), Japan, Morocco, New Zealand (reporting country), Pakistan, Poland (Rep), Switzerland and the United States of America.

4 WP 5/1 decided to carry out numerous sub-studies in order that no aspect that might contribute to improving the terminal dues system should be neglected. At its eight meetings, the WP considered the following subjects:

a terminal dues systems to be applied in terms of other classification systems (priority/non-priority);

b possible revision of the terminal dues system adopted by the Washington Congress (operational procedures, in particular);

c two-component terminal dues system, ie a rate per kg and a rate per item (CEPT system);

d cost of handling inward international mail; terminal dues based on the shape of items;

e other economic criteria and the market;

f follow-up of results of CCPS study 751 "International accounting – Modernization of billing systems and settlement of accounts";

g costs and shape;

h accounting;

i structures of intercountry traffic flows;

j profiteering remail;

k statistical aspects;

l results from sampling/flow exercise – Items per kg (by size of flow for air and surface) and by format;

m application of cost study results to flows – Adjustment of world average rate;

n possible consequences of replacing the LC/AO distinction with an air/surface distinction or one between various formats;

o report on uneconomic bulk commercial mailing;

p report on legislative approach to remail;

q financial impact of the new terminal dues system according to the provisional parameters submitted to the 1993 EC;

r weight limit to be taken into account in calculating the terminal dues and rate of compensation applicable to M bags;

s interface between the UPU system and the IPC/PostEurop system;

t bulk commercial mail;

u threshold value and methods of applying the downward correction mechanism.

III. Proposals to the Executive Council

5 WP 5/1 submitted to the 1993 EC the outline of a terminal dues system. This preliminary draft was distributed to the member countries for appraisal and discussed at the regional round tables held by several Restricted Unions.

6 The results of the regional round tables and an appraisal of the provisional system by the postal administrations of member countries were taken into account by WP 5/1 in formulating the system discussed at the General Round Table organized by the Executive Council.

7 This Round Table was held at Berne on 27 and 28 January 1994 and was attended by 95 Union administrations (including 32 out of 40 EC members) and four Restricted Unions.

8 From the Round Table discussions the following conclusions emerged:

a the terminal dues rate of 3.427 SDR per kg was approved, with the possibility of this rate being revised by the Executive Council in the inter-Congress period to reflect worldwide inflation;

b settlement of terminal dues would be according to gross mail flows;

c the rate of 0.653 SDR per kg for M bags was retained and the introduction of a billing minimum of 5 kg was approved;

d application of a correction mechanism for calculating a new rate (if the composition of the mail deviates too much from the world average) was retained. The calculation formula is: number of ipks[1] x 0.14 SDR + 1 SDR per kg;

e the threshold for application of the correction mechanism was kept at 150 tonnes a year;

f non-application of the downward correction mechanism for flows above 150 tonnes to developing countries was approved;

g the list of developing countries drawn up by the International Bureau may be reviewed in the light of the arguments put forth by a few delegations;

h as regards bulk mail, WP 5/1 was instructed to define it more precisely and to study ways and means of enabling the administration of destination to choose between three possible types of remuneration:

- the rate of 3.427 SDR per kg;
- the rate calculated according to the formula: number of ipks x 0.14 SDR + 1 SDR;
- a percentage of the domestic rate;

i application of the reciprocity principle having called forth divergent views, WP 5/1 was instructed to re-examine this issue.

9 The results of the Round Table were studied by the Terminal Dues Working Party, which adopted its conclusions. However, due to lack of time, WP 5/1 was unable to consider in detail the remuneration proposal based on domestic rates mentioned as the third variant in paragraph 8, h, for bulk mail. It instructed the WP 5.1 – POSTEUROP/IPC Liaison Group to study this question and submit its conclusions direct to Committee 5.

10 The Liaison Group held three meetings to consider the remuneration option based on domestic rates and was able to draw up a proposal which was approved by Committee 5 and by the Executive Council.

IV. The proposed system of terminal dues

11 The system approved by the 1994 Executive Council, which is being submitted to the 21st Congress, rests on the following set of principles:

- entitlement to collect terminal dues is based on gross flows and no longer on traffic imbalance;
- provision is made for a single rate of 3.427 SDR per kg (0.653 SDR per kg for M bags, with a minimum billing for 5 kg);
- a revision (correction) mechanism for upward and downward application is planned for flows in excess of 150 tonnes per annum. The downward revision is not applicable to flows intended for the developing countries, in order to preserve their revenue;

[1] ipks = number of items per kg.

- when an administration invokes revision of the rate, reciprocity is guaranteed to the corresponding administration, even though the flow in the other direction is less than 150 tonnes. However, this provision does not apply to the developing countries;
- the system introduces a completely new concept – "bulk mail" – which comes into play at the request of the administration of destination;
- specific remuneration is planned for bulk mail, either on the basis of the world average rates of 0.14 SDR per item and 1 SDR per kg, or on the basis of rates per item and per kg reflecting handling costs in the country of destination. The latter rates must be in relation to the domestic rates and comply with the conditions specified in the Detailed Regulations of the Convention;
- when an administration of destination requests specific remuneration for bulk mail, the dispatching administration may ask for the rate to be revised for the rest of the flow. This provision does not apply downwards for flows intended for the developing countries;
- terminal dues system rates can be amended by the Executive Council between Congresses to take account of changes in the competitive environment.

12 The 1994 EC approved the draft basic proposals for the new system, including a resolution on continuing the study of terminal dues after the Seoul Congress, and the list of articles in the Convention and its Detailed Regulations which had already been amended or were to be amended (annex 1). It also approved certain recommendations concerning statistics (see annex 2) and terminal dues accounting (see annex 3).

13 The International Bureau was instructed to prepare proposals pursuant to the EC's decisions, bearing in mind the Executive Council guidelines. The drafts prepared were submitted for approval to the Chairmen of WP 5/1, Committee 5 and the EC for approval. The list of Executive Council proposals on terminal dues is given in annex 4. Annex 5 contains the International Bureau's comments on each of the articles and recommendations mentioned in annexes 1, 2 and 3.

14 When the above-mentioned proposals were being prepared, a few questions of a practical nature arose in connection with operational and accounting aspects, in particular as regards bulk mail. These questions were settled with the assistance of the Chairmen of WP 5.1, Committee 5 and the EC.

V. Conclusions

15 In the light of the foregoing, Congress is requested:

a to take note of the results of the studies carried out;

b to approve the proposals regarding the Convention submitted to it by the Executive Council.

Berne, 29 June 1994

For the Executive Council:

T E LEAVEY

Chairman

Congress – Doc 61/Annex 1

Terminal dues: articles in the Convention and Detailed Regulations – Drafting proposals

Article	Title	Changes requested
Convention		
9	Letter-post items	Add reference to bulk mail.
47	Terminal dues	Complete review of text and include revision.
48	Terminal dues for priority, non-priority and combined items	Delete this article.
50	Accounting for transit charges and terminal dues	a Amend paragraph 2.1.
50.2	Terminal dues	b Delete paragraph 2.3. Create a paragraph which refers to bulk mail.
Detailed Regulations		
4101	Mails	Add a new paragraph. Reference to bulk mail.
4105.2	Making up of bags	a Add a new paragraph. Reference to bulk mail (reference to bulk mail could be added to paragraph 2.3). b Include bulk mail in paragraph 2.5.
4106	Letter bills	Create a new paragraph adding a reference to bulk mail letter bill with a further reference to the article concerned.
	Transmission of bulk mail	Create a new article.
4113	Labelling of mails	a Include bulk mail in paragraph 1. b Add a new paragraph (between 6 and 7?) describing the bulk mail bag label.
4118	Transfer of mails	Add a section outlining bulk mail.

Article	Title	Changes requested
4121	Checking of mails	a Include bulk mail label in paragraph 2. b Add bulk mail to paragraph 2.2.
4122	Verification notes	Add reference to VN for bulk mail dispatches
Chapter 3		
Transit charges and terminal dues		
4701 to 4706		Delete these articles.
4707	Revision of rates of terminal dues for LC and AO items. Correction mechanism	Amend entire text.
4708	Special statistical count for the application of the correction mechanism	Amend entire text.
5001	Statement of weights of surface mails, including S.A.L. mails	a Include reference to bulk mail letter bill.
5002	Statement of weight of airmails	b Provide for statements to be compiled on the basis of mail received in a given month, not on the basis of mail sent.
5006	Preparation, transmission and approval of transit charges and surface-mail (including S.A.L. mail) and airmail terminal dues accounts	Include bulk mail.
5007	Provisional payments of transit charges and surface-mail (including S.A.L. mail) and airmail terminal dues	No change at this stage, subject to a Committee 5 proposal.
5008	Special address for the transmission of forms concerning transit charges and terminal dues	Add form C 15bis.
5301	Preparation and settlement of accounts	Add form C 15bis, bulk mail account for one-off postings.
5401	Information to be supplied by administrations	Include domestic tariff information to be supplied by those administrations opting to use a domestic tariff linked rate for bulk mail

Article	Title	Changes requested
5402	International Bureau publications	Include: a List of administrations wishing to use a domestic tariff linked rate for bulk mail, and their rates. b List of developing countries.

Congress – Doc 61/Annex 2

Recommendations concerning statistics

i When administrations request a revision in accordance with article 47.3.1, they have the choice between three sampling systems: one-month, quarterly or ongoing; however, administrations should be aware that moving from one-month to quarterly or ongoing sampling ensures better representativeness.

ii The administration which invokes the use of the revision mechanism must carry out the necessary sampling and provide the corresponding administration with the resulting data.

iii The corresponding administration has the right to undertake sampling to verify the sample results mentioned in ii above.

iv The administration intending to apply the revision mechanism must give the corresponding administration at least three months' notice thereof.

v In case of dispute concerning differences of more than 10 percent, the parties may request an opinion from the International Bureau.

vi Where an opinion is requested from the International Bureau, the type of sampling that has been carried out, whether one-month, quarterly or ongoing, will be duly taken into account.

vii The revision mechanism can be requested at any time of the year. Sampling must start at the beginning of a quarterly accounting period. The revised rate will be effective from this date and will remain in force until such time as a new request for revision is made by one of the administrations concerned.

viii A draft operational guide will be finalized after the Seoul Congress.

Congress – Doc 61/Annex 3

Recommendations concerning terminal dues accounting

A. Regarding the revision mechanism, it is recommended that:

- the C 17 form series continue to be used for recording weight and calculating the number of items per kg for the revision mechanism and that the forms concerned (annex 2 to CE 1994/C 5 – Doc 5b) be referred to WP 4/1 for consideration;
- the C 20bis and C 21bis forms would be used as reference for accounting and settlement.

B. Regarding bulk mail, it is recommended that:

- the C 15 form series (currently used for separate LC and AO proportions) be amended and used for the bulk mail option and that the suggested amendments to forms C 15, C 15bis and C 15ter given in annex 3 to CE 1994/C 5 – Doc 5b be referred to WP 4/1 for consideration;
- the detailed operational procedures as contained in paragraphs 14 to 18 of CE 1994/C 5 – Doc 5b be approved.

C. Regarding the other forms, it is recommended that:

- the draft amendments to form C 20bis given in annex 6 to the same document to accommodate bulk mail be brought to the attention of WP 4/1;
- WP 4/1 be asked to make the necessary amendments to forms C 12bis and C 12ter and to design a verification note for bulk mail.

D. Regarding provisional payments, it is recommended:

- that the settlement date for provisional accounts be moved forward to the end of the first half of the year to which payment relates.

E. Accounting manual

- to note that a draft accounting manual has been submitted to the International Bureau and that it will be finalized after the Seoul Congress.

Congress – Doc 61/Annex 4

List of Executive Council proposals concerning the new terminal dues system

Article	*Type of proposal*	*Number*
–	Proposal of a general nature – Resolution	039
Convention		
Article 9	Creation of paragraph 5bis	20. 9.6
Article 47	Amendment of article	20. 47.2
	Amendment of article	20. 47.3
Article 48	Deletion of article	20. 48.2
Article 50	Amendment of article	20. 50.1
Detailed Regulations		
Article RE 904	Creation of a paragraph	25. RE 904.4
Article RE 4101	Creation of article RE 4101.2	25. RE 4101.1
Article RE 4106	Amendment of article	25. RE 4106.3
Article RE 4111	Amendment of article RE 4111.1	25. RE 4111.2
Article RE 4112bis	Creation of article	25. RE 4112.91
Article RE 4113	Amendment of article	25. RE 4113.2
Article RE 4118	Amendment of article RE 4118.4	25. RE 4118.3
Article RE 4121	Amendment of article	25. RE 4121.2
Article RE 4401	Amendment of article RE 4401.1.3	25. RE 4401.2
Article RE 4602	Amendment of article RE 4602.3.1	25. RE 4602.2
Article RE 4701	Deletion of article	25. RE 4701.2
Article RE 4702	Deletion of article	25. RE 4702.1
Article RE 4703	Deletion of article	25. RE 4703.1
Article RE 4704	Deletion of article	25. RE 4704.1
Article RE 4705	Deletion of article	25. RE 4705.1
Article RE 4706	Deletion of article	25. RE 4706.1
Article RE 4707	Amendment of article	25. RE 4707.1
Article RE 4708	Amendment of article	25. RE 4708.1/Rev 1
Article RE 4708bis	Creation of article	25. RE 4708.91
Article RE 4708ter	Creation of article	25. RE 4708.92
Article RE 5003bis	Creation of article	25. RE 5003.91
Article RE 5006	Amendment of article	25. RE 5006.3

Article	*Type of proposal*	*Number*
Article RE 5007	Amendment of article	25. RE 5007.1
Article RE 5008	Amendment of article	25. RE 5008.2
Article RE 5009	Amendment of article RE 5009.4	25. RE 5009.2
Article RE 5202	Amendment of article RE 5202.2.1	25. RE 5202.2
Article RE 5204	Amendment of article RE 5204.1	25. RE 5204.3
Article RE 5301	Amendment of article RE 5301.2	25. RE 5301.3
Form C 12	Amendment of form	29. 12.1

Congress – Doc 61/Annex 5

International Bureau comments on the list of articles and recommendations concerning terminal dues accounting and statistics approved by the Executive Council

Further information and explanations about the articles of the Convention and its Detailed Regulations regarding the new system of terminal dues are given below.

I. Proposal of a general nature

Proposal 039

Draft approved by the 1994 EC. This resolution gives instructions about continuing the permanent study on terminal dues after the Seoul Congress. It takes over certain elements of Washington Congress resolution C 72/1989 and incorporates new ones, bearing in mind developments on the postal market over the past five years and practical experience with the terminal dues system established at Washington in 1989. Noteworthy elements include:

- protection of the international postal network and preservation of the financial and economic interests of both developing and developed countries;
- study of the possibility of establishing a link between costs and the shapes of items;
- monitoring the operation of statistical and accounting systems to avoid their abuse. Any necessary changes must be made quickly.

II. Universal Postal Convention

Article 9 Letter-post items

Proposal 20. 9.6

Draft approved by the 1994 EC. The new article 9.5bis contains a general definition of bulk mail, specified in the Detailed Regulations. This flexibility seems necessary in order to be able to adapt the definition of bulk mail if need be.

Article 47 Terminal dues

Proposal 20. 47.2

Draft approved by the 1994 EC. This is the basic proposal in respect of the new system. Article 47.1 establishes the principle of the right to collect terminal dues on all flows received and not on the difference between flows received and sent.

In article 47.2, the single rate of 3.427 SDR per kg is given. The wording has been amended by deleting references to the classification of items by their category (LC and AO). The new rate would apply to all items, with the exception of M bags and, possibly, of bulk items. References to the single rate of 2.940 SDR per kg and to separate rates for LC and AO are deleted in consequence with articles 47.2 to 47.2.3.

Article 47.3 is also amended to highlight the new principles of the revision mechanism (new name proposed for the correction mechanism), applicable upwards and downwards when the average number of items per kg deviates from the world average of 17.26 items.

Article 47.3.3 establishes the non-application of the correction mechanism downwards if the flows are destined for developing countries.

Article 47.3.4 establishes the principle of reciprocity of application of the correction mechanism. This principle is not applicable to developing countries (cf article 47.3.4.1).

The new article 47.4bis establishes the principles for application of the specific remuneration for bulk mail and the methods and details are given in the Detailed Regulations to make it possible to amend them between Congresses, if necessary. Article 47.4bis.2 states that the downward correction mechanism may be requested for the remainder of the flow subject to the remuneration specific to bulk mail. This provision is not applicable if the flow is destined for a developing country.

Lastly, the new article 47.4ter gives the Executive Council the option of amending terminal dues rates between Congresses. This provision is necessary to enable the UPU to use a terminal dues system which is always in step with the actual market situation.

Proposal 20. 47.3

Draft approved by the 1994 EC. This proposal establishes the retention of the present terminal dues rate for M bags (0.653 SDR per kg), but introduces the principle of a billing minimum of 5 kg per bag to avoid the abusive proliferation of M bags weighing less than 5 kg. These bags will therefore always be considered as weighing 5 kg for terminal dues accounting purposes.

Article 48 Terminal dues for priority items, non-priority items and combined items

Proposal 20. 48.2

This article becomes null and void because the proposed rate of 3.427 SDR per kg is applicable to the whole flow, regardless of the category of items.

Article 50 Accounting for transit charges and terminal dues

Proposal 20. 50.1

The conditions for accounting for transit charges and terminal dues are adapted as a consequence of the principles proposed for article 47 (proposals 20. 47.2 and 20. 47.3).

The new wording of the article in 50.1.1 and 50.2.1 reflects the practice followed hitherto of establishing the transit charges and terminal dues of mails *sent* during the year concerned. Mails sent in year X are taken into account for establishing transit charges and terminal dues for year X even if they are not actually received until year X + 1.

The billing minimum of 5 kg for M bags determines the amendments to articles 50.2.1 and 50.2.2 and the creation of article 50.2.1bis. The elimination of separate rates for LC and AO results in the deletion of article 50.2.3.

The new article 50.2.3bis establishes the legal basis of terminal dues accounting for bulk mail, under the conditions to be specified in the Detailed Regulations.

Article 50.2.4 is amended because the statistics for determining the proportions of LC and AO are done away with. If the revision mechanism is applied, the statistical system provided for

envisages several possibilities for determining the period of statistical operations (see proposal 25. RE 4708.1).

III. Detailed Regulations of the Convention

Article RE 904 Special provisions applicable to each category of items

Proposal 25. RE 904.4

Although this article does not appear on the list approved by the EC, its amendment is a consequence of introducing the concept of bulk mail in article 9 of the Convention (see proposal 20. 9.6). Article RE 904 contains the characteristics peculiar to each category of letter-post items mentioned in article 9 of the Convention. It was therefore considered desirable to include the provisions specific to bulk mail in article RE 904. This amendment is in line with the principles of the recast of the Acts of the Union.

Article RE 904.8.1 defines the quantities of items characterizing bulk mail. The figures therein are based on a study conducted by the Terminal Dues Working Party. Forty-four administrations took part in the sampling of 277 mail exchanges for two weeks in order to identify mail of one and the same customer sent and received in bulk, in the same dispatch. Eighty administrations were represented in the flows of mail sampled.

Article RE 904.8.2 specifies that, in the case of bulk mail, the sender of the items is considered to be the person or organization that actually posts them. It is common knowledge that operators go in for "integrating" items from different senders in order to post them in bulk. Thus, this article makes it possible to designate these operators as the sender of the bulk items.

The aim of article RE 904.8.3 is to provide a legal foundation for identifying a sender of bulk mail on the basis of the characteristics common to the items posted by him. It was felt that this provision should be sufficiently flexible to be applied at administrations' discretion.

Article RE 4101 Mails

Proposal 25. RE 4101.1

As a consequence of proposal 25. RE 4112.91, the new article RE 4101.2 introduces the definition of bulk mails.

Article RE 4101.2.1 specifies that the provisions applicable to the other types of mails also apply to bulk mails. The only distinction made between bulk mails and other mails is the special terminal dues remuneration. All exceptions are expressly provided for in the Detailed Regulations.

Article RE 4105.2 Making up of bags

Considering the new provisions of article RE 4101.2.1 (see proposal 25. RE 4101.1) and the fact that the administration of destination has the option of asking for special mails to be made up for bulk mail, it does not seem necessary to amend this article.

Article RE 4106 Letter bills

Proposal 25. RE 4106.3

This is a consequence of proposal 25. RE 4112.91 creating the C 15 letter bill specifically for bulk mails. All mails contain a C 12 or C 15 letter bill.

Article RE 4111 Transmission of express items

Proposal 25. RE 4111.2

This is a consequence of proposal 25. RE 4112.91 creating the C 15 letter bill specifically for bulk mails. The possibility of bulk items being express items as well is not excluded.

Article RE 4112bis Transmission of bulk items

Proposal 25. RE 4112.91

This new article establishes the rules for transmitting bulk items when the administration of destination asks for bulk mails to be made up.

The C 15 letter bill, which is similar to the C 12 letter bill, is specific to the bulk mails it accompanies.

Article RE 4113 Labelling of mails

Proposal 25. RE 4113.2

A special label is proposed for bags containing only bulk mail. To distinguish these labels from those in current use, it is proposed to use violet. The models will resemble the C 28, AV 8 and AV 8bis models, depending on the routeing method.

Article RE 4118 Transfer of mails

Proposal 25. RE 4118.3

The aim of this proposal is merely to make it explicit that the provisions of articles RE 4118.1 to 4118.3 also apply to bulk mails.

Article RE 4121 Checking of mails

Proposal 25. RE 4121.2

The additional provisions concerning the checking of mails containing bulk mail are included in this article.

Since bulk mail remuneration is based both on the number of items and on their weight, it is proposed that this mail be subject to the same precise weighing as is provided for airmails.

Details of the checking procedure for bulk mail are grouped in the new article RE 4121.5bis. They are based on current practice for the C12 letter bill.

Article RE 4122 Verification notes

It does not seem necessary to amend this article as the C 14 verification note can be adapted to take account of bulk mail irregularities.

Article RE 4401 Procedures for determining the liability of postal administrations

Proposal 25. RE 4401.2

This is a consequence of proposal 25. RE 4112.91 creating the C 15 letter bill specifically for bulk mails.

Article RE 4602 Transit bulletin for surface mails

Proposal 25. RE 4602.2

This is a consequence of proposal 25. RE 4112.91 creating the C 15 letter bill specifically for bulk mails.

Article RE 4701 Statistical period for calculating the proportions by weight of LC items and AO items

Proposal 25. RE 4701.2

With the abolition of separate terminal dues rates for LC and AO, the statistics for determining the proportions of these items are no longer necessary. Article RE 4701 therefore becomes null and void.

Article RE 4702 Bill of weights of LC and AO in mails of the statistical period

Proposal 25. RE 4702.1

With the abolition of separate terminal dues rates for LC and AO, the statistics for determining the proportions of these items are no longer necessary. Article RE 4702 therefore becomes null and void.

Article RE 4703 Labelling of mails during the statistical period

Proposal 25. RE 4703.1

With the abolition of separate terminal dues rates for LC and AO, the statistics for determining the proportions of these items are no longer necessary. Article RE 4703 therefore becomes null and void.

Article RE 4704 Checking of mails for the statistical period

Proposal 25. RE 4704.1

With the abolition of separate terminal dues rates for LC and AO, the statistics for determining the proportions of these items are no longer necessary. Article RE 4704 therefore becomes null and void.

Article RE 4705 Preparation of statistical statements for calculating the proportions of LC and AO

Proposal 25. RE 4705.1

With the abolition of separate terminal dues rates for LC and AO, the statistics for determining the proportions of these items are no longer necessary. Article RE 4705 therefore becomes null and void.

Article RE 4706 Revision of the proportions resulting from the annual statistics

Proposal 25. RE 4706.1

With the abolition of separate terminal dues rates for LC and AO, the statistics for determining the proportions of these items are no longer necessary. Article RE 4706 therefore becomes null and void.

Article RE 4707 Revision of the rates of terminal dues for LC and AO items. Correction mechanism

Proposal 25. RE 4707.1

The rules for applying the correction mechanism have been adapted to the new terminal dues system.

Article RE 4707.1 introduces downward application of the mechanism, at the request of the administration of origin of the flow.

Article RE 4707.1bis takes over the first sentence of article RE 4707.2, which is deleted.

Article RE 4707.1ter establishes the period of three months' notice which the administration requesting the statistics is obliged to give the corresponding administration. The request must be supported by recent statistical data to avoid indiscriminate requests, as stipulated in article RE 4707.1quater.

Article RE 4707.3 proposes that the statistical period commence at the beginning of a quarterly accounting period, with the new rate taking effect from that time. This coincidence with the accounting period is designed to facilitate terminal dues accounting. The rate resulting from application of the correction mechanism must remain in force for at least one year to spare administrations outlay on repeated statistical operations. The provisions of article RE 4707.3 are in line with recommendation vii concerning statistics approved by the 1994 EC (see annex 2).

The last sentence of the present article RE 4707.3 has been transferred, with the necessary adjustments, to article RE 4707.3ter.

Article RE 4707.3bis takes over part of the deleted article RE 4707.2, with the necessary adjustments.

Lastly, article RE 4707.4 concerning possible disagreement has been transferred without change to article RE 4708.6ter (see proposal 25. RE 4708.1/Rev 1).

Article RE 4708 Special statistical count for the application of the correction mechanism

Proposal 25. RE 4708.1/Rev 1

The amendments to this article take account of recommendations i to vi concerning statistics approved by the 1994 EC (annex 2).

Article RE 4708.1 establishes the principle of sampling for statistics in connection with the correction mechanism.

Article RE 4708.1.1 fixes the minimum number of observation days (24) during a twelve-month period for the results to be considered as valid.

Articles RE 4708.1.2 to RE 4708.1.2.3 set out the characteristics of the three possible systems for choosing the observation days.

In the system described in article RE 4708.1.2.1, all observation days are concentrated on the same month of the year. May and October were chosen, as the months most representative of normal traffic. In systems on a quarterly (article RE 4708.1.2.2) and annual (article RE 4708.1.2.3) basis, observation days are distributed over the whole year.

The Executive Council adopted the principle that responsibility for statistical operations relating to the correction mechanism lies with the administration requesting application of the latter. The corresponding administration is not obliged to participate in these operations but has the option of conducting control operations. This principle is set out in the new articles RE 4708.1bis and RE 4708.1ter. The amendment to article RE 4708.3 is the consequence of this principle.

As the statistics for determining the proportions of LC and AO have been abolished, article RE 4708.2 becomes null and void.

Drafting amendments are being made to article RE 4708.4. Form C 17ter is abolished. The new rate calculated is entered on the C 17bis statement. This approach follows the recommendation of the EC Statistics Subgroup which thought that the monthly and quarterly statements of the number of items per kg based on *mails* sampled could lead to confusion since they are not accompanied by an estimate or an extrapolation (deduced from the sampling) of the annual volume of traffic.

Articles RE 4708.5 and RE 4708.6 are amended as the result of the new periods possible for conducting statistical operations.

The new articles RE 4708.6bis to RE 4708.6ter establish rules for comparing results when control statistics have also been conducted. The recommendations of the Statistics Subgroup were also adopted, in particular the 10 percent variation margin. Article RE 4708.6ter takes over the wording of article RE 4707.4 which has been deleted (see proposal 25. RE 4707.1).

Article RE 4708bis Payment for bulk mail linked to domestic rates

Proposal 25. RE 4708.91

Draft approved by the 1994 EC. This new article contains the provisions relating to terminal dues payment for bulk mail based on the domestic rates of administrations of destination. In the interests of uniformity, the charge for a 20 g letter in the domestic service is used as the basis for calculating the terminal dues rates per item and per kg.

In order to meet the concerns expressed and protect the interests of both the developing and the industrialized countries, but also to avoid undermining the domestic traffic of some countries, it

is proposed that the rates can change. Thus, the rates fixed by the Seoul Congress for 1996 would be as follows:

- 60 percent of the charge for a 20 g letter in the domestic service of the administrations of destination;
- the world average rates (0.14 SDR per item, 1 SDR per kg) increased by 25 percent, ie 0.175 SDR per item and 1.25 SDR per kg.

For the years 1997 to 2000, the Executive Council would be authorized to change the rates set by Congress without, however, exceeding the following rates at the end of the period:

- 80 percent of the charge for a 20 g letter in the domestic service of the administrations of destination;
- double the world average rates (0.14 SDR per item, 1 SDR per kg), ie 0.28 SDR per item and 2 SDR per kg.

The rates applied by the administration of destination must not exceed the lowest of the above-mentioned rates for this period, nor be less favourable than the rate conditions offered to participants in the system which the administration has joined.

As stated in article RE 4708bis1.1, the per item and per kg rates calculated by the International Bureau will keep the existing proportion between the world average rates.

Article RE 4708bis.2 establishes the conditions for International Bureau circulation of the rates and the rules for their period of application.

Articles RE 4708bis.3 and RE 4708bis.4 enshrine the principles of equity and equality of access, the aim being to guarantee that all administrations are offered the most favourable conditions practised by a given administration of destination.

Article RE 4708ter Request for payment specific to bulk mail

Proposal 25. RE 4708.92

This new article contains the procedure to be followed for requesting payment specific to bulk mail. When an administration establishes that, over a 30-day period, it repeatedly receives bulk items from the same administration, it can request the specific payment provided for in article RE 4708bis.

The administration of origin of the mails is given three months to take the necessary action to make up bulk mails. From that date, the payment specific to bulk mail will be applied.

Article RE 4708ter.2 contains provisions for the application with immediate effect of the payment specific to bulk mail. This occurs when the quantities of bulk items received are ten times or more those characterizing bulk mail given in article RE 904.8 (see proposal 25. RE 904.4).

Article RE 5001 Statement of weights of surface mails, including S.A.L mails

In view of the creation of article RE 5003bis, with the provisions for bulk mail accounting (see proposal 25. RE 5003.91), it does not seem necessary to amend this article.

Article RE 5002 Statement of weights of airmails

In view of the creation of article RE 5003bis, with the provisions for bulk mail accounting (see proposal 25. RE 5003.91), it does not seem necessary to amend this article.

Article RE 5003bis Accounting for bulk mail

Proposal 25. RE 5003.91

This new article establishes the procedures for bulk mail accounting for the general case and the special case (immediate application of payment).

In both cases, the weight and number of items are recapitulated from the C 15 letter bills on C 12bis/AV 3bis forms (monthly statement) and the C 12ter/AV 5bis forms (quarterly statement), by analogy with the practice followed for mail in general.

In exceptional cases, the administration of destination prepares a C 15bis account with the amount of terminal dues for the mail(s) in question. The administration of origin must settle this account within six weeks.

The paid C 15bis accounts are recapitulated on the C 15ter form, and the final amount is deducted from the C 20bis detailed account.

A bulk mail accounting outline is given in attachment 1 to this annex.

Article RE 5006 Preparation, transmission and approval of transit charges and surface-mail (including S.A.L. mail) and airmail terminal dues accounts

Proposal 25. RE 5006.3

As the classification of mail by routeing method is no longer important for determining terminal dues, the title of this article as well as articles RE 5006.2.1 and RE 5006.2.2 are amended accordingly.

The text of article RE 5006.2.2 is also amended to reflect the 1994 EC decision to account for terminal dues on the basis of gross flows (ie without offsetting weights received and dispatched). The C 20bis form will be recast so as to contain only tables showing the amounts relating to mail dispatched and mail received and a final recapitulative table.

Article RE 5007 Provisional payments of transit charges and surface-mail (including S.A.L. mail) and airmail terminal dues

Proposal 25. RE 5007.1

This article is amended as a result of the 1994 EC decision to move forward the settlement date for provisional accounts by six months, in accordance with the recommendation in annex 3, D. At present, provisional payments are made after the end of the year to which they refer. This procedure does not seem to be in line with modern business practice. The aim of the proposed amendment is to establish a more equitable system without, however, changing present accounting procedures or present resource mobilization requirements. It has the following advantages:

- bringing forward payment for services rendered;
- encouraging faster settlement of accounts for previous years;
- mitigating cash-flow problems;
- establishing a fairer balance between the creditor administration and the debtor administration;
- possibility of obtaining a financial product from the amounts received, thus generating increased revenue for the administrations of the developing countries and so helping to improve their service.

The title of this article has been shortened, as the routeing method is no longer significant for establishing terminal dues.

Article RE 5008 Special address for the transmission of forms concerning transit charges and terminal dues

Proposal 25. RE 5008.2

Consequence of the creation of the new forms C 15bis (bill relating to bulk mail) and C 17bis (statement relating to the correction mechanism) and the abolition of the C 16 form (verification note for statistical information).

Article RE 5009 General liquidation account. Role of the International Bureau

Proposal 25. RE 5009.2

Consequence of the change in the period for provisional payments (see proposal 25. RE 5007.1). As the provisional payment is made at the end of July, the C 21 or C 21bis statements must be sent during the second quarter instead of the last quarter of the year.

Article RE 5202 Calculation of and accounting for air conveyance dues for airmail correspondence and priority items in transit à découvert

Proposal 25. RE 5202.2

Consequence of the deletion of article RE 4701 (see proposal 25. RE 4701.2). The statistical operations period that was mentioned in the deleted article is clarified in this article.

Article RE 5204 Preparation of AV 3 and AV 4 statements of weights

Proposal 25. RE 5204.3

Drafting consequence of the creation of the C 15 letter bill for bulk mails.

Article RE 5301 Preparation and settlement of accounts

Proposal 25. RE 5301.3

Drafting consequence of the creation of the C 15bis bill for bulk mail.

Article RE 5401 Information to be supplied by administrations

It is not necessary to amend this article, the purpose of which is to indicate the information used to establish the various compendia. Domestic rates are already mentioned in article RE 5401.1.3. However, it will be up to each administration intending to apply the domestic tariff-linked rate for the remuneration of bulk mail terminal dues to transmit the necessary data to the International Bureau (see article RE 4708bis.1 of proposal 25. RE 4708.91).

Article RE 5402 International Bureau publications

It is not necessary to amend this article. According to article RE 4708bis.2 (see proposal 25. RE 4708.91), a list of the administrations wishing to use rates linked to domestic tariffs for bulk mail, along with their respective rates, will be notified by International Bureau circular.

The list of developing countries is the subject of a Congress – Doc.

IV. Forms

C 9 *Inquiry concerning a registered item, insured letter or postal parcel*

Add boxes for indicating bulk mails and the C 15 letter bills in parts 2 and 3.

C 12 *Letter bill concerning exchange of mails*

Proposal 29. 12.1

Draft approved by the 1994 EC. The amendment involves adding a box for indicating the number of M bags under 5 kg. The existing boxes will be used to indicate the number and weight of M bags over 5 kg. This amendment results from the decision to bill the terminal dues for M bags under 5 kg as though they weigh 5 kg.

C 12bis *Monthly statement of weights of mails*

Add columns for indicating the weight and number of items concerning bulk mail. Replace the present title of the column for M bags with "Actual weight M bags" and add a column for indicating the weight of the M bags subject to terminal dues. The title of the form should be changed to "Monthly statement of mails".

C 12ter *Quarterly statement of weights of mails*

Same layout changes as those provided for the C 12bis. The title should be changed to "Quarterly statement of mails".

C 14 *Verification note concerning exchange of mails*

In part 1, add a check box with the indication "contained bulk items". In part 2, replace the title "Letter bill" of the check box with "C 12 letter bill" and add a check box for "C 15 letter bill". Still in part 2, add a column "Bulk mail" between the columns "LC/AO – Priority/Non-priority" and "M bags". Lastly, in part 3, between the tables "LC/AO – Priority/Non-priority bags" and "M bags", add a table "Bulk mail" comprising the columns "Number of bags", "Weight" and "Number of items".

C 15 *Statistical bill of weights of LC and AO*

Abolish the present form and create the form "Letter bill for exchange of bulk mails", the layout of which will be similar to that of the C 12 letter bill.

C 15bis *Statistical statement of mails received*

Abolish the present form and create the form "Account of terminal dues for mail in bulk", the layout of which will comprise the identification of the mail, details of the sender's identity, the number and weight of items and the amount of terminal dues owed.

C 15ter *Recapitulative statistical statement of mails received*

Abolish the present form and create the form "Recapitulative statement of terminal dues accounts for bulk mail", the layout of which will comprise a table for recapitulating the C 15bis accounts and the amounts paid to be deducted from the C 20bis detailed account.

C 16 *Verification note concerning statistical information*

Abolish this form.

C 17 *Bill of items (special statistics)*

Replace by a "Statement by mail of the number of items and weights of bags received", the layout of which comprises the identification of the mail and the weight and number of items in each bag. A variant is provided for breaking down the data by format of items.

C 17bis *Statement of items (special statistics)*

Replace by a "Recapitulative statement of items", the layout of which comprises tables for indicating monthly data, by route, and their recapitulation and the final calculation of the ipks (average number of items per kg) and of the resultant terminal dues rate.

C 17ter *Recapitulative statement of items (special statistics)*

Abolish this form.

C 18 *Delivery bill for surface mails*

Add a column for bulk mail.

C 18bis *Delivery bill for surface airlifted mails*

Same amendments as those planned for the C 18.

C 20 *Detailed account of transit charges*

Add "bulk mail" in the title of column 2.

C 20bis *Detailed account of terminal dues*

This form will have to be recast. On the front, it should contain the present tables for indicating mail received and dispatched, to which columns for bulk mail will have to be added. The "Terminal dues ..." table should be deleted. On the back, the present tables are to be replaced by tables for

indicating the terminal dues for mail received and mail dispatched. These tables will be used in all the situations provided for by the proposed terminal dues system (single rate, correction mechanism, bulk mail). A final table will allow recapitulation of the terminal dues and offsetting of the related amounts.

C 28 *Bag labels*

Create the violet label for bulk mail. On the red label, add "bulk mail" in the box indicating the bag contents.

C 28bis *Statistics label*

Abolish this form.

AV 3bis *Statement of weights (terminal dues): airmails*

Same layout changes as those planned for the C 12bis. The title of this form should be changed to "Statement of airmails (terminal dues)".

AV 5bis *Statement of weights of airmails received: airmail terminal dues*

Same layout changes as those planned for the C 12ter. The title of this form should be changed to "Statement of airmails received: airmail terminal dues".

AV 7 *Delivery bill for airmails*

Same changes as those planned for the C 18.

AV 7/C 18bis *Substitute delivery bill*

Same changes as those planned for the C 18.

AV 8 *Airmail bag labels*

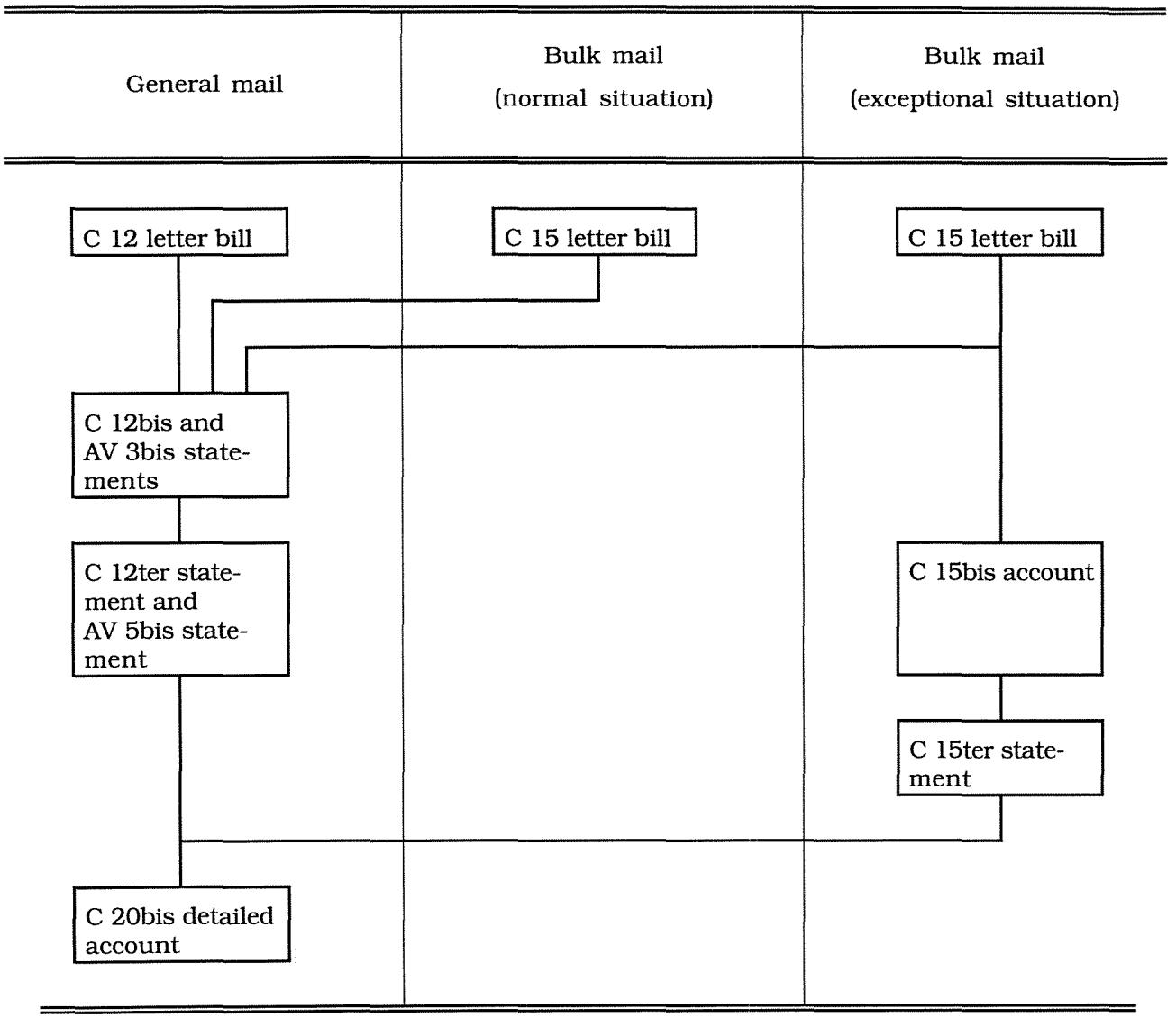
Same changes as those planned for the C 28.

AV 8bis *Bag labels for surface airlifted mails*

Same changes as those planned for the C 28.

Congress – Doc 61/Annex 5/Attachment 1

Outline of terminal dues accounting



Congress – Doc 61/Add 1

Terminal Dues. Supplementary documentation

Memorandum by the Secretary-General

The Executive Council proposals concerning terminal dues are submitted in Congress – Doc 61. This document is very succinct bearing in mind that full documentation on this matter has been sent to all postal administrations. Delegates are therefore requested to bring the following documents in order to supplement that already provided for Committee 4's proceedings:

a	Brochure "Terminal dues. Round Table. Berne, 27 and 28 January 1994". This brochure comprises the following annexes:	distributed under cover of circular letter No 3395(B)1938 of 21 December 1993
1	Historical background of terminal dues	
2	Results of the cost study. Report by New Zealand	
3	Financial impact of the system according to the provisional parameters submitted to the 1993 EC. Analysis of administrations' replies (CE 1993/GT 5/1(3) – Doc 2b. Excerpt)	
4	List of developing countries in 1993	
b	Brochure "Terminal dues. Results of the UPU Round Table on 27 and 28 January 1994 and of the 1994 Executive Council" comprising the following attachments:	distributed under cover of circular letter No 3395(B)1350 of 13 May 1994
1	Addendum 1 to the "Terminal Dues Round Table" brochure	
2	Addendum 2 to the "Terminal Dues Round Table" brochure	
3	Report of the Round Table presented to Committee 5 (CE 1994/C 5 – Doc 2b)	
4	Slides shown at the Round Table system presentation	
5	Results of WP 5/1's activities (CE 1994/C 5 – Doc 2a and CE 1994/C 5 – Doc 2a/Add 1)	
6	Results of the work done by the Liaison Group after the 8th meeting of WP 5/1 (CE 1994/C 5 – Doc 2c)	
7	Excerpts from the Committee 5 report to the 1994 EC on terminal dues (CE 1994 – Doc 9)	
8	Excerpt from 1994 EC PV 5 concerning terminal dues	

9 Additional information to help member countries evaluate the proposals made

10 Draft proposals approved by the February 1994 EC

Berne, 24 June 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 61/Add 2

Terminal dues. Draft forms

Memorandum by the Secretary-General

1 The terminal dues system submitted to the 21st Congress entails amendments to certain forms as indicated in annex 5 to Congress – Doc 61. Among the more important changes are those to amend the C 12 letter bill and the C 20bis detailed account of terminal dues, and to create a C 15 letter bill for dispatches of bulk mail.

2 In consultation with Sweden, the reporting country for the Executive Council study on rationalizing forms, the International Bureau prepared drafts for new forms C 12, C 15 and C 20bis, which are given in annexes 1, 2 and 3 respectively. The drafts comply with the criteria approved by the EC for the new presentation of forms, but take account only of changes relating to the new terminal dues system and not of those resulting from other proposals.

3 These drafts are submitted to delegates for their information.

Berne, 5 July 1994

A C BOTTO DE BARROS
Secretary-General

Congress – Doc 61/Add 2/Annex 1

Dispatching administration

LETTER BILL **C 12**

Echange of mails

Dispatching office of exchange

Date of dispatch

Mail No

☐ Priority ☐ Non-priority

☐ By airmail ☐ By S.A.L. ☐ By surface

Office of exhange of destination	Name of ship/Flight No/Train No
	Transit administration(s)

1 Number of bags	LC/AO/Priority/Non-priority			M bags	
	Red labels	White and blue labels	Sacks of empty bags (SV)	Over 5 kg	Under 5 kg
	Number	Number	Number	Number	Number
	Total number of bags in the mail				

2 Transit charges and terminal dues	LC/AO/Priority/Non-priority		M bags	
	Mail subject to transit charges and/or terminal dues	Mail not subject to transit charges and/or terminal dues	Over 5 kg	Under 5 kg
	Weight kg | g	Weight kg | g	Weight kg | g	Weight kg | g
	Total weight of the mail		kg	g

3 Summary of items entered in the mail	Number of bags containing	Number of packets containing	Number of	Total number of items included in the mail
	Registered items [1]	Registered items [1]	C 13 [1]	Registered [1]
	Insured items [1]	Insured items [1]	VD 3 [1]	Insured [1]

4 Official notes	Presence of unregistered items		Presence of registered items	
	☐ express	☐ airmail	☐ express	☐ airmail
	☐ C 27 note enclosed in mail		Number of AV 2 bills	
	Other information (eg, number of IBRS items)			
	Dispatching administration bags			Number
	Empty bags returned belonging to the administration of destination			Number

5 Closed mails included in the mail	No of the mail	Office of origin	Office of destination	Number of bags or packets

6 Registered items[1]	Bulk entry In words	In figures
	Individual entry Specify contents on the back of the form	

Dispatching office of exchange
Signature

Office of exchange of destination
Signature

Data to be transferred to the C 12bis statement

[1] Add the indication "Nil" in the event of the absence of registered or insured items

List of registered items **C 12 (Back)**

No serial	of the item	Office of origin	Observations	No serial	of the item	Office of origin	Observations
1				31			
2				32			
3				33			
4				34			
5				35			
6				36			
7				37			
8				38			
9				39			
10				40			
11				41			
12				42			
13				43			
14				44			
15				45			
16				46			
17				47			
18				48			
19				49			
20				50			
21				51			
22				52			
23				53			
24				54			
25				55			
26				56			
27				57			
28				58			
29				59			
30				60			

Congress – Doc 61/Add 2/Annex 2

Dispatching administration

Dispatching office of exchange

LETTER BILL
Bulk mail
Date of dispatch

C 15
Mail No

☐ Priority ☐ Non-priority

☐ By airmail ☐ By S.A.L. ☐ By surface

Office of exchange of destination	Name of ship/Flight No/Train No
	Transit administration(s)

1 Number and weight of bags and items	Bags					Items
	Red labels	Violet labels	Total for the mail			
	Nuber	Number	Number	Weight kg	g	Number

2 Summary of items entered in the mail	Number of bags containing	Number of packets containing	Number of	Total number of items included in the mail
	Registered items [1]	Registered items [1]	C 13 [1]	Registered [1]
	Insured items [1]	Insured items [1]	VD 3 [1]	Insured [1]

3 Official notes	Presence of unregistered items ☐ express ☐ airmail	Presence of registered items ☐ express ☐ airmail
	☐ C 27 note enclosed in mail	Number of AV 2 bills
	Other information (eg, number of IBRS items)	
	Dispatching administration bags	Number
	Empty bags returned belonging to the administration of destination	Number

4 Closed bulk mails included in the mail	No of the mail	Office of origin	Office of destination	Number of bags or packets

5 Registered items[1]	Bulk entry In letters	In figures
	Individual entry Specify contents on the back of the form	

[1] Add the indication "Nil" in the event of the absence of registered or insured items

Data to be transferred to the C 12bis statement

Dispatching office of exchange
Signature

Office of exchange of destination
Signature

List of registered items **C 15 (Back)**

No serial	of the item	Office of origin	Observations	No serial	of the item	Office of origin	Observations
1				31			
2				32			
3				33			
4				34			
5				35			
6				36			
7				37			
8				38			
9				39			
10				40			
11				41			
12				42			
13				43			
14				44			
15				45			
16				46			
17				47			
18				48			
19				49			
20				50			
21				51			
22				52			
23				53			
24				54			
25				55			
26				56			
27				57			
28				58			
29				59			
30				60			

Congress – Doc 61/Add 2/Annex 3

Creditor administration

DETAILED ACCOUNT **C 20bis**

Terminal dues

Date Year of account

Debtor administration

1 MAIL RECEIVED (data from C 12ter/AV 5bis forms – Give weights in kg only)

LC/AO bags				Bulk mail bags			M bags			
Quarter	Surface/S.A.L. – Non-priority	By air – Priority	Total	Quarter	Weight	Number of items	Quarter	Surface/S.A.L. – Non-priority	By air – Priority	Total
	kg	kg	kg		kg			kg	kg	kg
1st				1st			1st			
2nd				2nd			2nd			
3rd				3rd			3rd			
4th				4th			4th			
Total				Total			Total			

2 MAIL DISPATCHED (data from C 12ter/AV 5bis forms – Give weights in kg only)

LC/AO bags				Bulk mail bags			M bags			
Quarter	Surface/S.A.L. – Non-priority	By air – Priority	Total	Quarter	Weight	Number of items	Quarter	Surface/S.A.L. – Non-priority	By air – Priority	Total
	kg	kg	kg		kg			kg	kg	kg
1st				1st			1st			
2nd				2nd			2nd			
3rd				3rd			3rd			
4th				4th			4th			
Total				Total			Total			

(Continues overleaf)

C 20bis (Back)

3 MAIL RECEIVED

Category	Mail subject to average world rate	Mail subject to correction mechanism	Bulk mail		M bags	
	Weight (kg)	Weight (kg)	Number of items	Weight (kg)	Weight (kg)	
Rate (SDR)	3.427				0.653	Total
Amount (SDR)	A	B	C	D	E	F=A+B+C+D+E

4 MAIL DISPATCHED

Category	Mail subject to average world rate	Mail subject to correction mechanism	Bulk mail		M bags	
	Weight (kg)	Weight (kg)	Number of items	Weight (kg)	Weight (kg)	
Rate (SDR)	3.427				0.653	Total
Amount (SDR)	G	H	I	J	K	L=G+H+I+J+K

5 RECAPITULATION

	Total amount (SDR)	C 15bis accounts settled[1] (SDR)	Difference (SDR)
Terminal dues – mail received	F	M	N=F-M
Terminal dues – mail dispatched	L	O	P=L-O
		Receivable	Q=N-P

[1] To be taken from forms C 15ter

Creditor administration
Signature

Seen and accepted by the debtor administration
Place, date and signature

Congress – Doc 62

New principles for airmail and parcel-post accounting

Executive Council report

Contents

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I. Introduction

1 In resolutions C 68/1989 and C 70/1989 and decisions C 52/1989 and C 87/1989, the Washington Congress instructed the Executive Council to study several aspects of international accounting. As the CCPS had also been instructed, in resolution C 19/1989, to conduct a study entitled "International accounting – Modernization of billing systems and settlement of accounts" (study 751), the Executive Council decided to allow the CCPS to begin its study before making a start on its own work.

2 The reporting country for CCPS study 751 (Netherlands), prepared a questionnaire containing general proposals covering the billing and offsetting procedures to be followed in the fields of air conveyance dues and postal parcels. The inquiry, conducted by means of collective letter No 4455–751(D)1180 of 25 February 1993 among 65 CCPS, EC and CCPS WP 751 members, brought in 42 replies.

3 The reporting country for CCPS study 751 informed the 1993 EC of the results obtained.

4 Before beginning its own study on the above-mentioned resolutions and decisions, the EC instructed the International Bureau to extend the consultation undertaken by the CCPS to all Union member administrations and to report to the 1994 EC.

5 Following collective letter No 3430(B)1516 of 26 July 1993, the total number of administrations which took part in the consultation stood at 117.

6 In view of the keen interest that both the EC and the CCPS have in this study, this document was prepared in close cooperation with the reporting country for CCPS study 751.

II. Principles underlying the consultations

7 The purpose of the study was to bring greater uniformity and clarity to the rules governing air conveyance dues and parcel-post accounting by simplifying accounting operations and financial transactions and making use of an improved offsetting system. A more commercial attitude closer to that found in a customer/supplier relationship should develop as a result. Consequently, the main underlying ideas of the questionnaire were as follows:

- to no longer view, in a given relation, the imbalance of air conveyance dues or parcel-post accounts but to regard each of these accounts as a bill to be settled and to allow creditor administrations the freedom to choose the billing frequency as they saw fit;
- to reverse the policy of having the administrations of the countries under which the carriers operate bill for these services; the airlines should have the right to manage with complete freedom the accounts established with creditor administrations;
- to extend, on an optional basis, the UPU's present offsetting system, which would contribute a great deal to improving and modernizing the settlement of accounts.

III. Results of the inquiries

8 The digest of the 117 replies to the questionnaire is given in annex 1.

A. General proposals regarding air conveyance dues and parcel-post accounting (Questions 1 and 2)

9 The general proposal in this regard was to set down the rule that in a bilateral relation, airmail or parcel-post accounts should no longer be offset but that each of these AV 5 or CP 16 accounts should be regarded as a bill to be settled and that creditor administrations should be free to choose the billing frequency as they saw fit.

10 This suggestion was made in view of the observation that bilateral offsetting of accounts in its present form takes a lot of time and work. The periods for settling AV 5 and CP 16 accounts provided for in articles RE 5206 of the Detailed Regulations of the Convention and RE 3604 and RE 3605 of the Detailed Regulations of the Postal Parcels Agreement can be as much as 11.5 months and 9 months respectively, as is shown in annexes 2 and 3. Bilateral offsetting is useful and justifiable only if there is some sort of equilibrium in the amounts owed between two administrations. But it appears that in many relations there is a significant imbalance between the amounts that administrations owe to one another.

11 It was therefore suggested in the questionnaire that a creditor administration – that is to say both administrations in a given relation as they are both receiving incoming parcels – would transmit its parcel-post CP 16 summarized account to the dispatching administration as a bill. A similar suggestion was envisaged for AV 5 detailed accounts concerning the air conveyance of airmail.

12 Such a bill could be sent either on a monthly, quarterly, half-yearly or annual basis, as preferred by the creditor administration, taking into account its capacity to establish such a bill, the size of the amounts due in a bilateral relation and bank charges. The billing frequency could be changed only after notification of the debtor administration at the appropriate time.

13 Administrations that are large creditors would then be able to claim payment a lot earlier than at present where they must wait for mutual acceptance of CP 16 or AV 5 forms and subsequent bilateral offsetting via the CP 18 or AV 11 forms which are prepared only on a quarterly or half-yearly basis.

14 If this direct billing system were adopted, it would also be possible to offer the option of grouping the bills and offsetting them through a clearing house. This facility would have the advantage of simplifying the settlement of accounts and would, in particular, reduce bank charges. To this end, the UPU General liquidation account would be very appropriate, if adapted to this new situation.

Parcel post

15 An analysis of the replies showed that the basic question (Q 1) on whether administrations would be prepared to accept a direct billing system received clear majority approval. Several administrations requested more specifically that billing be quarterly. Only 14 out of 117 administrations rejected the basic proposal, which was approved by the others (89 percent).

16 Similarly, on the next fundamental question (Q 2) suggesting that direct billing should be the rule and that the billing of only the imbalance in the CP 18 or AV 11 general accounts should be the exception, 70 out of 103 administrations rejected the idea of offsetting the imbalance on a bilateral basis.

17 And when administrations were asked in question 6.1 whether they would agree with the suggestion of voluntarily making greater use of the UPU General liquidation account for multilateral offsetting, they appeared to be evenly split (49 percent for, 50 percent against).

18 On the basis of these findings, it was suggested that direct billing with adapted CP 16 forms should be introduced as an option, replacing the existing provisional payment option currently mentioned in article RE 3605.3 of the Detailed Regulations of the Postal Parcels Agreement.

19 In reply to question 1.2, the majority of administrations (71 percent) came out in favour of a six-month deadline for accepting accounts.

Airmail

20 Similarly, the parallel provisions of the Detailed Regulations of the Convention would have to be amended.

21 The direct billing system would thus be more beneficial than the current settling system in that it would enable accounting offices to spread their checking of statements over the year and that "end-of-year" peak periods for checking CP 18 and AV 11 general accounts would be flattened out.

B. Multilateral offsetting (Questions 6 to 6.6)

22 The mitigated response to question 6.1 (cf paragraph 17 above) shows that administrations are not willing to make greater use of the UPU General liquidation account for multilateral offsetting. However, the comment can be made that the only way to reduce the costs of a direct billing system is through multilateral offsetting at short, regular intervals and the introduction, where possible, of a standardized exchange of computerized accounting information.

23 It therefore appeared that most administrations were not familiar with the UPU General liquidation account and, if they were, they were in general not satisfied with it as it was. In particular they considered it too slow and too cumbersome. Moreover, administrations may be reluctant to participate in the current system, where the balancing of all accounts is done by a "third party" computer.

24 On the other hand, in the replies received, the reporting country found that 49 countries out of 112 (44 percent) generally agreed on having a strengthened General liquidation system, provided that administrations are completely free to participate or not.

C. Checking and acceptance of accounts (Questions 3 to 4.2)

25 As regards the three connected suggestions (Q 4 to 4.2) to align the checking and acceptance procedures for parcel-post accounts with the less cumbersome procedure for airmail accounts, only 15 replies were negative. A hundred or so administrations are therefore in favour of:

a no longer having the debtor administration return the CP 15 and CP 15bis statements;

b attaching the corrected statements and bills to the CP 16 if there are differences to be settled;

c abolishing the CP 17 statement of differences and the AV 11 and CP 18 accounts.

26 However, as regards the suggestion for shortening the period for checking and accepting CP 16 and AV 5 accounts from three to two months (Q 3), only 64 out of 117 administrations (55 percent) were found to be in favour.

D. Settlement and bilateral offsetting of accounts (Questions 5.1 and 5.2)

27 Questions 5.1 and 5.2 dealt with the introduction of a settlement threshold within the framework of the proposed system of direct billing if no use were to be made of multilateral

offsetting (Question 6.6). It was found that 83 out of 112 administrations (74 percent) were in favour. The threshold level suggested (163.35 SDR) met with equally widespread approval (78 percent).

E. Proposal regarding air conveyance dues accounting (Question 7)

28 The vast majority (91 percent) of the 117 administrations were in favour of the suggestion that "the administration which hands over airmails to an air carrier may settle with that carrier for the conveyance dues for all or part of the distance flown." Moreover, it should be noted that the IATA–UPU Contact Committee "Rates" Working Party had studied the problem of delayed settlement of accounts and had prepared a draft proposal aimed at amending article RE 5208 of the Detailed Regulations of the Convention along these lines. This proposal was adopted by the 1994 EC and has the number 25. RE 5208.1.

F. Other questions (Questions 8, 9 and 10)

29 The last three suggestions (Q 8 to 10) in the questionnaire were of a more general nature in that they did not have a direct bearing on the accounting procedure. All three of the following suggestions met with widespread approval.

30 It is recommended (suggestion in question 8) that the detailed account for parcels free of charges and fees (CP 19) should be prepared only if and when the occasion arises instead of on a monthly basis as prescribed now. Furthermore, taking into account that this is a CP form, the reporting country also suggests, as a standard rule, carrying over the total amount due solely to the CP 16 summarized account, to the exclusion of the money orders account and the COD accounts. This procedure is already in use for the CP 22 detailed account on indemnities.

31 There was almost unanimous approval of the suggestion in question 9 that the International Bureau be instructed to review the wording of the UPU Detailed Regulations on the procedures for preparing and settling accounts. A very large majority also supported the idea of an operational compendium dealing solely with accounting and settlement of accounts.

32 Finally, there was very strong support for the suggestion (Q 10) on issuing a recommendation that postal administrations should ensure, wherever possible, that employees use typewriters when they record figures on international account forms. This is because it often happens that accounts cannot be properly checked or that calculating errors pass unnoticed due to illegible figures.

IV. Decisions of the 1994 EC

A. Results of expanded CCPS study 751

33 At the 1994 CCPS, two delegations, while expressing their support for the basic principles of CCPS study 751, voiced their strong opposition to abandoning bilateral offsetting, citing the following reasons:

- the need to recruit additional staff in the event of direct monthly billing;
- the difficulty for some administrations to obtain hard currency for settling their bills, a problem currently mitigated by the bilateral offsetting system based on the CP 18 general account.

34 The 1994 EC consequently amended the relevant proposals so as to allow only creditor administrations to adopt the direct billing system and to retain the possibility of bilateral offsetting using the AV 11 and CP 18 accounts. Whilst fully accepting the soundness of the principles stemming from study 751, it opposed applying them to terminal dues accounting.

35 Two systems are thus proposed for settling air conveyance dues and parcel-post accounts:

- direct billing on the basis of the AV 5 and VP 16 accounts;
- bilateral offsetting (the present system with shorter acceptance – and, for CP 18's payment periods).

36 Annexes 2 to 5 summarize the periods provided for under the present and proposed systems. In drawing them up, it was assumed that:

- the AV 5s and CP 16s are prepared monthly;
- the normal acceptance periods for AV 5, CP 16 and CP 18 accounts specified in articles RE 5206 (Convention) and RE 3604 (Agreement) are applied;
- the period for preparing the AV 11 or CP 18 accounts and for their transmission to the debtor administration is one month.

37 The articles of the Detailed Regulations of the Convention and of the Postal Parcels Agreement concerned by the study are listed below, with the number of the relevant proposal:

Convention (Det Regs)	*Proposal*
RE 4405	25. RE 4405.1/Rev 2
RE 5205	25. RE 5205.1/Rev 2
RE 5206	25. RE 5206.1/Rev 2
RE 5301	25. RE 5301.1/Rev 2
Agreement (Det Regs)	
RE 1503	35. RE 1503.1/Rev 2
RE 3604	35. RE 3604.1/Rev 2
RE 3605	35. RE 3605.1/Rev 2

38 The 1994 EC also approved a draft resolution providing for study of the operation of the new system within three years of the entry into force of the Seoul Acts.

39 Bearing in mind the relative lack of support for multilateral offsetting established in the survey, the EC also approved a draft resolution instructing the International Bureau to launch a promotion and consciousness-raising campaign to familiarize administrations with the advantages of the general liquidation account and to encourage its use.

40 The draft resolution and recommendation approved by the EC became proposals with the following numbers: 20. 0.8/Rev 1, 20. 0.9/Rev 1, 20. 0.18 and 25. RE 0.4.

B. Resolutions C 68 and C 70 and decisions C 52 and C 87/1989

Resolutions C 68/1989 and C 70/1989

41 Resolutions C 68 and C 70/1989 instructed the Executive Council to undertake a study on the current provisions relating to the preparation and settlement of accounts, in particular:

- the possibility of implementing a system of consolidation of accounts;
- the frequency of rendering accounts;
- the continuing role of the International Bureau in the settlement of accounts.

Similarly, it was also instructed to study methods of operating expanded offsetting arrangements and to adapt international regulations accordingly.

42 The 1994 EC concluded that the scope and results of CCPS study 751, expanded by the EC to include all administrations, met the requirements of resolutions C 68/1989 and C 70/1989.

Decision C 52/1989

43 With a view to modernizing the current parcel-post accounting provisions, decision C 52/1989 instructed the Executive Council to include, in the framework of the study on the "preparation and settlement of accounts", the relevant questions concerning postal parcels and to take account in particular of proposals 5550.1, 5550.2/Rev 1, 5550.3, 5550.4, 5550.5, 5550.6, 5552.1, 5552.2 and 5552.3 submitted to the Washington Congress.

44 Proposal 5550.4 by New Zealand was aimed specifically at specifying that the CP 15 and CP 15bis statements should be prepared at the end of each month or quarter, as applicable. As this suggestion appeared to be very useful, it was incorporated into the proposal to amend article RE 3604.1 of the Detailed Regulations of the Agreement.

45 The other proposals under decision C 52 dealt with the procedures for preparing and settling parcel-post accounts, and specifically with settlement on the basis of the CP 16 account.

46 The 1994 EC concluded that the scope and results of CCPS study 751, expanded by the EC to include all administrations, met the requirements of decision C 52/1989.

Decision C 87/1989

47 Decision C 87/1989 instructed the EC, within the framework of its studies on the preparation and settlement of accounts and the expansion of the International Bureau offsetting arrangements, to take account of 17 proposals submitted to the 1989 Washington Congress.

48 Some of these proposals were aimed at recasting certain letter- and parcel-post forms while others sought to amend accounting regulations on either a bilateral or multilateral basis.

49 As regards recasting the forms concerned, the work of EC Committee 4 (Letter Post – Regulatory Aspects), and in particular that of its Working Party WP 4/1 "Rationalizing UPU forms", was based on detailed consultations of all member countries. It resulted in an important series of proposals (see Congress – Doc 59). Consequently, it can be concluded that account was taken of the concerns of administrations who had proposed the amendment of these forms to the Washington Congress.

50 The following remarks are called for about the proposals concerning offsetting.

51 CCPS study 751 "International accounting – Modernization of billing systems and settlement of accounts", which was expanded by the 1993 EC so as to consult all Union member countries, studied the case of AV 5 air conveyance dues accounts and that of CP 16 parcel-post accounts. The proposals resulting from this study are the subject of paragraph 37 of this document.

52 The other letter-post accounts (C 20, C 20bis, C 21, C 21bis, C 26 and AV 5) which were not studied within the framework of study 751 mostly concern transit charges and terminal dues, matters which were examined by Committee 5 (Letter Post – Pricing and Remuneration) (see Congress – Docs 57 and 61). Moreover, all the above-mentioned forms were studied as part of Committee 4's work and are the subject of proposals.

V. Conclusions

53 On the basis of the conviction that Union administrations owe it to themselves to have a modern, more business-oriented accounting system, CCPS study 751 revealed a positive attitude, not only to direct billing but also to the various other measures suggested with the aim of facilitating inter-administration payments. The consequence of these measures, which is also provided for in the study, would be a promotion and consciousness-raising campaign about the UPU General liquidation account.

54 The proposals generated by study 751 (see chapter IV) aim at introducing these measures while nevertheless retaining the administration's right to make payments on the bilateral offsetting basis currently in use. This will enable administrations which were unable to adopt the new measures to continue applying the present system while giving other administrations the flexibility needed to introduce the new system.

Berne, 8 July 1994

For the Executive Council:

T E LEAVEY

Chairman

Congress – Doc 62/Annex 1

Preparation and settlement of accounts. Expansion of International Bureau offsetting arrangements

Summary of administrations' replies to the questionnaire distributed by circular letters No 4455–751(D)1180 of 25 February 1993 and No 3430(B)1516 of 26 July 1993[1]

Results of the inquiries

Question No	Question	Number of administrations having replied	Breakdown of respondents by percentage		
			Yes	No	No opinion
A.	**General proposals regarding airmail and parcel-post accounting**				
1	Settling airmail and parcel-post accounts (AV 5 and CP 16 respectively) on the basis of monthly, quarterly, half-yearly or annual billing, as preferred by the creditor administrations.				
	Do you agree with this principle?	*117*	**89**	11	–
	(If not, please state the reasons why.)				
	Go to section B of the questionnaire.				
1.1	The frequency of account statements can be changed only after the debtor administration has been officially notified in good time.				
	Do you agree with this principle?	*103*	**80**	10	10
1.2	Debtor administrations may refuse to check and accept accounts not sent to it within six months from the end of the period to which they refer.				
	Do you agree with this principle?	*103*	**71**	29	–

[1] Details of the comments relating to the replies of each administration appear in the second part of the technical document prepared (in French only) by the International Bureau. Because of its volume, this document has not been distributed but will be supplied immediately to any administration requesting it.

Question No	Question	Number of administrations having replied	Breakdown of respondents by percentage		
			Yes	No	No opinion
2	Unless decided otherwise by agreement, there will be no bilateral offsetting of amounts due by means of the AV 11 and CP 18 general accounts.				
	Do you agree with this principle?	*103*	**69**	3	1
B.	**Proposals regarding the checking and acceptance of accounts**				
3	Shortening from three to two months the normal period for checking and accepting AV 5 and CP 16 accounts.				
	Do you agree with this principle? (See also section C, question 6.5.)	*117*	**55**	44	1
4	When it accepts a CP 16 account, the debtor administration need not return the CP 15 and CP 15bis statements used to prepare the CP 16 (procedure similar to that for airmail accounts).				
	Do you agree with this principle?	*117*	**87**	13	–
4.1	If differences exist, the corrected statements and the parcel-post bills used to prepare them shall be attached to the CP 16 returned to the creditor administration (procedure similar to that for airmail accounts).				
	Do you agree with this principle?	*117*	**98**	1	1
4.2	The CP 17 (statement of differences) has been abolished. Corrections shall be made directly on the CP 16 account (procedure similar to that for airmail accounts).				
	Do you agree with this principle?	*117*	**91**	5	4
C.	**Proposals regarding the settlement and offsetting of accounts**				
	(If you did not agree with proposal 1 in section A, you do not have to answer the questions in section C.)				

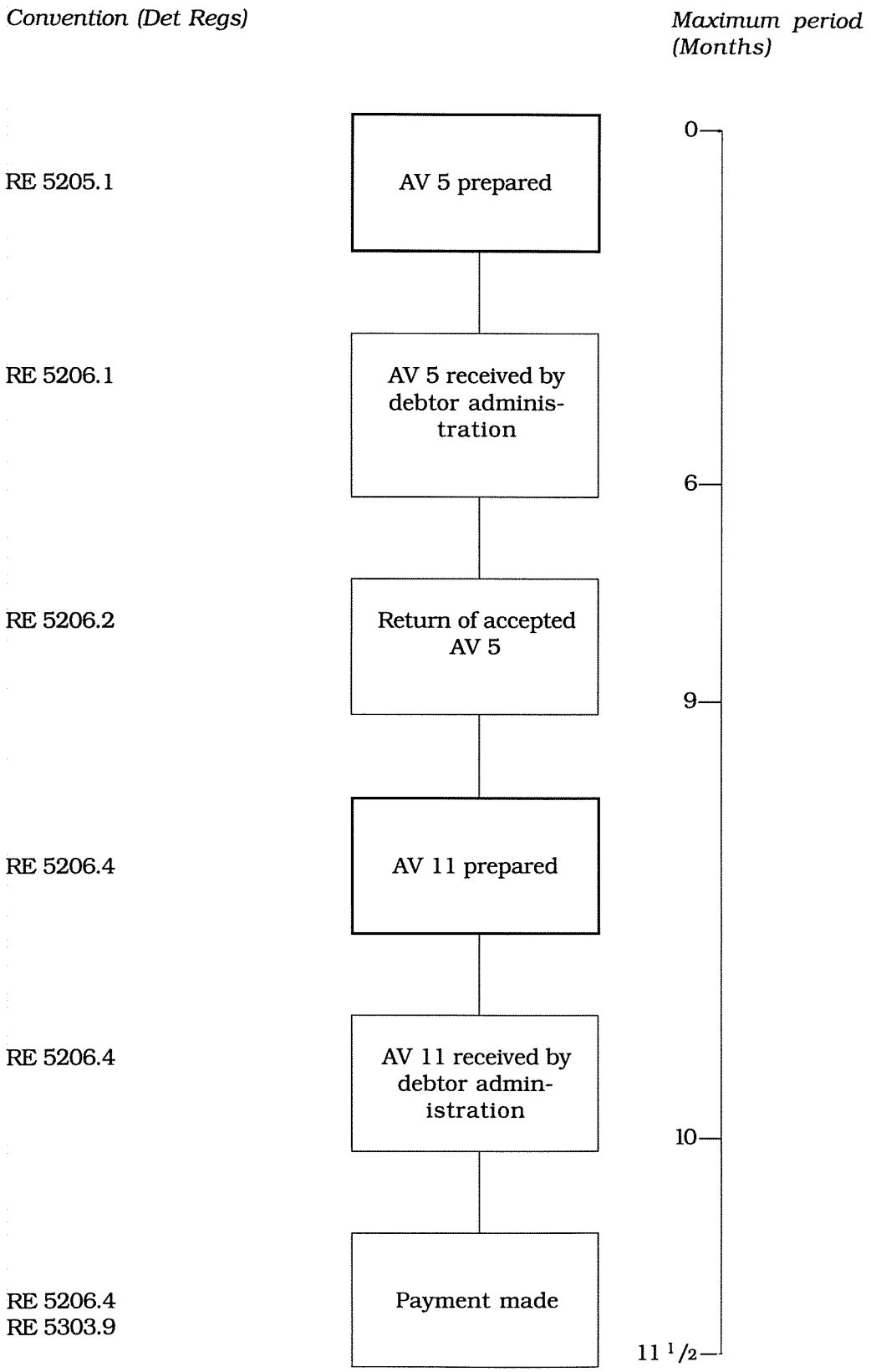
Question No	Question	Number of administrations having replied	Breakdown of respondents by percentage		
			Yes	No	No opinion
5	Settlement				
5.1	The payment of bills (see question A 1) will not be required if the amount due does not exceed 163.35 SDR (cf article 77, paragraph 2 of the Universal Postal Convention (Washington 1989) and article 218, paragraph 3 of its Detailed Regulations). In this case, the amount will be carried over to the next bill; no threshold will be set for the annual exemption (see also 6.6).				
	Do you generally agree with this suggestion? If not, please go to question 6.1.	*112*	**74**	17	9
5.2	Bearing in mind the bank charges associated with international payments, do you consider the above threshold for requiring payment high enough?	*93*	**78**	14	8
	If not, what amount would you like to see applied? _____SDR				
6	Offsetting				
6.1	The suggestion has been made that greater use be made of the UPU's General liquidation account on the basis of reciprocal agreements. In addition to terminal dues, AV 5 and CP 16 accounts for airmail and postal parcels (and perhaps even other accounts) could be settled by means of offsetting operations in the General liquidation account.				
	Note. – This option is possible only if a general liquidation account is prepared at least every quarter.				
	Do you generally agree with this suggestion?	*112*	**44**	45	11
	If not, please go to section D.				
6.2	Would you agree to have, under a strengthened offsetting system and on the basis of reciprocal agreements, AV 5 detailed accounts included in the UPU's General liquidation account?	*67*	**70**	19	11
	(If not, please state the reasons why.)				

Question No	Question	Number of administrations having replied	Breakdown of respondents by percentage		
			Yes	No	No opinion
6.3	If you answered yes, would you agree to have AV 5 detailed accounts prepared by air carriers also included in the UPU's General liquidation account if allowed by the debtor administrations submitting to it? (If not, please state the reasons why.)	*54*	**74**	17	9
6.4	Would you agree to have, under a strengthened offsetting system and on the basis of reciprocal agreements, CP 16 detailed accounts included in the UPU's General liquidation account? (If not, please state the reasons why.)	*67*	**73**	15	12
6.5	When reference is made to the UPU's General liquidation account, AV 5 and CP 16 accounts will be settled without any prior checking or acceptance; any difference notified by the debtor administration will be carried over to the next account. Do you agree with this principle? (If not, please state the reasons why.)	*67*	**54**	28	18
6.6	No threshold will be set for the amounts of the payments to be made under the UPU's General liquidation account. Do you agree with this principle?	*67*	**69**	10	21
D.	**Proposal regarding airmail accounting**				
7	It has been often stated that the principle of having to pay air conveyance dues to the administration of the country which the air service used comes under has lapsed. In order to allow direct payment to airlines and reduce the number of inter-administration accounting operations, it has been suggested that the provisions of article 88, paragraph 1, of the Convention be adapted to the present situation and that the text be amended to read as follows:				

Question No	Question	Number of administrations having replied	Breakdown of respondents by percentage		
			Yes	No	No opinion
	"Except as otherwise provided, the administration which hands over airmails to an air carrier may settle with that carrier for the conveyance dues for all or part of the distance flown."				
	Do you agree with this proposal?	*117*	**91**	5	4
	(If not, please state the reasons why.)				
E.	**Other questions**				
8	Detailed accounts CP 22 (indemnity) and CP 19 (customs charges, exemptions, etc) are prepared only when circumstances warrant, but at the latest by the end of the second month following the quarter to which they refer. The totals of the amounts due under these detailed accounts are carried over, as indicated by the creditor administration, either to the AV 5 account/bill or to the CP 16 account, without being incorporated in them.				
	Do you agree with this proposal?	*117*	**85**	11	4
	(If not, please state the reasons why.)				
9	Instructing the International Bureau to review the wording of the Detailed Regulations of the Convention and of the Postal Parcels Agreement describing the procedures for preparing and settling accounts, and to draft an operational compendium dealing solely with accounting and the settlement and offsetting of accounts.				
	Do you agree with this proposal?	*117*	**94**	2	4
10	In order to simplify account checking operations, issuing a recommendation urging postal administrations that prepare accounts to avoid recording figures by hand.				
	Do you agree with this proposal?	*117*	**82**	15	3

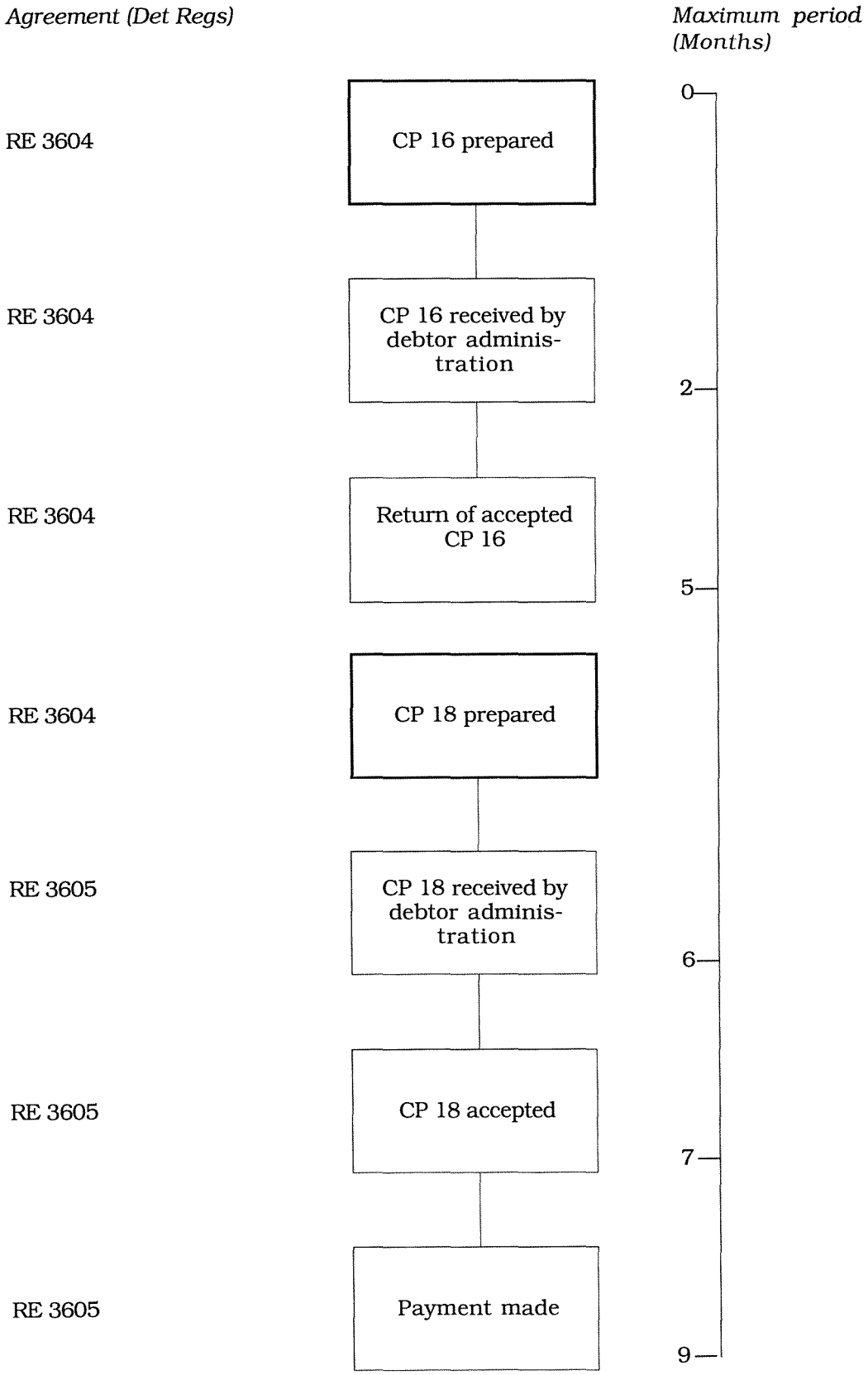
Congress – Doc 62/Annex 2

Airmail, present situation



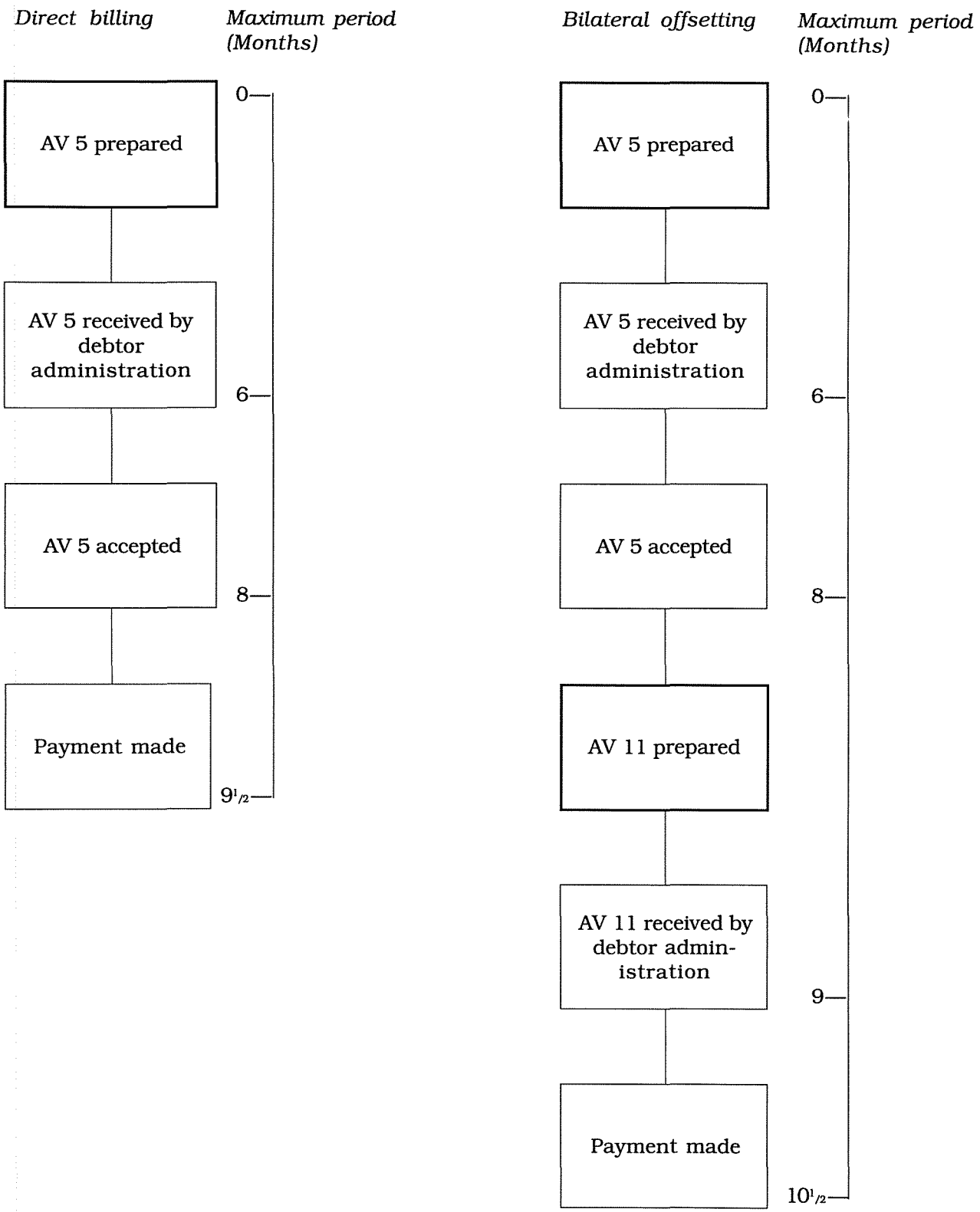
Congress – Doc 62/Annex 3

Postal parcels, present situation



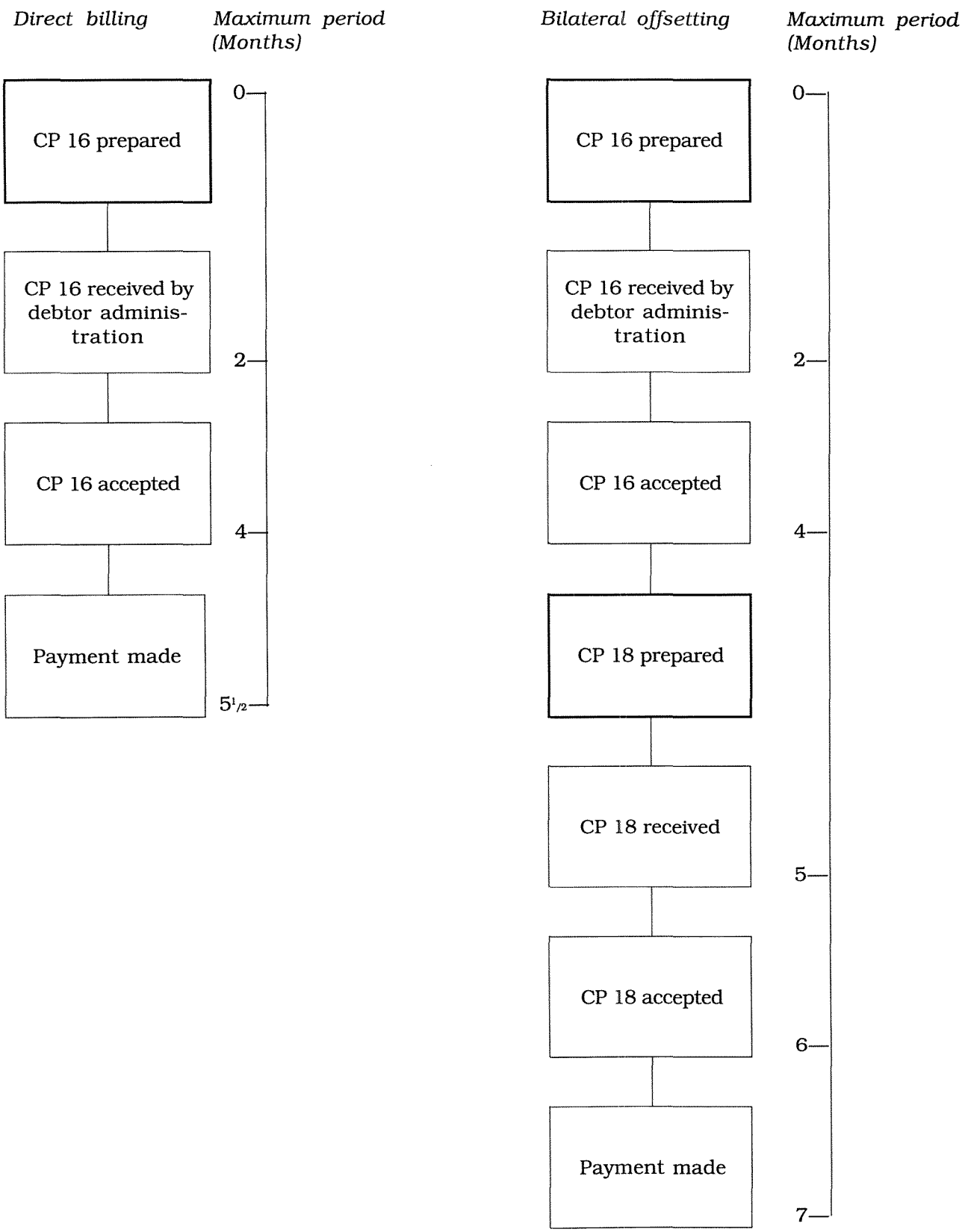
Congress – Doc 62/Annex 4

Airmail
Proposed systems



Congress – Doc 62/Annex 5

Postal parcels
Proposed systems



Congress – Doc 63

Future of the postal financial services

Executive Council report

Contents

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I. Background; development aspects

1 The international postal financial services have always participated in international fund transfers, initially in the form of money orders and more recently in the form of transfers between postal giro accounts.

2 However, the economic scene and user needs are changing very quickly with technological progress. International exchanges are on the increase, and banks are making major efforts to adapt, offering new, sophisticated fund transfer methods which are much faster than traditional money orders and paper-based transfers.

3 The principle underlying execution of the postal financial services whereby a sender can transmit a given amount to a payee without complications, rapidly and safely, has not changed.

4 In more concrete terms, the sender wants to acquit himself of his debt as late as possible because during this time the money is earning interest, while the payee wants his costs covered as soon as possible. At the same time, between these two "senders" who have a financial interest, there are the postal financial services which actually *transmit* the order.

5 Until the introduction of liaison accounts, conventional postal financial services took no heed of this economic aspect of exchanges. The only way of partly offsetting this loss of earnings was by purchasing currency, where possible. At present, all the postal financial services are confronted with this problem, whether they like it or not. If this does not apply to the sender, there is every chance that it will apply to his partner (the payee), hence customer demands which can be considered as justified.

6 It should be emphasized that some postal financial services have kept up with this development and modernized their international exchanges. Thus, the Nordic countries use TELEGIRO in their dealings with each other. At present, 15 European countries are finalizing and starting to use a network which allows telematic fund transfers between postal giro accounts and to bank accounts.

7 However, other postal financial services keep on using money orders only, and unfortunately, many postal administrations do not have any postal financial services at all.

8 Thus the general discussions about the future of the postal financial services held during the 1993 EC showed that:

i the essential task for the future should be to develop international financial exchanges through more profitable and more competitive services;

ii UPU efforts should focus on:

- increasing the number of countries participating in the postal financial services;
- making certain postal financial services aware of the development of electronic fund transfers and exchanges.

II. Existing services and structures

a Services

9 There are two kinds of cross-border payments: those at long distance and those through direct, immediate contact.

10 The methods used for cross-border payments are:

- money orders;
- transfers from giro account to giro account.

11 The methods used for direct, immediate contact payments are:

- postcheques;
- cards with magnetic strips or chips;
- travellers' cheques and foreign currency.

12 Lastly, postcheques permit both long-distance and direct immediate payment because they can be sent or handed over to the creditor.

Money orders

13 Money orders are the oldest, and in many cases the simplest, way of transferring funds to another country. They are handy and safe but slow and it is generally necessary to go to the post office to dispatch and receive them. They are also costly because they call for counter operations and conveyance by post.

14 Money order traffic is often in steep decline in the domestic services but fairly stable in the international service where it is mainly used for small amounts.

Transfers

15 Transfers developed through the fast spread of banking among private individuals after that among companies. In the internal service, the transaction is done by debiting one postal giro account and crediting another in a very short time without having to go to a post office. Moreover, in many countries, the inter-bank exchanges in which giro services participate make it possible to deduct money from a postal giro account and credit it to a bank account, or vice versa. The use of computers and telematic networks makes these transfers cheap and very fast.

16 However, cross-border postal transfers frequently still use the mail, and this is a considerable handicap compared with cross-border bank payments through networks like SWIFT.

Postcheque

17 Postcheques enable bearers in eight countries to withdraw money at post offices in more than thirty countries. They are a handy tool which is mainly available to tourists but is very expensive for the issuing countries, and cards are a serious challenge to it.

Magnetic cards

18 The magnetic cards used at international level are regulated by large organizations such as Visa, Europay, American Express, Diner's Club, etc to which the postal financial services accede in order to be able to provide their customers with the service.

19 Lastly, postal financial services can sell and exchange *travellers' cheques* and *currency.*

b Structures

20 There are few international structures specific to the postal financial services. One of them is a Restricted Union, the CSFPE.

21 The postal financial services of 26 European members of the UPU have set up the European Postal Financial Services Commission which is responsible for developing existing financial products, seeking new forms of transfers and promoting exchanges of information among its members which are administrations, postal corporations, banks or financial establishments providing postal financial services.

22 The CSFPE covers the POSTCHEQUES group which manages the postcheque product and the POSTNET group which manages joint operation of the postal networks of five members' automated tellers.

Group of Directors

23 The Directors of 15 European postal financial services, all belonging to the CSFPE, decided to create the EUROGIRO network.

24 To this end, a company under Danish law was set up on 1 January 1993 to manage a telematic network allowing fund transfers between the 15 countries of the Group. The issuer must have a postal giro account, while the payee can have a postal giro account or a bank account.

25 The period elapsing between deduction from the issuer's account and crediting to the payee's account must not exceed four working days.

III. Action plan to energize the postal financial services

26 It is lamentable that there are no postal financial services, not even an international money orders service, in some countries. This shortcoming obliges postal financial services dispatching funds to use banks in the country of destination in order to be able to reach the private or corporate payees. Similarly, there is no return traffic from these countries to those with postal financial services.

27 *The Union's first step could be to urge countries to create postal financial services which at least permit fund transfers and to act as partners for conventional services or to accede to these services on the basis of the UPU's Postal Financial Services Agreements.*

28 In other countries, postal financial services exist but are too limited in their powers to foster international transfers, for example when they offer just one type of money order for a limited amount or when they specialize in savings.

29 *In such cases, the Union could intervene, calling for the range of financial services offered to be expanded to permit all international transfers.*

30 When the postal financial services can issue international money orders, the periods for making payments and dealing with complaints, the tariffs applied and the costs generated often prompt the public to go elsewhere or abandon that particular establishment.

31 *The Union could mandate a group of experts to study measures for improving the international money orders service.*

32 Lastly, a number of postal financial services which manage postal giro accounts or savings accounts offer their customers transfers. In the domestic service, this service generally functions very well, but it is little developed in the international field because it often uses the mail and cannot compete with the banks' telematic transfers.

33 Thus, the transfer of funds has to be modernized. Some postal financial services use international inter-bank networks like SWIFT.

34 From now on, EUROGIRO will be competing with SWIFT in 15 European countries. It can become a world network if the postal financial services capable of providing an inward service with the same quality standards as EUROGIRO want to join it.

35 The Union could encourage postal financial services capable of providing the transfer service to join the EUROGIRO network.

36 These various proposals could be the subject of a Postal Financial Services Action Plan (PFSAP) which would derive its strength and coherence from discussions about the future of the postal financial services at Congress.

37 In order to obtain the resources essential to meeting the objectives set out in this document and in the resolution "Postal Financial Services Action Plan" (PFSAP), the 1994 EC instructed the International Bureau to incorporate specific financial components into the programme-budget and the Union's Strategic Plan so that, for 1996–2000, resources are available for this Strategic Plan.

38 As soon as the Action Plan had been finally approved by Congress, the appropriate UPU body would send Union postal administrations a letter with the PFSAP attached, drawing their attention to the priority action to be taken to develop the postal financial services.

IV. Conclusions

39 In the light of the foregoing, Congress is invited to:

- conduct general discussions about the future of the postal financial services, bearing in mind the aspects and findings provided in the document;
- adopt basic policy guidelines for the future of the postal financial services;

– give a ruling on the resolution "Postal Financial Services Action Plan" (PFSAP) (see proposal 40. 0.1).

Berne, 16 June 1994

For the Executive Council:

T E LEAVEY

Chairman

Congress – Doc 63/Add 1

Expanded debate on the theme "Future of the postal financial services"

Memorandum by the Secretary-General

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Annexes

1 Preliminary timing of the debate

2 Presentation of the theme

3 Detailed outlines of papers on the following subjects:

- Introduction to EUROGIRO;
- Development of the postal financial services market;
- Problems posed by the necessary development of current systems and future policies to be followed;
- Role of the UPU in adapting the postal financial services to a new world.

I. Introduction

1 At its 1993 session, the UPU Executive Council discussed the development status and the future of the postal financial services, and drew the following major conclusion: *whereas the world economic landscape had considerably altered, the postal financial services had not sufficiently reacted to the need to adapt to that change.*

2 On the basis of that conclusion, the Executive Council, pursuant to a proposal by the postal administration of Switzerland, decided to hold expanded debates during the Seoul Congress on the theme "Future of the postal financial services" and instructed the International Bureau, together with Switzerland, to draw up the draft Congress – Doc setting out basic policy guidelines for the future of the postal financial services.

3 It was in this context that Congress – Doc 63 was prepared and subsequently approved by the 1994 EC. The document, whose aim is to initiate discussions on this important subject, more particularly analyzes the development of the postal financial services and the problems and difficulties linked to that development. It clearly reveals the need for a development policy and for measures to be taken. Accordingly, the document presents a number of guidelines for priority activities to be included in the Action Plan to energize the postal financial services.

4 Since the 1994 EC, a number of complementary activities have been carried out. Although the content of Congress – Doc 63 is the basic subject of the debate, three sub-themes were selected as subjects for papers, all relating to the general theme and reflecting major and current concerns of the postal financial services. In circular letter No 3450.8(B)1491 of 4 July 1994, the International Bureau made an urgent appeal to postal administrations party to the Postal Financial Services Agreements to submit papers on the proposed sub-themes.

5 The purpose of this document is to provide practical information about the conduct of the expanded debate, to give details about the role of participants and the subjects for discussion, and to provide outlines of the papers that will be presented within the framework of the general theme "Future of the postal financial services".

II. General information

6 Date – place

6.1 It is planned to hold the expanded debate on the theme "Future of the postal financial services" during the first sitting of Committee 8 at the Seoul Congress, on Friday, 2 September 1994, in hall No 2 at KOEX. The debate comes under item 4.1 of Committee 8's agenda and corresponds to the introduction of Congress – Doc 63, which constitutes the background document for the discussion on this important subject.

6.2 Given the need to reaffirm the determination of all Union member countries to set everything in motion in order to respond more effectively to the challenges associated with the development of postal financial services, it was felt that the delegates of member countries not party to the Postal Financial Services Agreements could also take part in the expanded debate within the framework of Committee 8.

6.3 The preliminary timing of the debate is given in annex 1.

7 Discussion themes

7.1 The title of the expanded debate, which is also the title of the related document, is:

"FUTURE OF THE POSTAL FINANCIAL SERVICES"

7.2 In view of the sub-themes selected for discussion, the debate will include the following, among other things:

a introductory statement by the Chairman of Committee 8;

b introduction to EUROGIRO;

c introduction of Congress – Doc 63 (paper by the discussion leader (Switzerland) on the main theme "Future of the postal financial services");

d paper(s) on the theme "Development of the postal financial services market", dealing with two aspects:

- the changing needs of customers,
- activities of the banks;

e paper(s) on the theme "Problems posed by the necessary development of current systems and future policies to be followed", reflecting the following aspects:

- existing internal infrastructure of the postal financial services (conventional or computerized),
- future configuration of the network (computerization of the payment systems network),
- development of services (intentions, commitment and support of the respective governments);

f paper(s) on the theme "Role of the UPU in adapting the postal financial services to a new world";

g statements by delegations of postal administrations taking part in the debate;

h general summing up by the discussion leader;

i conclusions of the Chairman of Committee 8.

8 Presentation of the EUROGIRO system during the expanded debate

8.1 Given the interest shown by postal administrations in the establishment of the EUROGIRO system on the postal financial services market, arrangements have been made for a presentation on the system in conjunction with the management of EUROGIRO.

8.2 The practical and positive aspect of this presentation of the system could contribute to the development of postal financial services around the world; it was therefore decided that the system should be presented during the expanded debate, in order to draw maximum advantage from it.

9 Chairman – Discussion leader

9.1 The expanded debate to be held within the framework of Congress Committee 8 "Postal Financial Services" will be chaired by the Chairman of that Committee, assisted by Mr Berset, Head of the Postal Financial Services Section, Swiss PTT Headquarters, who will serve as discussion leader.

10 Technical organization

10.1 Although it had not been planned at the outset, as the result of close cooperation with the postal administrations that answered the International Bureau's appeal and intend to make a contribution on one or more of the sub-themes listed, it is possible to give the outlines, plans or titles of their contributions or papers (annex 2).

10.2 During the expanded debate, the roles of participants will be as follows:

Discussion leader

- introduce the planned theme;
- lead the discussion on the planned sub-themes, jointly with the Chairman of Committee 8;
- summarize the discussions.

Other members

- where appropriate, present one or more papers on the planned sub-themes;
- when requested by the discussion leader or the Chairman of Committee 8, answer questions asked by participants or expand on the discussion.

11 Role of participants

11.1 The postal administrations of Union member countries participating in the meeting of Congress Committee 8 are all urged to take an active part in the expanded debate on the theme "Future of the postal financial services".

11.2 Because of the need to summarize the planned contributions and papers immediately after the discussion, it would be desirable that the texts of statements be sent to the International Bureau or to the secretariat of Committee 8 in advance, not later than the date of arrival in Seoul.

11.3 In view of the time available (about two hours), delegations should limit their statements to the strict minimum, ensure that they relate to the subjects under discussion, and refrain from making general statements, which could, however, be reproduced and attached to the summary to be prepared by the International Bureau.

12 Action Plan to energize the postal financial services (PFSAP)

12.1 Upon conclusion of the expanded debate, the Secretariat of Congress Committee 8, with the assistance of the discussion leader, the postal administration of Switzerland, will prepare a summary of the discussions and suggestions. The ideas and conclusions endorsed will be incorporated into the future PFSAP and will make it possible to improve some elements of the basic document (Congress – Doc 63) and the resolution "Action Plan to energize the postal financial services" (proposal 40. 0.1). The resolution, finalized after the expanded debate, will be submitted to Congress for approval.

13 Documents

13.1 The questions for discussion during the expanded debate will be the subject of the following documents:

- Congress – Doc 63, which is the background document for the discussion and which deals more particularly with:
  - an analysis of the development of the postal financial services;

- the problems and difficulties linked to their development;
- the primary tasks required for development of the postal financial services;
- guidelines concerning priority activities to be included in the Action Plan.

– Addendum 1 to Congress – Doc 63 (the document at hand) which contains:
- practical information about the conduct of the debate;
- titles and where possible detailed outlines of the papers to be presented by participants during the debate.

– Addendum 2 to Congress – Doc 63, which, on the basis of the summary of the expanded debate, will lead to preparation of the draft action plan to energize the postal financial services.

III. Detailed outlines of the papers

14 The following detailed outlines are attached (annex 3):

– Attachment 1: outline of the introduction to EUROGIRO;

– Attachment 2: detailed outlines of papers to be presented on the sub-themes:

"Development of the postal financial services market";

"Problems posed by the necessary development of current systems and future policies to be followed";

"Role of the UPU in adapting the postal financial services to a new world".

15 Summaries of the statements and texts of the papers will be reproduced in the Documents of the Seoul Congress and the report of Committee 8 to Congress will highlight the main points and the conclusions of the debate.

Berne, 2 August 1994

A C BOTTO DE BARROS
Secretary-General

Congress – Doc 63/Add 1/Annex 1

Preliminary timing of the debate

Activity		*Duration*	*Time*
1	Introductory statement by the Chairman of Committee 8	10 minutes	3.30 pm–3.40 pm
2	Introduction to EUROGIRO and questions	30 minutes	3.40 pm–4.10 pm
3	Introductory statement by the discussion leader (Congress – Doc 63)	10 minutes	4.10 pm–4.20 pm
4	*Beginning of discussions on the three sub-themes*	*10 minutes*	
4.1	Papers	10 minutes	4.20 pm–4.30 pm
5	Coffee break	20 minutes	4.30 pm–4.50 pm
6	*Continuation of discussions on the three sub-themes*	*40 minutes*	
6.1	Papers	40 minutes	4.50 pm–5.30 pm
7	Discussion	15 minutes	5.30 pm–5.45 pm
8	General summing up by the discussion leader and conclusion of the debate by the Chairman of Committee 8	15 minutes	5.45 pm–6 pm

Congress – Doc 63/Add 1/Annex 2

Presentation of the theme

1 Discussion leader

Mr J-M Berset, Head, Postal Financial Services Section, Swiss PTT Headquarters

– Introductory paper on the general theme "Future of the postal financial services"

2 EUROGIRO management

Mr M T Hansen, Managing Director, Eurogiro Network A/S, Denmark

– Paper by the EUROGIRO management "Introduction to EUROGIRO"

3 Contributions notified

Name of country	*Sub-themes discussed*
France Korea (Rep)	– Development of the postal financial services market; – Problems posed by the necessary development of current systems and future policies to be followed; – Role of the UPU in adapting the postal financial services to a new world.
Indonesia	– Role of the UPU in adapting the postal financial services to a new world.
Czech Rep Japan	– Problems posed by the necessary development of current systems and future policies to be followed.

Congress–Doc 63/Add 1/Annex 3/Attachment 1

SEOUL UNIVERSAL POSTAL CONGRESS

Committee 8 "Postal Financial Services"

Expanded discussion (2 September 1994)

Future of the postal financial services

Introduction to EUROGIRO

Paper by the EUROGIRO management

Detailed outline of paper (preliminary draft)

Information about the EUROGIRO system distributed to Union postal administrations by International Bureau circular letter No 3450.8(B)1505 of 8 July 1994

Mr M T Hansen, Managing Director, Eurogiro Network A/S, Denmark

Paper by the EUROGIRO management (preliminary draft)

"Introduction to EUROGIRO"

1 What is EUROGIRO?

Eurogiro is an electronic data transmission system called Eurogiro Network.

Eurogiro is also the name for product cooperation between institutions connected to the network.

2 EUROGIRO members

The decision to establish the project which developed Eurogiro Network was made by 12 West European countries. Today, 16 European giro and postbank institutions are members of Eurogiro. The Postal Savings Bureau of Japan was connected to the network as of 1 July 1994.

Implementation of the system started at the end of 1992 and is now basically finished. Time has shown that the system is working in optimum fashion.

3 Purpose of establishing EUROGIRO

Giro/postbank institutions in Europe saw the possibilities of increasing their market shares in connection with the establishment of the European Single Market.

They realized that competition for international payments transfers was increasing. Therefore, it was necessary to create greater dynamism and efficiency within the postal financial services.

A solution to this was to replace paper-based payment transfers by a modern and competitive electronic transfer system. This was an alternative to the commercial banks' SWIFT system.

By means of Eurogiro we can offer the customers:

- high quality;
- transparency;
- fixed transfer times;
- low and competitive prices.

SWIFT versus Eurogiro

We chose to establish our own system because:

- we could goal-orient it taking our own needs into account;
- it allows prompt decision-making;
- it is inexpensive in the long term;
- no postal institutions are excluded from membership.

4 Which services can EUROGIRO Network offer to its members?

Eurogiro Network employs a large number of different message types. Giro/postbank institutions and postal financial services have no limitations. All message types are available.

If you participate in the international exchange of transfers, you probably participate also in the exchange of the Eurogiro standard product.

What is the Eurogiro standard product?

A transfer from one giro/postbank account to another giro/postbank account in the currency of the sending or the receiving administration, with a time-span of maximum 4 days from the debiting of the ordering party's account to the crediting of the beneficiary's account.

The sending and receiving administrations charge their respective charges to the ordering parties' and beneficiaries' accounts, respectively.

Furthermore, Eurogiro Network offers the following services:

- transfers;
- incoming payments;
- outgoing payments;
- international money orders;
- queries/answers;
- account balance statements.

Detailed description of international money orders

By the end of 1995 all outgoing payments and money orders exchanged between Eurogiro members must be exchanged via Eurogiro.

5 Who can become a member of EUROGIRO?

The owners of Eurogiro have decided that giro/postbank institutions all over the world can access and make use of the network and participate in product cooperation.

6 What are the requirements for becoming a member?

We have not laid down any detailed conditions, but generally a new user of the system must be able to live up to the security and quality demands attached to the system. Therefore, we must ask for computer discipline and a high-quality level.

7 How much does it cost to be a member?

A one-time connection fee, which includes delivery and installation of the necessary equipment and software. For the time being the total costs are approximately 275 000 USD, including back-up facilities.

Operational expenses:

- a fixed license fee;
- a transaction fee;
- a line fee.

8 Technical matters

A short description of:

- the TIC (Telegiro Interchange Computer) system;
- the Gateway system.

Which one of the systems should you choose?

9 What are the advantages of using EUROGIRO?

- improved customer service;
- improved quality;
- more competitive;
- comparatively low implementation expenses;
- a good basis for future postal financial services.

Denmark, July 1994

Information about the EUROGIRO system distributed to Union postal administrations by International Bureau circular letter No 3450.8(B)1505 of 8 July 1994

EUROGIRO Network A/S

Introduction to EUROGIRO

June 1994

In 1989, the Giros/Postbanks of a number of European countries formed a forum for developing mutual business relations and cooperation. At semi-annual meetings with Directors from each participating Giro/Postbank, various business matters are discussed and decisions are taken.

One of the main concerns of the forum was increasing its market share of cross-border payments in Europe.

As a necessary prerequisite to achieve this goal, extensive analysis and development work was carried out, with a view to improving existing multilateral and bilateral payment services and developing new ones.

The forum in now called Giro and Postbank Organizations in Europe, or EUROGIRO for short, and consists of the following Giros/Postbanks:

PSK, Austria
POSTCHEQUE, Belgium
GiroBank, Denmark
POSTIPANKKI LTD, Finland
la POSTE, France
Deutsche Bundespost Postbank, Germany
Postgirostofan, Iceland
PostGEM LTD, Ireland
Direzione Centrale Servizi Banco Posta, Italy
PTT, Luxembourg
POSTBANK N.V., Netherlands
POSTGIRO, Norway
CAJA POSTAL, Spain
Postgirot, Sweden
PTT, Switzerland
GIROBANK PLC, Great Britain

One of the measures taken by EUROGIRO has been the establishment of a computer-based network for the direct exchange of payment messages and other information.

The network was put into operation in the beginning of 1992 and currently 400 000 payment transactions are transmitted via the network each month, with this figure steadily increasing.

At the beginning of 1993, a company, Eurogiro Network A/S, was founded to manage, operate and develop the network. The company is owned in common by the Giros/Postbanks of the Eurogiro group. The board of Eurogiro Network consists of a director from each of the Giros/Postbanks.

Expanding the network

Since the foundation of the network, a number of postal services, Giros/Postbanks and other financial institutions in countries inside and outside Europe have showed an interest in the work of Eurogiro and in the possibilities of joining the Eurogiro network. As a result, the Eurogiro group has now started to accept certain institutions outside the Eurogiro group as network users. The term user means, in this context, simply an institution connected to the network, not an owner.

In 1994, the Postal Savings Bureau of Japan was connected to the network and intends to begin exchanging transactions over the network in the summer of 1994.

Products

The products interchanged between the Giros/Postbanks within EUROGIRO are mainly transfers from account to account.

The three standard products within EUROGIRO are:

- normal transfers in the sender's currency;
- normal transfers in the receiver's currency;
- urgent transfers in the receiver's currency.

Normal transfers are processed within a maximum of four days, while urgent transfers take a maximum of three days.

Besides the standard products, inpayments and outpayments are also exchanged between the Giros/Postbanks in Eurogiro, together with administrative messages such as queries, replies and account statements.

EUROGIRO is working on a plan to move the exchange of money orders from paper-based products to the Eurogiro network, and within EUROGIRO it has been agreed to discontinue the exchange of paper-based money orders by 1 January 1996.

This could make it very interesting for postal administrations to apply status of user of the Eurogiro network for interchanging money orders.

Envelope concept

The main feature of the Eurogiro network is its use of transaction envelopes which, like those used for SWIFT transfers, are based on ISO 7746.

An envelope contains several messages as well as a header and a trailer, with control fields and common information on the messages of the envelope (for example, destination and type).

This concept has the following advantages:

- The sender is able to group transactions for common debiting on the sending institution's account with the receiving institution. This means that for each transaction envelope there is a single debit entry in the subsequent statements, and the sender is able to decide which transactions will be debited together by grouping related transactions together in envelopes.
- Header and trailer information are sent only once per envelope. This reduces the amount of data to be transmitted.

Technical overview

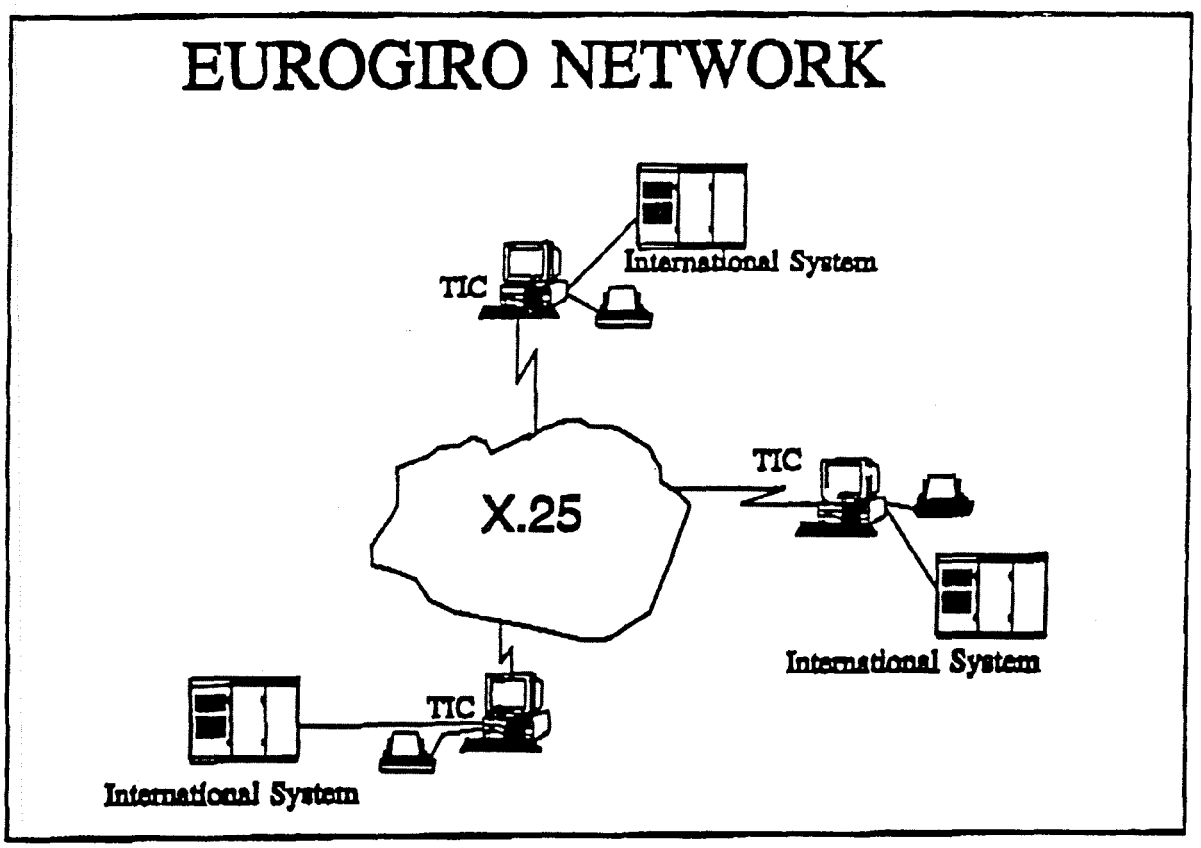


Figure 1: Outline of the Eurogiro network

To perform the actual exchange of information, communication equipment has been installed at each Giro/Postbank, which makes it possible to interconnect the respective host systems at each Giro/Postbank by means of the following communication equipment:

- a Digital VAX computer system located at each Giro/Postbank, acting as an interface between the host systems at each of the Giros/Postbanks and the telecommunication network. This computer is called the Telegiro Interchange Computer, or TIC;
- an international telecommunication network (X.25) operated by INFONET.

The TIC systems run a proprietary application programme developed by Digital according to Eurogiro specifications and capable of receiving, sending and storing payment transactions and other payment-related information.

Security

In the Eurogiro network, a number of precautions have been taken to ensure confidentiality, integrity and availability.

To ensure *confidentiality*, all transaction data are encrypted before they are transmitted over the network and decrypted upon receipt.

Furthermore, the Giros/Postbanks belonging to EUROGIRO form a closed user group within the underlying telecommunication network. This means that the Eurogiro network is logically a closed network, isolated from all other users.

To ensure *integrity*, message authentication codes on the exchanged data are calculated by the sender and verified by the receiver. This ensures that data are not modified during transmission over the network. The calculation is based on authentication keys exchanged bilaterally.

To maintain network *availability*, EUROGIRO has contracted Digital ENOC (European Network Operations Centre) to survey the network and detect errors. To ensure fast recovery from hardware failures, TIC systems and encryption equipment are fully backed up with spare equipment and covered by service contracts.

To monitor overall security aspects, EUROGIRO has formed the Eurogiro Audit and Security Group, which comes directly under the board of Eurogiro Network. The Eurogiro Audit and Security Group defines policies and guidelines for maintaining and developing Eurogiro network security.

Gateway concept

Eurogiro Network is currently working on a new concept that will enable it to offer a low-cost solution for institutions with low transaction volume and/or no data-processing system.

This solution consists in setting up low-cost satellite systems at these institutions. These satellite systems will be connected to a central gateway system, which in turn provides the connection to the Eurogiro network.

The distributed satellite systems will offer a simple data-entry facility so that money orders, for example, can be entered directly without the need of a host system. The satellite systems will exchange Eurogiro envelopes with the gateway system.

Requirements for connection

Any application from an institution wishing to be accepted as a user of the Eurogiro network will be subject to an evaluation by Eurogiro. Among the important factors considered in such an evaluation are:

- the ability to apply the security policies of Eurogiro;
- the transaction volume which is likely to be generated by the applicant.

Principles of payment

When an institution is connected to Eurogiro, there is a one-time connection fee which includes delivery and installation of the necessary equipment and software.

Added to this are certain operational expenses for users of the Eurogiro network, broken down as follows:

- a fixed licence fee covering the right to use the software developed by Eurogiro Network;
- a transaction fee based on the number of transactions sent by the institution. The transaction volume is charged on the basis of a sliding scale, which results in a lower fee per transaction as transaction volume increases;
- a line fee to be paid to the national telecommunication authorities and payment service and maintenance contracts on equipment.

Conclusion

By establishing the Eurogiro network, the Eurogiro group has created a very useful tool for exchanging payment messages. Because of its simplicity and flexibility, the network is expected to grow substantially in the future, both in transaction volume and in size.

Further information

For further information, please contact:

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Congress – Doc 63/Add 1/Annex 3/Attachment 2

SEOUL UNIVERSAL POSTAL CONGRESS

Committee 8 "Postal Financial Services"

Expanded debate (2 September 1994)

Future of the postal financial services

Sub-themes

- **"Development of the postal financial services market"**
  - the changing needs of customers
  - competition from banks
- **"Problems posed by the necessary development of current systems and future policies to be followed"**
  - existing internal infrastructure of the postal financial services (conventional or computerized)
  - future configuration of the network (computerization of the payment systems network)
  - development of services (intentions, commitment and support of respective Governments)
- **"Role of the UPU in adapting the postal financial services to a new world"**

Papers of the announced participants

Detailed outlines of papers:

Korea (Rep), France, Japan, Czech Rep, Indonesia

Paper by the postal administration of Korea (Rep)

"The future direction of financial services policies in Korea"

1 Introduction

In an attempt to promote enhanced international financial transactions and the universal provision of postal financial services, I would like to take this opportunity to introduce the long-term development strategy of the Korean postal financial services sector. I will then make a few suggestions regarding the UPU's future direction into the 21st century.

2 Role and current status of the postal financial services in Korea

A. Role of the postal financial services in Korea

The Korean financial market has recently experienced rapid environmental changes such as deregulation, liberalization and internationalization. These changes have intensified the competition among various financial institutions.

In these circumstances, the postal financial services in Korea play an important three-fold role:

1 they provide the most efficient payment and settlement service through the nationwide post office network;

2 they provide financial services in rural areas where commercial banks are unwilling to open branch offices due to a lack of profitability;

3 they finance the public fund for government projects such as national industrial development and social overhead capital investment.

B. Current status of the financial services in Korea

The financial services of the Korean Post began in 1905 with the introduction of the postal money order service. Today the range of domestic services has been extended to include postal money orders, postal savings, giro services, postal insurance services and agency services for private credit card companies. In terms of international transactions, it also provides an international money order service to 23 countries. Since the end of 1993, the postal financial services offer the largest nationwide financial network by interconnecting 2706 post offices within an on-line network system.

3 Long-term development strategy

The Korean Government plans to promote and implement the following policy measures.

First, it plans to develop and improve the post office network as the nation's socio-economic infrastructure for the next century. The nationwide post office network will serve as a new social overhead capital, combining telecommunications, post and financial networks. In terms of new services, the Government plans to provide "one-stop service" where all transactions and payments are instantly processed at post office counters.

Second, in order to contribute to the advancement of the international postal financial services sector, the Korean Government will make every effort to cooperate with other countries. As a first step, we plan to introduce international giro and cash-on-delivery services as signed in the UPU Agreement, and join the international electronic payment system, EUROGIRO.

4 Role of the UPU in the postal financial services sector

It is well known that the largest nationwide network in any country is the post office network which, in most cases, provides not only postal services but also financial services. By combining these two services, post offices can offer a convenient "one-stop service".

The advantages of establishing an internationally interconnected post office network are immense. It not only draws the world closer together, but also can create the most convenient and competitive worldwide financial network, which will expedite the advent of the global society in the 21st century.

The UPU is therefore expected to play a larger role in promoting the provision of diverse and sophisticated postal financial services and establishing a worldwide payment network system.

5 Conclusion

I am confident that the UPU will continue to make valuable contributions towards the advancement of the international postal financial services sector, cooperation among member nations in expanding and modernizing the basic internal facilities and the provision of financial services through an interconnected post office network. Such steadfast efforts can only achieve mutual benefits and prosperity for all.

Korea (Rep), August 1994

Paper by the postal administration of France

"The future of the postal financial services"

I. Context of development of the environment

1 Technological changes and the enormous development in communications have eliminated borders and have promoted trade.

2 The economy has become global and what occurs in one stock exchange has an immediate effect on other stock markets.

3 Tied-up capital is expensive because interest rates fluctuate at world level and currency exchange rates change from hour to hour.

4 There have also been tremendous developments in transportation. Air transport covers the entire globe, enabling not only passengers but also certain costly, lightweight goods to travel thousands of kilometres in a few hours.

5 These developments, which shorten distances, bring people closer and increase trade, bring with them the need for a simple, safe and quick way to make long-distance payments and direct immediate payments.

II. Need for long-distance payments

6 The need for long-distance payment depends on whether or not the sender and the payee have a postal giro or bank checking account.

7 If the sender and payee each have a checking account and if the sender knows the complete number of the payee's account, payment can be made through a transfer.

8 Banks are very efficient in this area and hold at least 95 percent of the market. They use the SWIFT network in particular, which enables them to be linked two by two anywhere in the world. The transmission times are generally satisfactory but the costs are high.

9 This type of exchange is used primarily by businesses in the economic sector.

10 For the time being, the postal financial services are poorly equipped to compete with SWIFT. However, the EUROGIRO system (which will be discussed later) could become the equivalent of the SWIFT network for the postal financial services.

11 Other instances of the need for long-distance payment have developed with the movement of people: not only holiday travellers making their rent payments and immigrant workers sending home part of their wages, but also pension payments to retirees who live outside the country.

12 Traditionally, this need has been satisfied by the international money order, over which the Post has an exclusive right. Conveyance by letter post, however, is sometimes long. In some countries, moreover, there is no money order payment service. Certain links are therefore impossible and the most flagrant case (because it is the most significant) is that of the United States of America.

13 In the area of money orders, which is virtually a postal monopoly, the deplorable fact is that universal service does not exist.

14 The proposals regarding long-distance payments are the following:

- *Develop transfers by bringing EUROGIRO into widespread use*

14.1 Each country belonging to EUROGIRO can be a sender and/or addressee of transfers. If it manages postal giro accounts, it can be a sender and addressee. If not, it can be an addressee and act as an intermediary between a sender with a checking account and a payee with a bank account by issuing upon arrival a bank cheque to the payee.

- *Improve the money order service*

14.2 The first step to be taken is to improve transmission times. From 1996, EUROGIRO will make it possible to transmit money orders. It will be possible from then on to reduce the transmission times of money orders to three or four days.

14.3 The second step is to improve security and to shorten claim periods.

14.4 The third step is to urge countries that do not have an inward money order service to act as intermediary. When the paper instrument or EUROGIRO message arrives, they should issue cheques to the payees in their country and send them the cheques by letter. The service of banks could thus be dispensed with in these countries and the universality of the postal financial services re-established.

III. Need for direct immediate payment

15 The need for direct immediate payment involves private individuals only, whether it is to pay for goods or a service, or to withdraw money to make payments.

16 Direct payments are increasingly being made cross-border through the use of magnetic-strip or chip cards. Marketed by the banks and a number of postal financial services, they are very handy and their use is growing rapidly. To issue such cards, however, it is necessary to belong to large networks such as Visa, Mastercard, American Express, etc. The transactions made by their bearers are carried out on the merchants' premises. The postal service of the country in which the purchase is made has no role to play.

17 On the other hand, there are also cash cards that make it possible to obtain cash in local currency from automatic teller machines (ATMs) or in bank or postal agencies equipped with terminals.

18 Moreover, the postcheque is a product that enables bearers to withdraw money at post office counters in more than 30 countries.

19 The number of countries issuing postcheques, currently eight, should be increased significantly. As well, tourists and businessmen travelling in every country in the world with increasing ease should be able to cash their postcheques in a much larger number of countries.

20 The proposals regarding direct immediate payments are the following:

- *Develop the issuance of cash cards and equip post offices with terminals and ATMs.*
- *Increase the number of countries agreeing to cash postcheques in post offices.*

IV. Subject of future studies

21 These different proposals should be the subject of working party studies aimed at defining markets, user needs, the technical characteristics of the products to be developed and the

equipment to be installed, as well as investment and operating costs. Launching new financial products is out of the question without first being assured of their profitability.

22 Finally, *savings* is an area in which some postal financial services have developed a great deal, but which is not "international" or "cross-border" in nature,

V. Role of the UPU

23 Does the UPU have a role to play in this area? Can it or should it help in the development of savings account services; for example, by promoting contacts and cooperation between postal services wishing to develop savings products and postal services already offering such products? These are the questions to be asked.

France, July 1994

Paper by the postal administration of Japan

"Problems posed by the necessary development of current systems and future policies to be followed"

I. Existing internal infrastructure of the postal financial services

All postal money order, postal giro and postal savings service operations at Japanese post offices are computerized.

Generally speaking, computerization of the financial services system is aimed at rationalizing, speeding up and improving the transaction process and developing new services in order to meet the diversified and sophisticated needs of the customer. Computerization is also an effective tool for competing with commercial banks and other private financial institutions. With this in mind, the Postal Savings Bureau of the Ministry of Posts and Telecommunications started the on-line services (Phase I) in 1978 and transited to the present system (Phase II) in 1991.

The situation of computerization in the Japanese postal banking business is as follows:

1 At post office level

A. *Counter terminal for postal savings service (CTMs) (as of 31 March 1994)*

Number of post offices with CTMs:	24 500
Number of CTMs:	29 000

The main on-line transactions by CTM are as follows:

a Money orders (domestic and international)

- Issuance and payment of money orders;
- Teletransmission;
- Inquiries (re-issuance of money orders, advice of payment, etc)

b Giro transfers (domestic and international)

- Teletransmission (inpayments, transfers, outpayments).

c Savings

- Opening of accounts (issuance of passbooks and certificates);
- Deposits and withdrawals using passbooks or cash cards.

d Other services

- Exchange of foreign currency and travellers' cheques.

B. *Self-service machines*
(Automated teller machines (ATMs) and cash dispensers (CDs) (as of 31 March 1994)

Number of post offices with ATMs and CDs	19 100
Number of ATMs and CDs	21 200

ATMs and CDs are installed at post offices, department stores, etc, and the customers can complete the following transactions, for example, by using their passbooks or cash cards.

a Giro transfers

– Teletransmission from account to account (by ATMs only).

b Savings

– Deposits (by ATMs only);

– Withdrawals (by ATMs and CDs);

– Balance collation (by ATMs and CDs);

– Passbook updating (by ATMs only).

2 At postal savings business centres and computer centre levels

Twenty-eight savings business centres and four computer centres make ledger entries for money orders, giro accounts and savings accounts by on-line or off-line operation.

i Postal savings business centres mainly conduct the following business transactions:

– inspection and safekeeping of vouchers and other material proof;

– re-issuance of lost passbooks and certificates;

– processing of errors;

– making various input data for the computer centres by key-to-tape processing.

ii There are four computer centres in Japan, taking into account economy, operability and risk distribution in case of disaster. At these centres, large-scale mainframe computers and peripherals are in use. The centres are connected with the computers in the business centres and counter terminals at post offices. The ledger files have been created and updated on an on-line, real-time and batch-processing basis. At present, we are planning to integrate four computer centres into two large computer centres in accordance with the inauguration of the next generation computer system (Phase III).

3 Computerization of international remittance services

i Post offices conduct the following transactions by on-line real-time processing:

– issuance of money orders (MP1bis), including exchange rates inquiry and calculation of the amounts;

– transmission of money order data to the exchange office;

– transmission of telegraphic giro to the exchange office.

ii Exchange office

The Tokyo Postal Savings Business Centre plays the role of exchange office for international money orders and giro. The centre has installed small-scale computer systems especially designed for international money orders and EUROGIRO, the data of which are transmitted by on-line system from post offices.

– issuance and checking of ledger files (by batch processing);

– making money order lists;

– making monthly accounts and summary lists for incoming orders;

– ledger operations, making documents for management information;

– EUROGIRO operations.

iii Future network of international remittance services

We are planning to integrate the international remittance computer system into the domestic on-line computer system and to process all international remittance transactions on-line in real time.

II. Future configuration of the network

Concerning the future prospects for the inauguration of the international remittance services network, we, the postal administrations, have to consider such factors as profitability, service quality (speed, reliability), compatibility with other systems, customer needs, etc. We also have to take into account the fact that administrations offer two financial services, ie money orders and giro transfers and that each administration provides these services under different conditions.

Taking these factors and conditions into account, the Postal Savings Bureau of the Ministry of Posts and Telecommunications felt that the EUROGIRO network is the best system for the international exchange of money orders and postal giro. The PSB started the EUROGIRO service with European countries on 1 July 1994.

Consequently, we think that it is necessary to develop an international payment network, the core system of which is the EUROGIRO system within the framework of the UPU's postal financial services. In order to achieve this, the following activities are absolutely necessary:

- expansion of the EUROGIRO network, ie more member countries;
- promotion of international inpayment money orders and international ordinary money order exchanges by means of the EUROGIRO network.

III. Development of services

The Postal Savings Bureau of the Ministry of Posts and Telecommunications has introduced on-line, real-time processing into postal banking services to meet the diversified needs of customers and has developed various kinds of on-line products, for example, payroll deposits, automatic debit transfers, cash service (ATMs and CDs), Sogo (integrated) accounts, etc. The Sogo account passbook combines three basic functions: savings, giro and depositor loan services. In addition to these services, the depositors can also utilize various types of on-line services such as automatic debit transfer of public utility charges, payroll deposit, automatic deposit of dividends, annuities, etc, and cash services.

We have developed new products in rapid succession by combining services such as savings, deposits, transfers, payments and borrowing (which are essential to the everyday life of the ordinary person), with the basic postal savings and postal giro services by means of the on-line system. According to statistics, one out of every 10 Japanese goes abroad while the number of foreigners coming to Japan has reached more than 3.5 million a year. And owing to the recent strength of the yen, individual import transactions such as catalogue shopping from abroad have increased.

To make our services compatible with what the customer needs in this era of internationalization of the private sector, of an ageing society oriented towards advanced information technologies, the Postal Savings Bureau is planning to improve the international remittance network, promote on-line processing and develop new products.

IV. International cooperation

1 Role of the UPU

Considering the present situation and the future development of the postal financial services, we have to resolve the following problems as soon as possible, as referred to in the action plan proposed by the Executive Council, and provide our customers with products that can compete with those of commercial banks:

- increase the number of member countries which offer international financial services;
- managing international financial services that are economic, reliable and utilize modern technology;
- simplifying and facilitating international money order and giro exchange methods;
- fostering technical exchanges in the area of postal financial services.

2 International cooperation by the Postal Savings Bureau of the Ministry of Posts and Telecommunications of Japan

In order to respond positively to requests from postal administrations and savings institutions in developing countries for the know-how we have built up over the years in the postal financial services as a whole, we have held the following seminars, workshops, etc, for the executives of these organizations every year:

a *Executives' seminar on postal banking services (in cooperation with the Japan International Cooperation Agency (JICA))*

Participants: eight participants from postal administrations and State or public postal savings institutions

Duration: two weeks (once a year).

b *International postal savings workshops (Postal Savings Bureau's own cooperation programme)*

Participants: 10–15 executives from postal administrations and postal savings institutions

Duration: one week (once a year).

c *Short-term individual cooperation programmes*

This type of programme is implemented at the request of postal administrations, postal savings institutions, etc, especially in developing countries.

Cooperation covers technical assistance in inauguration of postal savings centres, introduction of money order service, etc.

Japan, July 1994

Paper by the postal administration of the Czech Republic

"Brief comments on the postal financial services of the Czech Post"

I. Existing infrastructure

1 The Czech Post has more than 40 years of practice in providing financial services, not only traditional domestic and international postal payment services but also savings bank services.

2 Development of the banking sector after 1989 has also stimulated the development postal banking services. The newly established Postal Bank should have brought about the smooth transformation of the Post's cash payment system into a non-cash payment system.

II. Difficulties related to the development of current systems

3 The specific conditions of transforming a centrally planned economy into a fully functional market economy proved that simply copying from the experience of others was not sufficient. For a broader development of the postal financial services, it is very often necessary to adopt specific methods and decisions.

4 Today we cannot say that all the decisions taken by the Czech Post in the past were the best. In fact, in that time, we tested several alternative solutions and the results of these experiments can be used by other countries of the Union (particularly by former planned-economy countries), either as examples of what not to do or as examples to be followed.

5 First, we found that it is impossible to introduce a fully developed postal banking system overnight. A system similar to the one which has been developed under market-economy conditions over many years cannot be put in place in just a few months. Impatience and strict requirements for efficiency only result in complications and in widening the gap between the interests of the Post and those of the cooperating banks.

6 At a time when the Czech Post is not a majority shareholder of the bank that is to take over the bulk of the present postal cash payment operations transformed into a non-cash payment system, it is difficult to reconcile the interests of the postal sector with those of the banking sector. In view of this difficulty, the Czech Post is preparing its own payment system by automating counter operations (using the POST 2000 system, which can be adapted for other prospective users) and by developing at the same time an informatics and data-processing superstructure.

III. Towards a full range of postal financial services

7 The Czech Post offers all forms of services for domestic payments as well as international services based on agreements. It is specifically in this sector that it wishes to launch an international payment system open to all interested parties and to combine as far as possible the internal and external processing of these operations. To that end, the Czech Post is attempting to apply the giro standards of other European PTTs as well as the rules governing bank cheque standards. These efforts should bring about the systematic simplification of any inpayment or outpayment medium.

8 The Czech Post offers private individuals a full range of postal giro services (including pension payments to accounts) as well as complete current account services for business customers. It also provides individuals with savings bank services (savings bank books) and sells certificates issued by the cooperating bank.

Czech Rep, July 1994

Paper by the postal administration of Indonesia

"Role of the UPU in adapting the postal financial services to a new world"

I. Introduction

1 The spirit of international collaboration in the cultural, social, and economic fields is stipulated in the preamble to the Constitution. The memorandum on the role of the Post as a factor in economic, social, and cultural development, published by the UPU in 1982, shows as a conclusion that one of the roles of the Post is to provide monetary exchange services. The two statements mentioned above give us a basis for developing the UPU financial services.

2 In the information era that we are now experiencing, monetary transactions or transfers by means of cash tend to be decreasing and are being replaced by paperless monetary transactions or transfers by means of credit cards, debit cards and ATM cards, for example.

3 The giro service currently being provided by many postal administrations, particularly administrations of the developing countries, still uses manual and physical means of giro transactions. In the meantime, in many postal administrations of the developed countries, the manual and physical means of giro transactions have been replaced by automated systems and electronic means.

II. The future of the UPU financial services

4 Congress – Doc 63 tells us that the Executive Council has laid the foundation for developing the financial services by studying all possible measures that could be taken to meet the demand and anticipate the environmental changes (ie globalization, rapid development of technology; deregulation of the financial and banking business, severe competition, spiralling cost of production factors, and high interest rates).

5 For the world postal service to successfully implement the financial services, it is imperative that the service be modernized worldwide, with coordination by the UPU. This will also make the service more competitive.

6 The required modernization of the financial services has been carried out in many administrations of the developed countries. All that remains to be done is to extend the modernization process to other postal administrations, particularly those of the developing countries.

7 The successful introduction of POST*Net with its various EDI applications, including financial services, is the right vehicle for developing the UPU's new financial services.

III. Problems to be solved

8 The number of signatory countries of the Agreement is limited:

- money orders: 94 countries (49 percent)[1]
- Giro: 69 countries (36 percent)[1]

[1] **Note by the International Bureau.** – See also Congress – Doc 28.

– COD: 74 countries (39 percent)[1]

9 The issue of the separation of UPU contributions under mandatory and non-mandatory services also poses a problem. The effect of this policy is to weaken the solidarity of member countries and to hamper the development of the financial services, because contributions come from only less than 50 percent of Union member countries.

10 The limited funds available for the development and modernization of the UPU financial services constitute another problem.

IV. Conclusion

11 The main role of the UPU in improving and modernizing the financial services is to act as a coordinator for implementation of the agreed global UPU strategy for financial services development. Detailed efforts by the UPU to implement the agreed development strategy include the following among others:

i remind and convince all member countries of the advantages of solidarity;

ii appeal to the developed countries to increase their voluntary contributions and to become foster countries for the least developed and the developing countries;

iii increase the number of signatory countries of the Financial Services Agreements;

iv act as coordinator and adviser, especially for the least developed and the developing countries;

v encourage postal administrations to participate in the UPU POST*Net which can be used – among other things – to develop the financial services;

vi recommend that the developed countries that have advanced financial services provide consultancy services for the least developed and the developing countries for improving their financial services;

vii conduct a study on competing financial services of the banking sector. The information so obtained could be used for developing the UPU's financial services.

Indonesia, 1994

[1] **Note by the International Bureau.** – See also Congress – Doc 28.

Congress – Doc 63/Add 2

Expanded debate on the theme "Future of the postal financial services". Draft Action Plan to energize the postal financial services (PFSAP)

Memorandum by the International Bureau

1 To facilitate Committee 8's work during the expanded debate on the theme "Future of the postal financial services" scheduled to take place during its first meeting (agenda item 4.1) on 2 September 1994, the International Bureau has prepared the attached initial text of the Action Plan to energize the postal financial services (PFSAP).

2 This draft Action Plan is an outline based on the EC's draft resolution (proposal 40. 0.1) and contributions submitted by administrations in anticipation of the expanded debate. It will be finalized by the discussion leader and the Committee 8 Secretariat to take account of the conclusions of the debate before being submitted to the second meeting of Committee 8 for approval.

Berne, 23 August 1994

A C BOTTO DE BARROS
Secretary-General

Congress – Doc 63/Add 2/Annex 1

Policy	Energize the postal financial services and adapt them to the changing environment, react effectively to the challenges issued by the competition on the international payments market, create a competitive, functional and operational universal computerized network of postal financial systems (services) to serve the world community of the 21st century

Draft Action Plan to energize the postal financial services

Objectives		Projects/Actions/Activities		Responsibility
Strategy		**A.**	Develop postal financial exchanges by establishing a universal, progressive and operational network of postal financial payments systems (services) at international level	
A 1	Extension worldwide of the postal financial services; universality of postal financial payments systems	*A 1.1*	*Increase the number of countries actively participating in the postal financial services in order to expand the coverage of services worldwide*	
		A 1.1.1	Urge the Union member countries and States, as appropriate, to establish postal financial services primarily for the transfer of funds in the international service.	CA, POC, RU
		A 1.1.2	Give priority to the establishment of postal financial services within those administrations that do not at present offer services in this area.	Adm, CA, RU
		A 1.2	*Simplify the current regulations and the conditions governing execution of the services to encourage many administrations to participate in and to join international postal financial payment systems*	
		A 1.2.1	Recast the Postal Financial Services Acts with a view to simplifying the conditions governing execution of the postal financial services and making them more flexible.	CA, POC, RU
		A 1.3	*Support accession to the postal financial services on the basis of the UPU Agreements in force*	
		A 1.3.1	Consider measures for encouraging those administrations that provide services on the basis of bilateral agreements to subscribe to the UPU Agreements in force.	CA, POC, RU
		A 1.3.2	Identify the reasons preventing administrations from subscribing to the UPU's universal Postal Financial Services Agreements and taking measures to adapt to the conditions of universal service on the basis of those UPU Agreements.	Adm, CA, POC, RU
A 2	Develop and improve traditional and computerized postal financial services	*A 2.1*	*Develop and optimize the internal organization of postal financial institutions so as to achieve an even more effective postal financial services network for long-distance and direct-contact payments*	
		A 2.1.1	Increase the number of post offices providing postal financial services in all rural regions and zones, taking the cost/benefit ratio into account.	Adm
		A 2.1.2	Computerize post offices and procedures for internal processing of instruments at the counters, using the most efficient exchange methods and procedures	Adm, CA, POC

Objectives	Projects/Actions/Activities	Responsibility
	A 2.2 Improve the money orders service	
	A 2.2.1 Improve money order transmission times.	Adm, POC
	A 2.2.2 Improve the security of the service and reduce inquiry response time.	Adm, POC
	A 2.2.3 Urge countries with no inward money order service to serve as intermediaries by issuing cheques payable to the beneficiaries.	Adm, CA, POC
	A 2.2.4 Assign a group of experts to study measures for improving the international money orders service.	POC
	A 2.3 Improve the giro service	
	A 2.3.1 Expand the issue of withdrawal cards and equip post offices with terminals and cash dispensers	Adm, CA, POC
	A 2.3.2 Increase the number of countries agreeing to pay postcheques in post offices.	Adm, CA, POC
	A 2.3.3 Assign a group of experts to study measures for improving the giro service.	CA, POC
	A 2.4 Simplify the methods of exchanging money orders and giro cheques as well as cashing and payment procedures	
	A 2.4.1 Conduct a study aimed at simplifying operating methods, cashing and payment procedures and methods for exchanging international money orders and giro cheques.	CA, POC
	A 2.5 Simplify reciprocal methods of account billing and settlement	
	A 2.5.1 Promote the use of the liaison giro account.	Adm, POC
	A 2.5.2 Introduce the use of computers for issuing and verifying account statements, establishing and electronically transmitting monthly accounts and summary lists for money orders.	Adm, CA, POC
A 3 Establish the future configuration of the universal computerized network for electronic transmission of funds by the postal financial services	*A 3.1 Develop telematic applications for the transfer of postal financial services funds*	
	A 3.1.1 Promote the introduction, expansion and development of the electronic transfer system for postal financial funds worldwide in order to create a computerized international payments network with EUROGIRO as its linchpin.	Adm, POC
	A 3.1.2 Evaluate the criteria for participation of postal financial institutions in the EUROGIRO system as well as costs and installation and participation charges and fees in relation to benefits.	Adm, POC
	A 3.1.3 Encourage postal financial services capable of offering a transfer service to join the EUROGIRO system as users.	CA, POC
	A 3.1.4 Promote cashing of money orders and international exchange of money orders through the EUROGIRO network.	Adm
	A 3.1.5 Promote the implementation of a new concept of computerized payment network that would provide an inexpensive electronic system for transfer of instruments to postal financial institutions with a low volume of transactions and/or that do not have a data processing system.	Adm, CA, POC
A 4 Implement programmes for quality control of the postal financial services	*A 4.1 Provide computerized control of the quality of transactions*	
	A 4.1.1 Support the introduction of the means of ensuring computerized control of on-line postal financial operations from the post offices and make advantageous use of the EUROGIRO system.	Adm, POC
	A 4.1.2 Consider measures for establishing permanent quality control of postal financial services operations and in due course conduct studies for improving it.	Adm, POC

Objectives		Projects/Actions/Activities		Responsibility
A 5	Intensify co-ordination, cooperation and collaboration between UPU member countries, postal financial institutions	*A 5.1*	*Continue the partnership in respect of conventional services on the basis of bilateral and multilateral agreements relating to postal financial services*	
		A 5.1.1	Develop the exchange of information with administrations that provide these services on a bilateral (multilateral) basis only.	CA, POC
		A 5.2	*Support contacts and cooperation between countries wishing to develop new postal financial services systems*	
		A 5.2.1	Encourage technical exchanges in the postal financial services field.	Adm, POC, RU
		A 5.2.2	Establish permanent technical assistance cooperation programmes focussing on the establishment of postal financial services centres and the introduction of the money orders and giro services.	CA, POC, RU
Strategy		**B.**	Adapt the postal financial services to market developments, customer needs, technological developments and means of communication in order to make them more profitable and competitive at international level	
B 1	Work out a better definition of the postal financial services market	*B 1.1*	*Achieve a better knowledge of the postal financial services market*	
		B 1.1.1	Conduct studies to define: – market structures and products to be developed; – customer groups, user requirements and degree of satisfaction; – competition: methods and market shares; – service trends and development potential.	Adm, RU, POC
		B 1.1.2	Introduce customer relations programmes.	Adm
B 2	Adapt the postal financial services to changing customer needs	*B 2.1*	*Expand and standardize the range of postal financial services/products at national and international level*	
		B 2.1.1	Take measures to ensure that the range of postal financial services/products is expanded in all countries to allow long-distance and direct-contact payments and to encourage the introduction of basic services to enhance the universal nature of the services available to customers.	Adm, RU, CA, POC
		B 2.1.2	Develop postal financial services in response to specific customer needs, such as deposit of salaries, automatic debit transfers, automatic transactions by means of withdrawal cards at cash dispensers, savings bank book, automatic deposit of dividends, indemnities, etc.	Adm, POC
		B 2.1.3	Ensure adequate promotion of traditional services and new postal financial payment products by implementing commercial marketing policies and using new technologies and procedures.	Adm, RU, CA, POC
		B 2.1.4	Urge administrations to take all necessary measures to adapt the postal financial services to commercial and technical developments.	CA, POC
		B 2.2	*Facilitate inter-administration relations by adopting more flexible conditions for executing the services*	
		B 2.2.1	Amend the provisions in effect within the framework of the study on recasting the Postal Financial Services Acts	POC
		B 2.2.2	Adopt practical measures at bilateral level.	Adm
		B 2.3	*Apply provisions between administrations calling for equitable, cost-related remuneration/compensation*	Adm, POC

Objectives		Projects/Actions/Activities		Responsibility
B 3	Ensure adequate management independence for postal financial services (postal financial institutions)	*B 3.1*	*Ensure that long-term corporate plans and policies have been worked out in respect of the development of the postal financial services*	
		B 3.1.1	Prepare and implement plans setting out clearly-defined actions, complete with objectives, costs and quantified time frames to allow investments to be sought.	Adm
B 4	Increase the role of the UPU in adapting the postal financial services to a new world	*B 4.1*	*Ensure implementation of the PFSAP in consideration of the authority granted and the means available*	
		B 4.1.1	Allocate responsibilities and PFSAP operational and monitoring procedures between the permanent bodies of the UPU	
		B 4.1.2	Define practical measures and studies relating to implementation of the PFSAP	CA, POC, IB
		B 4.1.3	Consult administrations about monitoring the execution of the PFSAP	CA, POC, IB
		B 4.1.4	Manage the financial resources allocated to PFSAP implementing and monitoring activities	POC

Congress – Doc 64

Universal Postal Union strategies to safeguard and enhance the quality of the international postal service – 1995-1999

Executive Council report

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I. Introduction

1 Since the 1984 Declaration of Hamburg, monitoring and improving the quality of the international postal service have explicitly been included among the priority activities of the Universal Postal Union and of the postal administrations of member countries.

2 The UPU's concern with regard to quality was given practical expression in Hamburg Congress resolution C 30. Taking note of the satisfactory results obtained from the transmission time tests conducted by the International Bureau since 1986, the 1989 Washington Congress made such testing a permanent UPU activity (resolution C 5). Resolution C 22 of that same Congress further confirmed its permanent nature by creating a Permanent Project to Safeguard and Enhance the Quality of and to Modernize the International Postal Service.

3 Since the Washington Congress, the Universal Postal Union, in conjunction with the administrations of its member countries, has made a considerable effort to achieve that objective worldwide owing to the very heavy competition from private couriers on the postal market and the increasing demands of postal customers.

4 To adapt Union operations to present-day commercial and technical requirements, the Washington Congress decided to implement a Permanent Project to Safeguard and Enhance the Quality of and to Modernize the International Postal Service. It instructed the Executive Council, in cooperation with the CCPS and the International Bureau, to take the measures necessary to attain meaningful results in the various fields covered by the project and to submit a report to the next Congress (resolution C 22).

5 To prepare a comprehensive summary of all that has taken place or that is under way in connection with the Permanent Project thus established, the Executive Council decided that an annual report would henceforth be submitted to it. It also set up a Permanent Project Management Team responsible for studying specific questions.

6 Details of all the work done are given in Congress – Doc 22, which also includes an analysis of areas of the international postal service that could be improved during the next period.

II. Quality of Service Programme – 1995–1999

A. *Programme objectives*

7 The secondary objectives of the Quality of Service Programme will allow the following primary objective to be achieved:

Primary objective

By attaining the following secondary objectives, to significantly improve the quality of the international postal service.

Secondary objective 1

To actively continue to set quality standards for the international postal service in accordance with the objectives set out in the relevant CCPS Action Plan and to ensure that, between now and 1999, the standards established are applied at a rate of at least 75 percent by postal administrations for the letter post and postal parcels.

Secondary objective 2

To identify the weak points of the international postal service by: i permanent monitoring of the quality of international mail circulation; ii the presence of consultants in the field; iii a permanent study of the world postal network; iv mutual information between the bodies of the Union, the Restricted Unions and administrations on activities conducted in the quality of service field to overcome those shortcomings using the most effective and the most realistic methods. To expect the postal administrations to implement the International Bureau's and the consultants' recommendations at a rate of at least 75 percent.

Secondary objective 3

To create at the International Bureau an information and resource centre on quality of the international postal service (air links, mail handling, routeing). To provide assistance in improving mail routeing plans to any administration requesting same.

B. Programme structure

8 To achieve the primary objective (paragraph 7), secondary objectives 1 to 3 will be implemented by means of the following activities:

B1 Objective 1

B1.1 Establishment and application of quality standards for the international postal service

9 On the basis of the work already done (Compendium of Delivery Standards, Quality of Service Standards Manual – Domestic and International networks), administrations will be kept up-to-date with regard to the continuation of quality standardization activities.

10 New standards will be developed by the Union, in conjunction with the postal administrations, the Restricted Unions and the Regional Advisers. A data base containing information on quality standards will be set up at the International Bureau. It will afford a systematic analysis of the relationship between standards and test results.

11 Administrations will also be encouraged to conclude further bilateral agreements on quality of international service with their main partners. The International Bureau's work relating to this will be carried out as part of the tasks of International Bureau staff and will not have extraordinary financial implications.

12

Action A 1:	
Sustain administrations' awareness of the application of quality standards for the international postal service. Establish new standards, particularly end-to-end standards, and have them implemented.	
Volume and timing of the work:	Permanent task of the International Bureau and of the field consultants.

Presentation of results: a to administrations	Distribution of compendia of standards and their updates; formulation of practical recommendations by the International Bureau relating to the establishment and application of quality standards.
b to the appropriate body of the Union	A summary of the results will be submitted in the International Bureau's annual report on implementation of the Quality of Service Programme.

B2 Objective 2

B2.1 Quality control of the international postal service

13 The Union will continue to monitor the quality of the international postal service (regular mail). Results will be analyzed in greater detail thanks to the extensive use of computer equipment and of a centralized data bank.

14 Also, plans call for an additional test method (end-to-end testing) to be introduced worldwide.

15

Action A 2:	
Continue quality testing of the international postal service worldwide (integral testing of partial times and total times).	
Volume and timing of the work:	Four tests of ordinary mail a year. Beginning in 1996, the number of tests could be revised with the introduction of the new end-to-end testing.
Presentation of results: a to administrations	After each test, the International Bureau will send a detailed report on the tests conducted and the results of analyses to the administrations concerned.
b to the appropriate body of the Union	A summary of the results will be submitted to the appropriate body in the International Bureau's annual report on implementation of the Quality of Service Programme.

16

Action A 3:	
Introduce an additional quality test of end-to-end international postal service (partial times will be disregarded).	
Volume and timing of the work:	A pilot project will be conducted in 1995; two world-level tests will be carried out each year beginning in 1996–1997, replacing two tests under the present system.
Presentation of results: a to administrations	After each test, the International Bureau will send a detailed report on the tests and tables analyzing the results to the administrations concerned.
b to the appropriate body of the Union	A summary of the results will be submitted by the International Bureau in its annual report on implementation of the Quality of Service Programme.

B2.2 Presence of quality of service consultants in the field

17 The purpose of missions by quality of service consultants is to either disprove or confirm irregularities in transmission times and other aspects of quality. The consultants will propose solutions to the administrations concerned and the Union for irregularities still outstanding, although the main purpose of these operational missions is for them to correct the problems as much as possible during the mission to the country in question.

18 Special importance will continue to be attached to offices of exchange, bearing in mind the fact that an efficient domestic postal service is a prerequisite for a quality international postal service.

19 For budget reasons, the practice of grouped missions will always be followed whenever possible.

20 Compared with those carried out from 1990 to 1994, missions will be more effective as a result of:

- the finalization of the "Quality Consultant's Guide";
- the organization, if the administrations visited so desire, of short local training or refresher courses on quality; these will be conducted preferably at the end of the consultant's mission so that training can focus on practical problems identified during the mission.

21

Action A 4:	
Organize field missions by quality of service consultants and ensure maximum effectiveness of such missions by adopting new working methods	
Volume and timing of the work:	12 m/m a year; length of a mission to a given administration will be 1 to 3 weeks (depending on the tasks). The "Quality Consultant's Guide" will be finalized by the International Bureau as part of its 1995 work programme.
Presentation of results: a to administrations	The objective and manner of conducting the mission will be discussed with senior officials of each administration to be visited prior to the consultant's departure to the field. A copy of the report by the consultant will be sent to the administration concerned after the mission by the International Bureau.
b to the appropriate body of the Union	A summary of the missions, supplemented where appropriate by comments by the International Bureau, will be submitted in the latter's annual report on implementation of the Quality of Service Programme.
c other	A copy of the mission report will also be sent to the Regional Adviser concerned and to the UNDP Resident Representative in the country visited.

B2.3 Permanent study of the world postal network

22 This work will be done by specialists recruited for a fixed term whose duties will be to:

- continually analyze the world network and its effectiveness (particularly mail circulation plans), world air routes, quality test results, field consultants' comments and other information available;

- formulate practical recommendations concerning quality improvement measures to be taken by administrations and Union bodies;
- provide the necessary assistance to postal administrations whose quality of service is unsatisfactory and that do not have adequate means of improvement;
- verify in the field the findings of the specialists, particularly those concerning the operation of civil aviation hubs;
- establish a documentation centre and even a data base on the world postal network, and adjust the AV 1 List and the List of Airmail Distances as required by the Union.

23 The specialists will be engaged with a view to maximum economy of the financial resources allocated for that purpose, namely:

- one specialist will be engaged for a fixed term from 1995 to 1999; in addition to restructuring the basic documents, the specialist will be responsible for continuity of work on the network and for processing the results of the activities of the other specialists engaged for shorter terms (1 to 3 months) to perform special tasks, using their knowledge of the regions and sub-regions in question to advantage.

24

Action A 5:	
Ensure permanent monitoring of the effectiveness of the world postal network	
Volume and timing of the work:	One specialist will be engaged for the period 1995–1999. Others will be engaged as follows: – 6 m/m in 1995 – 9 m/m a year from 1996 to 1998.
Presentation of results: a to administrations b to the appropriate body of the Union	 Permanent contact between the International Bureau and the administrations. A summary of the work done will be submitted in the International Bureau's annual report on implementation of the Quality of Service Programme.

B3 Objective 3

B3.1 Establishment and updating of a data base on worldwide quality test results

25 Since December 1993, a data base on quality test results is available at the International Bureau. Plans call for administrations to have direct access to it.

26 The data base will be linked to other planned Union data bases; this will allow more in-depth analyses of the international postal service.

27 The data base will be updated on a regular basis after the test operations.

28

Action A 6:	
Update the data base on worldwide quality test results	
Volume and timing of the work:	Permanent task of the International Bureau
Presentation of results: a to administrations	Direct access by administrations to the data base through the EDI network. For production of test results, see Action A 2.
b to the appropriate body of the Union	Information on new measures concerning the data base will be given in the International Bureau's annual report on implementation of the Quality of Service Programme.

B3.2 Creation at the International Bureau of an information and resource centre on international mail circulation

29 Within the framework of the specialists' work on the world network (Action A 4), the following information will be concentrated at the International Bureau:

- computerized information on world air routes;
- mail circulation plans prepared by the postal administrations;
- updated AV 1 List and List of Airmail Distances;
- observations and recommendations by field consultants;
- information on quality of service standards (paragraph 26);
- information on mail closing times;
- other information on the world postal network.

30 As a result of the specialists' work, the International Bureau will supply administrations with all necessary forms of assistance in the area of quality improvement (information, analyses, consultation, proposals).

31

Action A 7:	
Create, within the framework of implementation of action A 5, an information and resource centre on international mail circulation.	
Volume and timing of the work:	Permanent task of world network specialists and of the International Bureau
Presentation of results: a to administrations	The International Bureau will supply information and special analyses to administrations at their request.
b to the appropriate body of the Union	A summary of the work done will be given in the International Bureau's annual report on implementation of the Quality of Service Programme.

B4 Other activities to be included in the Quality of Service Programme

32 To make it possible to react to new world postal service requirements and to ensure the necessary flexibility of action, the Quality of Service Programme makes allowance for certain activities not yet precisely defined. These activities could be in the form, for example, of:

- co-financing of local or sub-regional seminars/workshops on international and domestic mail circulation;
- purchase of more powerful specialized computer tools (programmes);

- preparation of new documentation requested by administrations;
- etc.

33 For the time being, these Quality of Service Programme requirements have been evaluated in respect of their financing (see attachment 1, paragraph 10). A more specific definition of the use that will be made of these financial resources will be submitted, in due course, to the appropriate body of the Union for approval.

C. Links with other Union programmes concerned by quality of service testing

34 The Quality of Service Programme will have important links with other Union activities, in particular:

- electronic data interchange (EDI) by means of a worldwide postal telecommunications network (POST*Net);
- work in the security field (PSAG).

Programmes for these activities are submitted in separate documents, since each one has its own operational strategies.

III. Financing plan for the Quality of Service Programme

35 Quality of service operations included in the strategic plan will come under a five-year programme-budget approved by Congress. Each year, a sufficient amount of the credits thus provided will be included in the UPU budget to allow execution of the quality of service programme during the period in question.

A. Statement of financial requirements

A1 International Bureau staff

36 The Quality of Service Programme will be executed without any increase in the permanent staff of the International Bureau being requested.

A2 Specialists

37 Financial requirements are shown in thousands of Sfr and in man/months (in brackets)

Year	1995	1996	1997	1998	1999	Total
World network specialists	216	252	252	252	144	1116
	(18)	(21)	(21)	(21)	(12)	(93)
Field missions for operational activities	240	240	240	240	240	1200
	(12)	(12)	(12)	(12)	(12)	(60)
Other specialists	0	48	48	48	48	192
		(4)	(4)	(4)	(4)	(16)
Total, specialists	456	540	540	540	432	2508
	(30)	(37)	(37)	(37)	(28)	(169)

A3 Other financing requirements

38 Financial requirements are shown in thousands of Sfr.

Year	1995	1996	1997	1998	1999	Total
Quality control (transmission times)	120	160	160	160	160	760
Computer equipment	–	10	–	–	10	20
Administrative costs	50	50	50	50	50	250
Other quality improvement activities	30	30	30	30	30	150
Total, other	200	250	240	240	250	1180

A4 Total financial requirements

39 A summary of the preceding tables of financial requirements (in thousands of Sfr) for the Quality Programme for 1995–1999 is given below:

Year	1995	1996	1997	1998	1999	Total
Total	656	790	780	780	682	3688

40 The cost of permanent International Bureau staff is not included in these figures, details of which are given in attachment 1 to this document.

B. Financing method

41 It is proposed that the present method be continued – use of the Union budget and Special Activities Fund in conjunction with the Voluntary Fund. This method would guarantee to member countries that the financial means allocated to the safeguarding and enhancement of quality and to the modernization of the international postal service will be used exclusively for that purpose. Any sums not expended during the year for which they were allocated would be applied to the same operations in subsequent years.

IV. Conclusions

42 The Executive Council proposes to Congress that it endorse its conclusions, and in particular that it:

i adopt the proposal for establishing a Quality of Service Programme, the primary objective of which would be to significantly improve the quality of the international postal service by achieving the following objectives:

   a to continue to set quality standards for the international postal service, particularly end-to-end standards, and to promote and monitor their application,

   b by means of permanent monitoring of the quality of international mail circulation, the presence of consultants in the field responsible for taking corrective operational action and a permanent study of the world network, and jointly with the administrations, the Restricted Unions and the Regional Advisers, to identify the weak points of the international postal service with a view to correcting them,

c to create at the International Bureau an information and resource centre on quality of the international postal service and a data base concerning transmission-time tests worldwide;

ii approve the ceiling of financial resources for the five-year programme (paragraphs 37 to 40) and the financing method (paragraph 41);

iii instruct the appropriate bodies of the Union, the postal administrations of member countries and the Restricted Unions to take the necessary measures to implement the Programme;

iv approve the related draft resolution attached hereto (annex 2).

Berne, 18 February 1994

For the Executive Council:

T E LEAVEY

Chairman

Congress – Doc 64/Annex 1

Detailed statement of financial requirements for implementation of the International Postal Quality of Service Programme – 1995–1999

I. Introduction

1 The following statement provides an overview of the financing needs of the International Postal Quality of Service Programme – 1995–1999. Actual needs in this field will obviously not be the same throughout the interval between Congresses. It will be up to the appropriate bodies of the UPU to specify, for the annual budgets of the Union, the use that will be made of the means allocated to enhancing the quality of the international postal service and to seek the most effective solution to the current needs of the world Post. Also, costs relating to the employment of International Bureau staff and common expenses are not included in the figures below.

2 Nevertheless, the data hereunder provide a basis for evaluating the essential financing requirements for the upcoming period. These requirements are expressed in thousands of constant Swiss francs on the basis of present costs of goods and services. It will be necessary each year to take account of the inflation rate, which on average in Switzerland is in the order of 5 percent.

II. Detailed financial statement

A. Specialists

A1 Specialists for the world network

3 It is planned to engage a specialist for a fixed term (1995–1999) to ensure continuity of work on the world network. In addition, during the period 1995–1998, other specialists will be recruited for fixed terms (one to three months) to perform practical network-related tasks. The team of specialists thus created will allow faster implementation of the ideas already approved by the 1992 and 1993 EC, particularly as regards permanent monitoring and analysis of the world network and establishment of a network information and documentation centre at the International Bureau. The expenditure required is estimated at 12 000 Sfr/specialist/month (including travel).

Year	Specialists recruited	Man/months required for work on the world network	Financing (thousands of Sfr)
1995	1+2	12 + 6	216
1996	1+3	12 + 9	252
1997	1+3	12 + 9	252
1998	1+3	12 + 9	252
1999	1	12	144
Total 1995–1999	5+11	93	1116

A2 Specialists (consultants) in the field

4 It is estimated that the volume of work for quality consultants will require 12 man/months a year. This will allow about 24 countries to be visited each year, assuming each visit lasts an average of about two weeks. These operational missions will be supplemented by special, relatively longer missions, relating to the world postal network.

Year	Man/months required for field work	Consultants' remuneration (thousands of Sfr)	Consultants' travel (thousands of Sfr)
1995	12	120	120
1996	12	120	120
1997	12	120	120
1998	12	120	120
1999	12	120	120
Total 1995–1999	60	600	600

A3 Other specialists

5 Beginning in 1996, it is planned to engage specialists (four m/m a year) for unforeseen activities (training, etc). The cost of remuneration and travel for each specialist is estimated at 48 000 Sfr a year.

Year	Man/months required for other work	Consultants' remuneration and travel (thousands of Sfr)
1995	0	0
1996	4	48
1997	4	48
1998	4	48
1999	4	48
Total 1995–1999	16	192

B. Other requirements

B1 Quality control of ordinary mail and EMS

6 Only the cost of data input and printing of control cards has been calculated. An increased volume of work is expected beginning in 1996 as a result of the probable implementation of the additional end-to-end testing.

Year	Data input (thousands of Sfr)	Printing of control cards (thousands of Sfr)
1995	80	40
1996	100	60
1997	100	60
1998	100	60
1999	100	60
Total 1995–1999	480	280

B2 Computer equipment

7 Computer equipment for general use is financed centrally. Nevertheless, it would seem desirable, with respect to certain activities, to set aside a given sum for the purchase of special equipment not yet identified.

Year	Computer equipment (thousands of Sfr)
1995	0
1996	10
1997	0
1998	0
1999	10
Total 1995–1999	20

B3 Administrative costs

8 Administrative costs will be applied to all the above activities. They will more particularly include telecommunication charges, document production (printing), data telecommunication, etc.

Year	Administrative costs (thousands of Sfr)
1995	50
1996	50
1997	50
1998	50
1999	50
Total 1995–1999	250

B4 Other activities

9 To provide for the possibility of additional resources being required for activities not yet forecast in detail, an annual credit of 30 000 Sfr is proposed. These funds will be used more specifically for co-financing local or sub-regional workshops on international and domestic mail circulation, conducted by the field consultants after their quality missions in order to provide training, where necessary, for officials from offices of exchange and sorting centres.

Year	Other activities (thousands of Sfr)
1995	30
1996	30
1997	30
1998	30
1999	30
Total 1995–1999	150

Congress – Doc 64/Annex 2
(Draft Congress Proposal ...)

Resolution C xx/1994

Quality of Service Programme – 1995–1999

Congress,

Considering
that improving quality by reducing international transmission times and mail exchanges and enhancing the security of the world postal network and of postal items constitute an objective of primary importance for safeguarding the image of the Post in the eyes of the public,

Taking note of
the encouraging results achieved by the Permanent Project to Safeguard and Enhance the Quality of and to Modernize the International Postal Service (Washington Congress resolution C 22),

Noting
the need for the Union to continue its work relating to the improvement of quality,

Decides

on the implementation of a Quality of Service Programme for the period 1995–1999 for the purpose of achieving a significant improvement in the quality of the international postal service, more specifically by taking the following action:

- raising the consciousness of administrations regarding the implementation of quality standards in the international postal service;
- permanent monitoring of the quality of the international postal service worldwide;
- implementation of additional end-to-end testing of the quality of the international postal service;
- missions by quality of service consultants in the field;
- permanent monitoring of the effectiveness of the world postal network;
- permanent updating of a data base concerning the results of quality control worldwide;
- creation of an information and resource centre on international mail circulation,

Approves

the ceiling of the credits necessary for execution of the above plan, set at 3 688 000 CHF for the period 1995–1999,

Instructs

the Executive Council, in conjunction with the Consultative Council for Postal Studies and the International Bureau, to take the necessary measures to achieve significant results in the various areas covered by the Quality of Service Programme and to submit a report on its execution to the next Congress,

Urges

a the member countries of the Union:

- to do their utmost to improve the quality of the postal services offered, particularly by applying the quality standards already established or to be established,
- to cooperate fully in any project designed to stimulate their initiatives and to draw maximum advantage from the realization of the activities initiated;

b the member countries and the Restricted Unions to provide active support for the operations initiated within the framework of the Quality of Service Programme.

(Proposal XXX, xxth plenary meeting)

Congress – Doc 65/Rev 2

Updating of the Final Protocol to the Universal Postal Convention and its Detailed Regulations

Memorandum by the International Bureau

Since the 1989 Washington Congress, amendments have been made to the Final Protocol to the Universal Postal Convention and its Detailed Regulations as a result of new accessions and of the waiving by some member countries of certain reservations in response to the request by the International Bureau transmitted under cover of letter No 2150(A)1110 of 31 January 1994.

In order to provide the countries concerned with clear information, on the eve of the 21st Congress, about their position in relation to the said Final Protocol, it was considered useful to recapitulate the amendments concerned in this update drawn up at 15 June 1994.

As the text of the Convention and its Detailed Regulations has been recast by the EC pursuant to resolution C 14/1989 of the Washington Congress[1], the amendments relating to new accessions as well as changes in the titles of countries made thereafter have been included. The other amendments received subsequently are covered by this document. The references given relate to the *recast texts* distributed under reference numbers Congress – Doc 60/Add 1 (for the Convention) and Congress – Doc 60/Add 2 (for its Detailed Regulations).

Amendments reported to the International Bureau

Final Protocol to the Universal Postal Convention

Article I (Ownership of postal items)

Paragraph 1. Add, in its appropriate position, "Antigua and Barbuda".

Article III (Small packets)

Paragraph 1. Delete "Australia[2]", "Cuba".
Paragraph 2. Delete "Italy".

Article IV (M bags. Minimum weight)

Paragraph 1. Delete "Australia[2]", "France[2]".

Article IX (Articles subject to customs duty)

Paragraph 2. Delete "Armenia", "Bulgaria (Rep)", "Georgia", "Kyrgyzstan", "Moldova", "Russian Federation".
Add, in their appropriate position, "Tajikistan", "Uzbekistan".

Article X (Withdrawal from the post. Alteration or correction of address)

Paragraph 1. Add, in its appropriate position, "Antigua and Barbuda".
Delete "Slovak Rep[1]", "Czech Rep[1]"

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[1] See Congress – Doc 60.

[2] Withdrawal effective from the entry into force of the Seoul Acts.

Article XI (Liability of postal administrations)

Paragraph 1. Delete "of Belgium", "Mexico[1]".

Article XII (Non-liability of postal administrations)

Paragraph 1. Delete "Indonesia[1]", "and Mexico[1]".

Article XIII (Payment of indemnity)

Paragraph 1. Delete "Gabon", "Iraq".
Paragraph 2. Delete "Gabon", "Iraq".

Final Protocol to the Detailed Regulations of the Universal Postal Convention.

Article RE II (Printed papers. Authorized enclosures)

Paragraph 1. Delete "France[1]"

Article RE III (Exemption of literature for the blind from postal charges)

Paragraph 1. Delete "Armenia", "Belarus", "Georgia", "Kazakhstan", "Kyrgyzstan", "Moldova", "Russian Federation".
Add, in their appropriate position, "Tajikistan", "Uzbekistan".

Article RE V (Seizure of items)

Paragraph 1. Delete "Mexico[1]"

Paragraph 2. Delete "Armenia", "Belarus", "Bulgaria (Rep)", "Georgia", "Kazakhstan", "Kyrgyzstan", "Moldova", "Poland (Rep)[1]", "Russian Federation".
Add, in their appropriate position, "Tajikistan", "Uzbekistan".

Article RE VI (Compulsory routeing indicated by the country of origin)

Paragraph 1. Delete "Armenia", "Georgia", "Kazakhstan", "Kyrgyzstan", "Moldova", "Russian Federation", "Ukraine".
Add, in their appropriate position, "Tajikistan", "Uzbekistan".

Reminder of the procedure for submitting new reservations before Congress

Member countries are entitled to submit new reservations in accordance with article 26 of the Rules of Procedure of Congresses which lays down that "Reservations must be submitted in writing in French (proposals concerning the Final Protocol) in order that they may be considered by Congress before the signing of Acts."

Seoul, 9 September 1994

A C BOTTO DE BARROS
Director-General

[1] Withdrawal effective from the entry into force of the Seoul Acts.

Congress – Doc 66/Rev 5

Update of the Final Protocols to the Postal Parcels Agreement and its Detailed Regulations

Memorandum by the International Bureau

Since the 1989 Washington Congress, changes have been made to the Final Protocol to the Postal Parcels Agreement as the result of the notification of new accessions to the Union[1], the withdrawal of some reservations, and changes in the names of countries.

For the countries concerned to be clearly informed, on the eve of the 21st Congress, about their position in relation to that Final Protocol, it was considered appropriate to recapitulate the relevant changes in this update as of 5 September 1994.

It should be noted that the text of the Agreement, its Final Protocol and its Detailed Regulations was recast by the Executive Council by virtue of Washington Congress resolution C 14/1989. During the recast, which is the subject of Congress – Doc 60, amendments relating to new accessions and changes in the names of countries that had taken place up to that time were incorporated. Changes received since then are covered in this document. All references thus relate to the *recast* text of the Agreement and its Detailed Regulations and of their respective Final Protocols, which was distributed as Congress – Docs 60/Add 3 and Add 4 under cover of circular letter No 2150(A) 1650 of 14 September 1993.

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1 The following accessions involving changes to the Final Protocol have been notified:

- Kazakhstan (circular 274/1992)
- Armenia (circular 287/1992)
- Moldova (circular 355/1992)
- Kyrgyzstan (circular 53/1993)
- Turkmenistan (circular 53/1993)
- Slovakia (circular 106/1993)
- Czech Rep (circular 106/1993)
- Azerbaijan (circular 116/1993)
- Georgia (circular 116/1993)
- Eritrea (circular 299/1993)
- Antigua and Barbuda (circular 12/1994)
- Uzbekistan (circular 70/1994).

Changes

Final Protocol to the Postal Parcels Agreement

Article III (Withdrawal from the post. Alteration or correction of address)

Paragraph 1. Delete "Costa Rica" and "Ecuador".

Article IV (Compensation)

Paragraph 1. Add, in the appropriate position, "Antigua and Barbuda".

Paragraph 3. Delete it.

Article VIII (Exceptional inward land rates)

Paragraph 1. Delete "Ethiopia[1]".

Add, in the appropriate place, "Eritrea".

Replace "Slovak Rep" by "Slovakia".

Article IX (Exceptional transit land rates)

Paragraph 1. No 12. Delete "Bolivia" and the particulars relating to it.

Add, in the appropriate position, the following information:

1	2	3	4	5	6	7	8
		SDR	SDR	SDR	SDR	SDR	SDR
2bis	Antigua and Barbuda	4.41	5.23	5.55	7.02	8.66	9.96

If Congress adopts the principle of a "universal rate" for transit land rates (see Congress – Doc 77), delete from the table the administrations and particulars given for the serial numbers listed:

2 (United States of America), 4 (Australia), 9 (Belgium), 17 (Central African Rep), 20 (Cyprus), 21 (Congo (Rep)), 26 (United Arab Emirates), 54 (Romania), 55 (Russian Federation), 60 (Seychelles) and 66 (Tanzania (United Rep)).

[1] Withdrawal effective upon entry into force of the Seoul Acts (circular letter No 2150(A)1110 of 31 January 1994).

Article X (Sea rates)

Paragraph 1. Delete "Australia" and "Netherlands". Add, in the appropriate position, "Antigua and Barbuda".

Final Protocol to the Detailed Regulations of the Postal Parcels Agreement

Article RE I (Treatment of parcels wrongly accepted)

Delete "Armenia[1]", "Belarus[1]", "Bulgaria (Rep)[1]", "Cuba[1]", "Georgia[1]", "Kazakhstan[1]", "Moldova[1]" and "Russian Federation[1]".

Add, in the appropriate position, "Uzbekistan" and "Tajikistan".

Article RE II (Weighted average distance for conveyance of parcels in transit)

Paragraph 1. Delete "Armenia[1]", "Belarus[1]", "Bulgaria (Rep)[1]", "Cuba[1]", "Georgia[1]", "Kazakhstan[1]", "Moldova[1]", "Poland (Rep)[1]" and "Russian Federation[1]".

Add, in the appropriate position, "Uzbekistan" and "Tajikistan".

Replace "Slovak Rep" by "Slovakia".

Presentation of reservations in the Final Protocol

Member countries wishing to present new reservations must do so in accordance with article 26 of the Rules of Procedure of Congresses, which stipulates that "*Reservations must be submitted in writing in French (proposals concerning the Final Protocol), in order that they may be considered by Congress before the signing of the Acts.*"

Seoul, 5 September 1994

A C BOTTO DE BARROS
Director-General

[1] Withdrawal effective upon entry into force of the Seoul Acts (circular letter No 2150(A)1110 of 31 January 1994).

Congress – Doc 67

Updating of the Final Protocol to the Agreements concerning postal financial services

Memorandum by the International Bureau

Since the 1989 Washington Congress, no changes have been made to the Final Protocol to the Agreements concerning postal financial services.

Berne, 10 June 1994

A C BOTTO DE BARROS
Director-General

Congress – Doc 68

Draft study programme for 1995–1999

Report by the Consultative Council for Postal Studies

Contents

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- Annex 1: Summary list of studies to be initiated or continued as a matter of priority
- Annex 1/Attachments 1 to 15: Study profiles
- Annex 2: List of additional proposals and comments made by certain administrations and by the ETSG

I. Introduction

1 According to the provisions of article 104, paragraph 12, of the General Regulations, "the Consultative Council shall, at its last session before Congress, prepare for submission to Congress the draft basic work programme of the next Council, taking into account the requests of member countries of the Union and of the Executive Council and the International Bureau. This basic programme, which shall include a limited number of studies on topical subjects of common interest, shall be subject to review annually in the light of new realities and priorities."

2 It seemed essential that, as in the past, postal administrations should indicate their most important and most urgent needs and concerns. This would enable the CCPS to identify the most important questions, those of interest to all countries and worthy of in-depth study. It was, of course, a matter of drawing up a basic priority programme that could be revised annually, as

indicated in article 104 of the General Regulations, to take account of "new realities and priorities".

3 When selecting the studies included in the 1989–1994 programme, the CCPS was guided by the following principles: limitation of the number of studies to a strict minimum, elimination of subjects of limited scope and the possibility of reviewing the programme approved. These principles remain valid and could still be taken into account, even if the organization of the Union were to undergo radical change; there would still be a requirement for the UPU to conduct a programme of basic studies, whatever the body responsible for them and the work methods that would be defined.

II. **Preparatory work undertaken**

A. Consultation of postal administrations, Committee Chairmen and the reporting countries for CCPS studies

4 The postal administrations of Union member countries were asked, in circular letter No 4001(D)1625 of 23 July 1992, to give their views on:

a the state of advancement of the present programme, indicating among other things which study subjects should be discarded and which should be continued;

b the priority areas on which the CCPS should concentrate in the future;

c the study subjects to be included in the next programme (1995–1999).

5 The consultation was also communicated by separate letter:

- to the Chairmen of the CCPS Committees, the reporting and coordinating countries for CCPS studies and the Chairman and Vice-Chairman of the CCPS;
- to the Restricted Unions, with which the CCPS has always felt that maintaining a regular dialogue is necessary for preparing and implementing its work programme.

B. Administrations' replies

6 In response to the above consultation, the International Bureau received replies from 28 postal administrations. While the number of replies may seem fairly low, it should be emphasized that almost all of them were particularly well expressed and contained a large number of comments and proposals formulated clearly and in a well-reasoned manner.

7 The unprocessed and rather disparate material gathered was analyzed by the International Bureau and broken down according to the following criteria:

a general remarks about CCPS work methods;

b specific proposals for continuing, discontinuing or refocussing current studies;

c the priority fields mentioned in relation to the various fields of activity on which, in the view of administrations, the CCPS should concentrate in future;

d proposals for new study subjects relating to the fields of activity of current studies;

e proposals for undertaking studies in new fields.

C. Views and comments of reporting and coordinating countries on the proposals received

8 On the basis of the material supplied by the administrations, the International Bureau prepared information sheets on the proposals received, relating them to existing studies. In order that practical and realistic results could be submitted to the CCPS Working Party, the reporting countries for the studies in the current programme were invited to cooperate in analyzing and utilizing the replies received, for they are undoubtedly in the best position to assess the significance of the comments made and the advisability or usefulness of continuing a given study or undertaking a new one in the field covered by a current study.

9 These information sheets included a detailed series of study elements to be considered. For each element, the possibility of a systematized reply was provided for so that the reporting countries could give their views and comments and indicate the method by which the proposed study should be conducted if it were included in the next five-year programme. Provision was also made for the reporting countries to indicate the "timing" that would be possible for each portion of the study, in order to define the time periods within which the various study elements would have to be dealt with (without waiting for the end of the five-year period), thus ensuring that practical results could be made available as quickly as possible.

10 The reporting countries' replies were presented and commented on at the Working Party meeting and provided valuable data and realistic proposals for preparing the study programme outline. With the same end in view, the Chairmen of the CCPS Committees were also consulted, in a simplified and more general way, on the proposals received, and the International Bureau Section Heads were likewise invited to comment on them.

III. Activities of the ad hoc Working Party

11 At its meeting of 15, 16 and 17 March 1993, the ad hoc Working Party identified and defined five fields for priority studies that should be undertaken or continued, basing itself on the idea that, even if profound changes affect the CCPS, it will still be essential to prepare a programme of basic studies in certain key fields, one from which the bodies concerned will be able to take, at the appropriate time, detailed descriptions of studies that can be undertaken quickly.

12 Informed of the results of the ad hoc WP's work, the CCPS Steering Committee, after extensive discussion, expressed the following views with regard to continuing the work and finalizing the draft study programme:

- the strategic planning and definition of the work to be undertaken by the future body responsible for the studies will be the concern of the Congress and subsequently that of the newly created body when it formulates its basic strategies; it is therefore entirely possible that some of the proposals contained in the draft submitted to Congress will not be approved and, on the other hand, that new fields and subjects will be recognized as urgent concerns of the administrations and will therefore be incorporated into the basic programme;
- however, in order to avoid any delay in launching the studies that will be part of the strategy defined by Congress and by the future Council, it is important for detailed proposals and basic policy guidelines to be available during the Congress;
- the proposals contained in the draft work programme will each have to be supplemented by a "study profile" containing specific information in the study method to be used, the end purpose of the study, the timetable for conducting the study, etc; the International Bureau is responsible for this task, which it will accomplish on the basis of the many data elements it has already gathered and by consulting the rapporteurs of the studies in the current programme, which are no doubt the best able to provide input that is realistic and based on recent experience.

IV. Study programme (draft)

13 The draft study programme, given in annex 1 hereto, is being submitted to Congress for consideration and approval. It contains five fields for priority studies comprising a total of 15 subjects of studies that could be undertaken or continued. It is entirely possible that Congress will not approve some of these proposals, but that, in the course of the work of the Committees and plenary sessions, new fields and subjects will be recognized as urgent concerns of the administrations and will therefore be approved.

14 The strategic planning and definition of the work to be undertaken by the future body responsible for the studies will be the concern of the Congress and subsequently that of the newly created body when it formulates its basic strategies. Each of the studies in the basic programme is the subject of a "study profile" and the Council responsible for the studies will thus be able to obtain quickly, at the appropriate time, detailed descriptions of studies that can be undertaken immediately.

V. Conclusions

15 In conclusion, the Consultative Council for Postal Studies herewith submits a proposal for a study programme for 1995–1999, for the 21st Congress to take into consideration during the strategic planning and definition of the future work of the Union.

16 The elements incorporated into this report (Congress – Doc 68 and its annexes 1 and 2) should give Congress as complete and accurate a picture as possible of the studies to be implemented and enable it to approve at the same time the proposal of a general nature 04.

17 With this final task of programming involving the future of the Post, the outgoing CCPS is turning over the fruit of its work to the body that will be responsible for the studies, in the hope that it may thereby benefit from the extensive knowledge acquired over the last five years, and wishes it success in its future activities.

Berne, 4 February 1994

On behalf of the Consultative Council
for Postal Studies:

B P BOUTENKO

Chairman

Congress – Doc 68/Annex 1

Draft study programme for 1995–1999

Summary list of studies to be initiated or continued as a matter of priority

I. Priority study field No 1 "Postal markets"

Field of activity:

- Knowledge of markets
- Existing products to be developed
- New products
- Commercial strategies

Study No	*Study title*
11	"Commercial strategies in the various branches of the Post"
12	"Electronic Mail"
13	"Direct marketing by mail"
14	"Evaluation of world, regional and national markets, world trade and communications trends and regulatory developments affecting these areas"
15	"EMS"

II. Priority study field No 2 "Quality of service"

Field of activity:

- Operations
- Standardization
- Security

Study No	*Study title*
21	"Mail circulation standards – Quality control of the world postal network"
22	"Standards, addressing, telematics, EDI"
23	"Postal security"
24	"Improvement of the postal system"

III. Priority field of study No 3 "Modernization"

Field of activity:

- Automation
- Computerization
- Technologies

Study No	*Study title*
31	"Automation and computerization"
32	"Postal technology research and development"

IV. Priority study field No 4 "Inter-administration relations"

Field of activity:

- Accounting
- Technology transfer
- Postal development

Study No	*Study title*
41	"International accounting – Modernization of billing systems and settlement of accounts"
42	"Facilitating the transfer of technology and know-how between postal administrations – Role of the developed countries in developing the postal services of the developing countries"

V. Priority study field No 5 "Other important questions of global interest"

Study No	*Study title*
51	"The Post and ecology"
52	"Economic/profitability aspects of the Post on the basis of modernization of the rate-setting principles and system and of the introduction of new better-quality services"

The data sheets presenting the profiles of each of these 15 priority studies are attached (attachments 1 to 15).

Congress – Doc 68/Annex 1/Attachment 1

Study programme for 1995–1999

Study profiles

Priority study field No 1 "Postal markets"

Field of activity:

- Knowledge of markets
- Existing products to be developed
- New products
- Commercial strategies

1 Study No	**11**
2 Study title	"Commercial strategies in the various branches of the Post"
3 Objectives sought	To enable administrations to keep on top of developments in the needs and demands of their customers.
4 Results expected	Clear definition of polices to be followed and activities to be conducted with regard to postal marketing strategy. Preparation of recommendations on activities to be conducted.
5 Suggested sub-studies	– Evaluation of marketing possibilities on the basis of the degree of customer satisfaction. – Principles of pricing taking into account demand, postal services and market conditions. – Commercial methods in the area of mandatory and non-mandatory postal services. Continuation of the work of study 713 "Press and publishing" (see heading 8 General remarks).

6 Suggested duration and timing	It will very likely be necessary to gather a certain amount of information and/or establish sub-studies, and for this reason the study will only be completed in 3 or 4 years. This study could be designed as a series of specific sub-studies on practical problems; it would be appropriate to set some limited objectives which could be attained in 1 or 2 years and the results of which could be distributed immediately.

7 Suggested method of conducting the study	This study should be conducted simultaneously or successively according to the following methods: – Study to be conducted mainly at meetings or workshops (meetings where experts can discuss and exchange ideas to enable the reporting country to continue development of the study or to draw conclusions). – Study to be conducted also by means of consultations/ questionnaires. – Symposia open to specialists from all administrations wishing to participate.

8 General remarks	This study proposal (No 11) consists mainly in the continuation of study 711, which has become a permanent study. It would be advisable to define those areas where cooperation exists and those where there is competition. The 1993 CCPS ruled in favour of including future work on study 713 "Press and publishing" in the framework of this study; it also recommended holding marketing symposia on a regular basis.

Congress – Doc 68/Annex 1/Attachment 2

Study programme for 1995–1999

Study profiles

Priority study field No 1 "Postal markets"

Field of activity:

- Knowledge of markets
- Existing products to be developed
- New products
- Commercial strategies

1 Study No	**12**
2 Study title	"Electronic mail"
3 Objectives sought	To harmonize, improve and extend electronic mail service.
4 Results expected	– Achievement of the above objectives. – Preparation of recommendations, standards and other guidelines for administrations to help them expand and develop the service.
5 Suggested sub-studies	1 Cooperation with the ITU–T in the area of electronic mail. 2 Preparation of a guide for application of electronic mail regulations. 3 Quality of service and marketing strategies. 4 Financial compensation between administrations. International standardization of the "electronic messaging service" represents a later stage in the study's development. It is already an integrated part of the study's work within the framework of cooperation with other organizations. (See also heading 8 General remarks.)

6 Suggested duration and timing	Because of the lengthy and laborious processing of the study subjects which will develop only over a number of years towards the steady provision of services, the period in question will extend over at least 3 or 4 years. However, since many developed administrations have already mastered aspects of the service, certain parts of the study should be completed within under 2 years, which will allow developing countries to benefit quickly.

7 Suggested method of conducting the study	This study is to be assigned primarily to a group of experts and then to a Working Party.

8 General remarks	This proposed study (No 12) consists mainly in the continuation of study 722, the Sub-Working Parties of which are as follows: – SWP 722.1 – Cooperation with the ITU–T in the area of electronic mail; – SWP 722.2 – Preparation of a guide for application of electronic mail regulations; – SWP 722.3 – Quality of service and marketing strategies; – SWP 722.4 – Financial compensation between administrations. It had been suggested that the area "Additional services" should be assigned to a new sub-working party. Indeed, some postal administrations have supplemented the services they provide in the area of electronic mail by proposing new developments (eg self-serve customer fax machine, fax machine for standardized paper, inter-working between electronic mail service and message-handling services and with EDI/EDIFACT, end-to-end services). WP 722 finally decided that creating a fifth sub-working party was not justified.

Congress – Doc 68/Annex 1/Attachment 3

Study programme for 1995–1999

Study profiles

Priority study field No 1 "Postal markets"

Field of activity:

- Knowledge of markets
- Existing products to be developed
- New products
- Commercial strategies

1 Study No	**13**

2 Study title	"Direct marketing by mail"

3 Objectives sought	Extension of postal activities to include promotion of direct mail as a medium internally and internationally. Raise level of postal service to meet the needs of direct mailers (eg contract services, discounts for large users, additional services, IBRS). Investigate demand for the delivery of unaddressed advertising material (domestic and international)

4 Results expected	Establishment and application of principles and of a system for services relating to delivery of advertising, including demand for and feasibility of introducing services mentioned under heading 3 above.

5 Suggested sub-studies	1 System for delivery of advertising. 2 Profitability of the service; postal customers. 3 Pricing and business tariffs. 4 Advertising/promotion of postal services and direct and indirect mail as media. 5 Ideas for new services.

6 Suggested duration and timing	1995–1997.

7 Suggested method of conducting the study	Consultation by means of inquiries and UPU questionnaires. Symposia. Presentation of results at each CCPS session.

8 General remarks	

Congress – Doc 68/Annex 1/Attachment 4

Study programme for 1995–1999

Study profiles

Priority study field No 1 "Postal markets"

Field of activity:

- Knowledge of markets
- Existing products to be developed
- New products
- Commercial strategies

1 Study No	**14**
2 Study title	"Evaluation of world, regional and national markets, world trade and communications trends and regulatory developments affecting these areas"
3 Objectives sought	To provide administrations with technical means for monitoring changes in strategic alliances, partnerships and competition on the communications market.
4 Results expected	Better knowledge of the postal market in order to develop new commercial strategies. Definition of overall strategies for developing postal services. Preparation of recommendations on changes to be made to postal regulations on the basis of changing services. Strengthening of the International Bureau's role as centre for research and analysis and as main reference point for postal information. Distribution of quarterly information bulletins.

5 Suggested sub-studies	– Ongoing knowledge of customers (existing and potential). – Analysis of customer needs; changes in these needs. – Knowledge of the competition. – Comparison of postal products with those of competitors. – Adaptation of postal products to customer demand (marketing, prices). – Marketing strategies for new products. – Assessment of factors affecting postal market trends.

6 Suggested duration and timing	1995–1997. An annual implementation programme subject to review should be set up.

7 Suggested method of conducting the study	Inquiries and workshop. Working Party and group of experts. This study could also include symposia devoted to evaluating "Electronic mail", "Direct marketing by mail" and "EMS" markets, other aspects of which are already dealt with in studies Nos 12, 13 and 15.

8 General remarks	This study should be conducted according to the most effective methods, keeping in mind the financial implications.

Congress – Doc 68/Annex 1/Attachment 5

Study programme for 1995–1999

Study profiles

Priority study field No 1 "Postal markets"

Field of activity:

- Knowledge of markets
- Existing products to be developed
- New products
- Commercial strategies

1 Study No	**15**
2 Study title	"EMS"
3 Objectives sought	To harmonize, further improve and expand EMS.
4 Results expected	Annual updating of the regulations, framework agreement and recommendations relating to the service. (See heading 8 General remarks.)
5 Suggested sub-studies	Financial compensation between administrations. Strengthening of EMS identity in the market. Continuation of the work of study 714 "Introduction of a range of parcel-post products/services".
6 Suggested duration and timing	1995–1999, with segmentation of the work into annual or twice-yearly instalments.

7 Suggested method of conducting the study	Working Party. Annual symposium (it must have a stimulating effect on product development. Remark: Some aspects of this study should be assigned to restricted action groups composed of highly qualified experts who will have to complete their work within a specific and limited time.
8 General remarks	Continuation of study 721 "EMS". This study will necessarily have to be open to all administrations providing the service. The 1993 EMS symposium expressed the wish that the future results be described more fully and in greater detail; this should be taken into account when the study is launched.

Congress – Doc 68/Annex 1/Attachment 6

Study programme for 1995–1999

Study profiles

Priority study field No 2 "Quality of service"

Field of activity:

- Operations
- Standardization
- Security

1 Study No	**21**

2 Study title	"Mail circulation standards – Quality control of the world postal network"

3 Objectives sought	1 To improve the quality of postal services and increase customer satisfaction. 2 To develop an action plan for establishing standards and to selectively evaluate its effectiveness.

4 Results expected	Development of regulations governing quality standards and adoption of recommendations for their support and improvement.

5 Suggested sub-studies	1 Standards for delivery and transmission times – quality standards. 2 International characteristics of quality standards. 3 Postal technological and operational standards. 4 Systems for standardizing the level of quality at all stages of mail circulation. 5 Integrated programme of quality standards.

6 Suggested duration and timing	1995–1998. Since a good deal of work has already been accomplished in this field of activity, the duration could be set at one year, with periodic updating.

7 Suggested method of conducting the study	1 Consultation by means of inquiries. 2 Symposium on quality standards. Generally speaking, it would be necessary to create small groups of high-level specialists charged with carrying out parts of the general study within short time frames and capable of achieving very practical results.

8 General remarks	This study consists mainly in the continuation of study 733, while incorporating aspects of studies 732 and 734.

Congress – Doc 68/Annex 1/Attachment 7

Study programme for 1995–1999

Study profiles

Priority study field No 2 "Quality of service"

Field of activity:

- Operations
- Standardization
- Security

1 Study No	**22**
2 Study title	"Standards, addressing, telematics, EDI"
3 Objectives sought	To foster the development of product strategies and postal control applications for EDI and electronic mail.
4 Results expected	Providing administrations with technological support and interfaces enabling them to have effective computerized interchange of data between themselves and with their partners (Customs, airlines, etc) and major customers.
5 Suggested sub-studies	"Facilitate postal adaptation to new technologies in the EDI field, in particular to improve operational control". "Tracking system for bags, items and documents".
6 Suggested duration and timing	This study should be completed in two years at the most (see heading 8 General remarks).
7 Suggested method of conducting the study	This study should be assigned primarily to a group of experts and/or to a Working Party.

8 General remarks	This study consists mainly in the continuation of study 743 and follow-up to the work of the ETSG. The work to be done in connection with study 22 should take account of the work of the ETSG, particularly as regards the technical design and introduction of bar codes and electronic tracking systems. It is vitally important that the results of this study be transmitted very quickly to administrations, at a time when they can contribute the maximum amount of new and useful information. Account should also be taken of the results of study 741 concerning the automation of systems.

Congress – Doc 68/Annex 1/Attachment 8

Study programme for 1995–1999

Study profiles

Priority study field No 2 "Quality of service"

Field of activity:

- Operations
- Standardization
- Security

1 Study No	**23**
2 Study title	"Postal security"
3 Objectives sought	To convince administrations that money spent on appropriate security measures is an investment which itself generates revenue.
4 Results expected	Reduction of mail losses and thefts and consequent improvement of the Post's image and increase in customer confidence.
5 Suggested sub-studies	See list on pages 3 and 4 setting out the range of proposed activities, some of which could form the subject of sub-studies.
6 Suggested duration and timing	1995–1999.
7 Suggested method of conducting the study	Depends on the topics selected and the sub-studies; could be Working Party, symposium, inquiry, questionnaire or practical activity.

8 General remarks	This study consists in the continuation of the work of the UPU Postal Security Action Group (PSAG). Following approval by EC Committee 3 of WP 3/3's recommendations on the future structure of the UPU, it is probable that the current work of PSAG will be continued by a Committee after the Seoul Congress; some activities may be assigned to action groups and restricted Working Parties, with other interlocutors such as IATA and private operators.

Postal security work programme for 1995–1999

In order to build upon the results already achieved, PSAG recommends that the following activities be carried out by the UPU during the five years following the Seoul Congress:

	Activity	1995	1996	1997	1998	1999
1	Cooperation on aviation security matters with:					
	– ICAO	x	x	x	x	x
	– IATA (including dangerous goods and theft of mail)	x	x	x	x	x
2	Symposium organized jointly with IATA, ICAO and INTERPOL "Aviation security"		x			
3	Cooperation with INTERPOL on matters concerning postal crime and terrorism	x	x	x	x	x
4	Cooperation with the CCC on matters concerning Customs and the unlawful insertion of narcotics in postal items	x	x	x	x	x
5	Cooperation with UNDCP and consideration of the role of the Post in combating the unlawful insertion of narcotics in postal items	x	x	x	x	x
6	Economic and practical aspects of security training organized jointly with other international organizations		x			
7	Continuation of annual security training activities and development of more advanced courses	x	x	x	x	x
8	Development of security networks, exchange of information and study of the effectiveness of the networks	x	x	x	x	x
9	Symposium and survey of requirements for security-related technical equipment		x		x	
10	Study on the use of technical equipment in preventive and investigative operations relating to mail thefts	x				
11	Study of the causes of mail losses and the most effective preventive and investigative methods	x				

	Activity	1995	1996	1997	1998	1999
12	Quality of service tests conducted jointly by heads of operations and security	x				
13	Fraud committed against the Post	x				
14	Publicity campaign aimed at customers "Security of postal products"	x		x		
15	Publicity campaign aimed at employees "Security is everybody's business"		x		x	
16	Study of private operators' security system and cooperation on matters of common interest	x	x	x	x	x
17	Follow-up survey on administrations' security needs			x		
18	Security newsletter	x	x	x	x	x
19	Postal security network meetings (region by region)	x	x	x	x	x

Congress – Doc 68/Annex 1/Attachment 9

Study programme for 1995–1999

Study profiles

Priority study field No 2 "Quality of service"

Field of activity:

- Operations
- Standardization
- Security

1 Study No	**24**
2 Study title	"Improvement of the postal system"
3 Objectives sought	To enable postal administrations to identify and use practical modern tools for achieving total quality.
4 Results expected	Identification of postal services and their continuous adaptation to market and customer requirements.
5 Suggested sub-studies	Defining the computerization needs of the postal network and systems with a view to improving management and control of operations and quality of service. Study and evaluation of the various internal control systems used by postal administrations. Universal standardization of the quality of service.
6 Suggested duration and timing	The first practical results should be available after one year.
7 Suggested method for conducting the study	Study to be assigned primarily to one or more Working Parties.

8 General remarks	Continuation of study 731. Account should also be taken of the results of study 733 concerning mail circulation standards and of study 741 concerning the automation of systems. Priorities should be set at the constituent meeting so that the Working Parties and subgroups can make an immediate start on some of the sub-studies.

Congress – Doc 68/Annex 1/Attachment 10

Study programme for 1995–1999

Study profiles

Priority study field No 3 "Modernization"

Field of activity:

- Automation
- Computerization
- Technologies

1 Study No	**31**
2 Study title	"Automation and computerization"
3 Objectives sought	Enhanced quality of postal products and improved technological processes through the use of wide-ranging applications offered by automation and computerization.
4 Results expected	Preparation of recommendations and standards regarding the use of automation and computerization in management and operations.
5 Suggested sub-studies	Foster the development of EDI product strategies and of electronic mail between postal administrations and between them and their partners. Use of bar codes. Automatic weighing of bags. Offices of exchange (AV 7 delivery bill, etc). "Experience acquired by developed countries in computerization of counter services by private firms, and results derived therefrom that would suit the capabilities of the developing countries".

6 Suggested duration and timing	1995–1999. Since this involves lengthy technical work, the restricted Working Parties mentioned under heading 7 will have to bet set up quickly.

7 Suggested method of conducting the study	This study and its sub-studies should be assigned to competent experts in restricted Working Parties.

8 General remarks	This study consists in the continuation of study 741 and should specifically include all aspects of bar coding.

Congress – Doc 68/Annex 1/Attachment 11

Study programme for 1995–1999

Study profiles

Priority study field No 3 "Modernization"

Field of activity:

- Automation
- Computerization
- Technologies

1 Study No	**32**
2 Study title	"Postal technology research and development"
3 Objectives sought	Compile a register of activities and research carried out by the Posts of developed countries in the areas of mail handling and financial and counter services.
4 Results expected	Greater research in the area of postal technologies and more widespread use of these technologies by developing countries.
5 Suggested sub-studies	
6 Suggested duration and timing	3–4 years.
7 Suggested method of conducting the study	At the 1992 symposium (study 744), it was decided to distribute an information bulletin on the work carried out by the Posts in the area concerned. Some topics discussed in this bulletin could be further developed as part of a workshop or a symposium.

8 General remarks	Continuation of study 744. The scope of this study will have to be very clearly defined in order to avoid overlapping with the work of the ETSG or with the new study 31 (formerly study 741).

Congress – Doc 68/Annex 1/Attachment 12

Study programme for 1995–1999

Study profiles

Priority study field No 4 "Inter-administration relations"

Field of activity:

- Accounting
- Technology transfer
- Postal development

1 Study No	**41**
2 Study title	"International accounting – Modernization of billing systems and settlement of accounts"
3 Objectives sought	Revision of the UPU accounting system.
4 Results expected	Establishment of a consistent international accounting system.
5 Suggested sub-studies	The possible sub-studies can be defined only after the UPU's new structures become known (see also heading 8).
6 Suggested duration and timing	2–3 years.
7 Suggested method of conducting the study	To conduct this study, or at least part of it, one or more groups of external experts will be required.

8 General remarks	This proposed study (No 41) consists mainly in the continuation of certain aspects of study 751 and of a study being conducted within the EC. At its 1993 session, the CCPS took note of the provisional results of study 751 and approved the proposal to have those results, supplemented by the results of the second inquiry conducted within the framework of the EC and by the observations made during that CCPS session, submitted to the EC for final approval. The latter, at its 1994 session, approved the results of this expanded study and the draft proposals stemming from it. Meanwhile, it is considered inappropriate to continue the study on terminal dues at two different levels (EC and CCPS) after the Seoul Congress. This matter could be within the competence of the future EC only. In that case, study 41 could be limited to the study of other aspects of international accounting.

Congress – Doc 68/Annex 1/Attachment 13

Study programme for 1995–1999

Study profiles

Priority study field No 4 "Inter-administration relations"

Field of activity:

- Accounting
- Technology transfer
- Postal development

1 Study No	**42**
2 Study title	"Facilitating the transfer of technology and know-how between postal administrations – Role of the developed countries in developing the postal services of the developing countries"
3 Objectives sought	"Identification of obstacles to postal development in the developing countries". "Determining the role that can be played by the developed countries in assisting the transformation of developing countries' postal administrations into financially viable institutions equipped with modern systems".
4 Results expected	Reducing the disparities in the levels of development.
5 Suggested sub-studies	"Postal development" – Follow-up to the work of the Postal Development Action Group (PDAG).
6 Suggested duration and timing	1995–1999.
7 Suggested method of conducting the study	The most appropriate method would be to hold symposia, preceded by collection of information by means of questionnaires; some aspects of the study should be assigned to Working Parties.

8 General remarks	The Regional Advisers should be closely associated with this study, in a manner to be decided. Increased competition will lessen the desire to share information.

Congress – Doc 68/Annex 1/Attachment 14

Study programme for 1995–1999

Study profiles

Priority study field No 5 "Other important questions of global interest"

1 Study No	**51**
2 Study title	"The Post and ecology"
3 Objectives sought	Identification and consideration of the lofty goals of ecological protection on Earth and of the postal system's influence on, and possible contribution to, protection of the environment.
4 Results expected	Recommendations on postal ecological security.
5 Suggested sub-studies	Influence of postal technologies on the environment and human vitality. Ecological security: – of postal items; – of postal transport facilities; – of postal technology; – of postal enterprises. Protecting the health of postal employees. Fuels used by the Post.
6 Suggested duration and timing	1995–1999.
7 Suggested method of conducting the study	i Symposium. ii Consultation of administrations by means of questionnaires.

8 General remarks	It is pointed out in connection with study 51 that although this field was not originally included in the 1989–1994 work programme, it was acknowledged to be so important and topical that the 1992 CCPS decided to make an urgent study on it entitled "The Post and the environment". The results of this study and those of the symposium held in October 1993 are described in detail in the report CCEP 1993 – Doc 17. Among other things, it was decided that a consultant should be engaged to give rapid and operational follow-up to the results of the study, and that a working party should be set up to draft a Congress resolution and a charter setting out the fundamental principles that should be applied by postal administrations in environmental matters.

Congress – Doc 68/Annex 1/Attachment 15

Study programme for 1995–1999

Study profiles

Priority study field No 5 "Other important questions of global interest"

1 Study No	**52**

2 Study title	"Economic/profitability aspects of the Post on the basis of modernization of the rate-setting principles and system and of the introduction of new better-quality services"

3 Objectives sought	To make an inventory of and analyze initiatives taken to achieve greater control over economic and profitability aspects. To set up clearly defined monitoring services with a view to the future of the Post and in correlation with a global strategy.

4 Results expected	Knowledge of the process of change in administrations and the extent to which they have adapted to a new environment. Preparation of documents that can be used as references and guides to administrations' initiatives aimed at introducing and applying productivity indices.

5 Suggested sub-studies	"Internal control systems (inspection and/or auditing) used by postal administrations". "Monitoring techniques and methods to be applied in connection with security and quality testing". "Increased profitability of the Post on the basis of improved production resources, including facilities and networks of the Post, and human and financial resources."

6 Suggested duration and timing	1996–1998.

7 Suggested method of conducting the study	Symposia. Inquiries.
8 General remarks	The study should take account of the need for transparency as regards costs/rates in order to avoid unfair cross-subsidies.

Congress – Doc 68/Annex 2

Study programme for 1995–1999

List of additional proposals and comments made by certain administrations and by the ETSG

I. Introduction

1 In response to the consultation organized in June 1993, the reporting countries for studies included in the current programme provided a great many comments and amendment proposals regarding the draft "study profiles" prepared by the International Bureau. Most of the proposals have been included in these drafts, some of them adapted to take account of similar but not identical views expressed by one or more other reporting countries.

2 However, there are still some comments and amendment proposals that it has not been possible to include in the study profiles, either because the comments were primarily general in nature or because the proposals differed significantly from the views expressed by the other reporting countries; moreover, even if the other reporting countries had not made any comments on a study profile, this probably meant tacit approval on their part of the content of these drafts.

3 The comments and proposals that it has not been possible to include in the study profiles are set forth below so that the body concerned can take all the elements proposed into consideration in due course.

Note by the International Bureau: In connection with the above June 1993 consultation of Committee Chairmen and reporting countries, the administration of Finland sent the International Bureau general comments, as well as two proposals for new study subjects. This contribution is reproduced as attachment 1 hereto.

II. General remarks

Administration: Netherlands

Comment: PTT Post, the Netherlands' public postal operator, once again stresses that preparing a 1995–1999 draft study programme with very specific study profiles runs the risk of being at odds with the outcome of the study now in progress into the structure and functioning of the UPU and its bodies.

Preparing a detailed study programme for a new cycle along traditional CCPS procedures may be quite useless because it is in effect undermining the free decision-making capacity of any future UPU body and pre-empting the outcome of the Seoul Congress. As things stand now, we believe that the Seoul Congress will decide to establish separate Operators' and Regulators' Councils and that no decision should be taken beforehand to create any special consultative study bodies.

With a view to such a separation of powers, we believe that both Councils should be completely free to establish their own work programme. And a work programme – with objectives fixed from the outset – must not be confused with a study programme that currently only produces non-binding results. Any future WP under one of the Councils should therefore operate under a clear mandate in a well-defined time frame.

Administration: Sweden

Comment: We appreciate that the CCPS Steering Committee has recognized the need to take into account the probable reorganization of the UPU and we support this view. However, this approach is not fully applied in the detailed proposals which, in our view, should benefit from being further refined to separate elements which are the responsibility of governments from those of public operators.

Our basic opinion is that the new Operations Council should conduct studies in areas in which there are clearly shared interests and with which there are practical advantages in conducting one single worldwide study instead of each operator doing it on its own.

Utmost caution must therefore be applied as regards areas in which there are conflicting interests in order to avoid involving the UPU, the intergovernmental organization, in matters where its neutrality could be questioned.

Administration: Switzerland

Comment: There is reason to wonder whether or not those studies whose intended objectives and expected results are not yet clearly defined should be kept in the draft programme.

III. Comments and proposals concerning priority study fields Nos 1 to 5

(Congress – Doc 68/Annex 1 and study profiles (attachments 1 to 15))

a Priority study field No 1 "Postal markets"

Administration: Sweden

Comment: We suggest changing the order of the suggested studies in order to respect the general principles stated above and to show the emphasis more clearly. This order should be the following:

- Study No 14 "Evaluation of world, regional and national markets, world trade and communications trends and regulatory developments affecting these areas".
- Study No 11 "Commercial strategies in the various branches of the Post".
- Study No 13 "Direct marketing by mail".
- Study No 12 "Electronic mail".
- Study No 15 "EMS".

(See below, for each study of priority field No 1, the particular comments of Sweden.)

Study No 11 "Commercial strategies in the various branches of the Post"

Administration: Sweden

Comment: This study should aim at an exchange of experiences as regards marketing, each operator then being in charge of using the resulting knowledge in a way adapted to the specific circumstances of its own market. No common policies are needed or even possible. The special study on "Press and publishing" could in our view be discontinued. To continue it would mean to put too much emphasis on one particular group of customers.

Study No 12 "Electronic mail"

Administration: United States of America

Comment: We suggest changing the title to "Application of electronic mail to large volume mailings". The objectives should be defining customer requirements, financial compensation between administrations, etc. The issues of quality, reach, and image will fall out from customer requirements.

Administration: Sweden

Comment: This study needs to be part of the ETSG plan and programme in order not to create overlapping.

Electronic Transmission Standards Group (ETSG)

Comment: Replace the current title and objectives paragraphs with the following:

Study title:	Electronic services for customers
Objectives sought:	To harmonize, improve, and extend electronic messaging services, such as hybrid, e-mail, and fax services, provided to customers by postal administrations.

Study No 13 "Direct marketing by mail"

Administration: Sweden

Comment: The aim should be the same as for study No 11 above, ie an exchange of experiences. We do not see any need for developing any principles and systems on the UPU level unless its commercial usefulness can be proved.

Study No 14 "Evaluation of world, regional and national markets, world trade and communications trends and regulatory developments affecting these areas"

Administration: Egypt

Comment: In our opinion, study No 14 is a complex study that encompasses many difficult fields, particularly as regards the results expected and the time needed for its completion. This is why we feel it is ill-advised to include it in the draft study programme for the next period.

Administration: France (regulator)

Comment: Study No 14 appears to be of great interest. From a strategic point of view, it is likely to provide an analysis of future postal market trends and to detail the interrelationships between these trends and the development of other communications markets.

Administration: Sweden

Comment: This study should provide a source of information to both new Councils.

Study No 15 "EMS"

Administration: Denmark

Comment: The title of study No 15 should be changed to "EMS and a range of new parcel-post products/services". The text under heading 3 "Objectives sought" (of the study profile) should be changed to "To harmonize, further improve and expand EMS and a range of new parcel-post products/services".

Administration: Sweden

Comment: Any study of the EMS service should not be a part of a general UPU programme but, at the most, conducted within the framework of the UPU on behalf of the operators taking part in this service and willing to finance such a study. It therefore should not be included in the programme for the Operations Council. We also oppose including in such a study the present study 714 which concerns parcel services in general and even now has nothing to do with EMS. A parcels study should be conducted separately, preferably under the same conditions as those stated above regarding EMS. Parcels services will probably in the future also be in the competitive area with public operators marketing their services in other countries.

b Priority study field No 2 "Quality of service"

Study No 21 "Mail circulation standards – Quality control of the world postal network"

Administration: Sweden

Comment: Study No 21 may be a subject in which regulators and the Council of Administration will take the greatest interest. It should be followed by the present study No 24, which deals with the ways and means available to operators for improving quality of service in this field.

Study No 22 "Standards, addressing, telematics, EDI"

Administration: United States of America

Comment: We suggest separating out EDI from electronic mail, as these are very different subjects; the study could focus on electronic mail or EDI, but not both. In fact, the "Results expected" heading seems to deal only with EDI, thereby eliminating at least some potential confusion. Study No 12 can be left to deal with electronic mail. How are existing initiatives dealt with in these studies? We have the EDI Unit in place with almost exactly the same mission as specified under "Results expected", and there are also the IPC's CAPE and IPTIM initiatives which deal with tracking systems. The study profile could be revised as follows:

Study title: "Quality of service measurement using EDI".

Objectives sought: "Product strategies" and "electronic mail" could be deleted.

Suggested method of conducting the study: The following could be added: "and should integrate existing initiatives".

Administration: Denmark

Comment: In order to avoid overlapping with study No 31, a more precise heading 3 "Objectives sought" of study No 22 seems necessary. In our view it would be an advantage if the internal use of EDI and electronic mail between postal administrations or between postal administrations and their partners could be dealt with in one study, eg study No 31. "Electronic mail" as a postal product should, of course, still be a separate study (No 12).

Administration: Sweden

Comment: The suggested study No 22 should be conducted within the plan and programme of the ETSG and not as a separate study. It should also be refined to focus on internal applications of telematics, since electronic mail as a product is already covered by study No 12.

Our earlier comments on the UPU EDI Plan and its relationship to the UPU EDI Unit Plan also apply to these studies. The ETSG or any new body of the same type in the new organization must have total responsibility for the development of telematics in the Post on the world level.

Electronic Transmission Standards Group (ETSG)

Comment: Replace the current title and other paragraphs with the following:

Study title:	Use of telematics in mail operations
Objectives sought:	To enhance the quality of postal products through the use of telematics (informatics and telecommunications).
Results expected:	To create standards and recommendations on the use of technologies in the telematics area, such as EDI, so that increased control is achieved over postal operations, thereby leading to improve service to the customer.
Suggested sub-studies:	Development of EDI messages to support international operations, including the content of bar codes. Bar-code symbology (the technical characteristics of the bar codes actually used).
Suggested duration and timing:	This is an ongoing study required throughout the whole period.
Suggested method of conducting the study:	The study should be assigned primarily to experts and/or to a Working Party within the framework of the ETSG or its successor. It should take account of existing initiatives.

Study No 23 "Postal security"

Administration: Sweden

Comment: Study No 23 is the continuation of the PSAG studies in the present organization. How to handle such matters must be dealt with within the framework of the EC WP 3/3 study. As a general comment at this stage, it seems to us that the number of suggested sub-studies is exaggerated in comparison with all other areas which require our attention. The main task of the Post is in fact to sell and to produce mail services, not to avoid security problems.

Study No 24 "Improvement of the postal system"

Administration: Belgium

Comment: It appears to us that this study, which is aimed, among other things, at "the continuous adaptation of postal services to market and customer requirements", should be conducted in close

cooperation with study No 11 "Commercial strategies in the various branches of the Post" and study No 14 "Evaluation of world, regional and national markets, world trade and communications trends and regulatory developments affecting these areas".

Administration: Egypt

Comment regarding studies No 24 and No 32: We feel that study No 24 is sufficient in order to avoid duplication and to achieve the following objectives:

- shorter transmission times;
- the introduction of new services meeting customer needs.

c Priority study field No 3 "Modernization"

Study No 31 "Automation and computerization"

Administration: India

Comment: This study seems to overlap with study No 12 and study No 22.

Administration: Sweden

Comment: Again, a clear overlapping, ie with the suggested studies No 12 and No 22. It could be maintained if refined to cover internal computer applications, ie weighing of mail, make-up of mails, preparation of AV 7s and accounting.

Computerization of counter services should in any case be handled separately as an exchange-of-information study. The basic conditions in different countries are so different that no international standardization is possible.

Electronic Transmission Standards Group (ETSG)

Comment: The contents of this study have been split between study 22 and study 32 to eliminate overlapping. Therefore study 31 is no longer needed.

Study No 32 "Postal technology research and development"

Administration: Egypt

Comment regarding studies No 24 and No 32: We feel that study No 24 is sufficient in order to avoid duplication and to achieve the following objectives:

- shorter transmission times;
- the introduction of new services meeting customer needs.

Administration: Sweden

Comment: The subject of the suggested study No 32 is too vague to be commented on. It could be included in one of the telematics studies mentioned above.

Administration: Switzerland

Comment: In our opinion, study No 32 duplicates study No 31 and can be struck from the programme.

Electronic Transmission Standards Group (ETSG)

Comment: Move the following paragraph on suggested sub-studies from study 31, which has been deleted, to this study.

Suggested sub-studies: "Experience acquired by developed countries in computerization of counter services by private firms, and results derived therefrom that would suit the capabilities of the developing countries."

d Priority study field No 4 "Inter-administration relations"

Study No 41 "International accounting – Modernization of billing systems and settlement of accounts"

Administration: India

Comment: We suggest including a sub-study on the cost of a new service undertaken on behalf of other agencies and to identify the unprofitable sectors of the operation.

Administration: Sweden

Comment: We fully support an urgent study of the international accounting systems (41) and using the new powers of the Operations Council to implement radical changes as soon as possible.

Study No 42 "Facilitating the transfer of technology and know-how between postal administrations – Role of the developed countries in developing the postal services of the developing countries"

Administration: Sweden

Comment: The suggested study No 42 seems to be more of interest to the Council of Administration and for regulators to decide upon. A solution to the problem of how to handle technical cooperation matters in the new structure will, in any case, have to be awaited before taking any firm stand on this issue.

e Priority study field No 5 "Other important questions of global interest"

Study No 51 "The Post and ecology"

Administration: United States of America

Comment: We suggest retaining the title "The Post and the environment".

Administration: Sweden

Comment: The suggested study No 51 seems to us to concern mostly regulators who are responsible for the governmental policies on environment. It is only on the basis of such policies that operators will know what action to take.

Study No 52 "Economic/profitability aspects of the Post on the basis of modernization of the rate-setting principles and system and of the introduction of new better-quality services"

Administration: United States of America

Comment: This seems far too broad a study. Perhaps the study could be limited to "Economic aspects of modern rate-setting principles". A separate study could address "Methods of productivity measurement". Or there could be two sub-studies of a slightly broader study, "Economic aspects of modern rate-setting principles and methods of productivity measurement". We recommend taking out the reference to quality, as that is a different issue.

Administration: Belgium

Comment: It seems to us that several aspects of this study are closely related to the field of study No 2 "Quality of service". The first sub-study suggested corresponds perfectly to the second of study No 24; the second could be part of study No 23 "Postal security" and/or a portion of study No 21 "Mail circulation standards – Quality control of the world postal network".

Administration: Sweden

Comment: The suggested study No 52 seems to seek to cover many disparate subjects: rate-fixing, which is a matter of national interest, introduction of new services and control/monitoring techniques. It would be better to make up separate study items and to look for coordination with other previously suggested subjects such as quality of service and security.

Congress – Doc 68/Annex 2/Attachment 1

Postal administration of Finland

Helsinki, 12 July 1993

Universal Postal Union
International Bureau
BERNE
SWITZERLAND

Our ref: letter of 27 October 1992
Your ref: 4001(D)1625 of 23 July 1992

Subject: CCPS – Preparation of the 1995–1999 work programme – Further comments of our administration

Dear Sirs

With reference to your circular letter and our reply to that above, we would like to complete our earlier comments on the future CCPS, study work programme as follows.

We would prefer to see most of the future CCPS studies limited to operational and practical questions but remain international in nature as far as possible, or at least that their scopes and approaches be similar.

Furthermore, we would like to emphasize the increased need for a clear division of CCPS studies:

1 Urgent studies of vital interest, for instance regarding essential changes in postal business environment (market and postal service technology development, service quality monitoring system, etc).

2 Studies of a very complex nature, the carrying out of which requires the whole of the period concerned (terminal dues, transit charges, postal services specifications).

3 Permanent studies (market development, postal services quality controls, EDI development, postal electronic mail services development).

In connection with approving the results of a study, a decision on the need for follow-up should automatically be evaluated and made. Thus it could be a part of the conduct of a study.

As to the subjects of the studies, emphasis should be placed on issues of great significance to all UPU members:

1 Postal markets and their development.

2 Service quality measurement system and controls.

3 Postal harmonization and standardization.

4 Postal technology and modernization, including feasibility studies on use of environment-friendly facilities and operations.

5 Technical cooperation.

The emphasis should also be placed on business and customer orientation throughout the studies in an adequate way.

To guarantee the accuracy of the results of a study, it is of vital importance that the statistical information used for all the studies is the same and thus valid and reliable, and is made available from general UPU sources.

Hence we would once more underline the need to revise the study methods and procedures to be applied and to ensure their quality by recruiting a limited number of top specialists for carrying out the studies.

We understand that the CCPS draft work programme for 1995–1999 has been dealt with by the 1992 CCPS session, followed by the 1993 EC session. However, we would like these further comments of ours to be taken into account in an appropriate way when the draft work programme is finalized.

In addition, you will find attached our proposals on study subjects (pages 3 and 4).

Thanking you for your valuable cooperation and attention, I remain,

Yours faithfully,

(signed) Hannu Tuominen

Director, Business Services

CCPS work programme, 1995–1999

Proposal by the postal administration of Finland

Proposal for a study subject

1 Proposed study subject

Study on feasibility of environment-friendly operations and facilities in theory and in practice, including use of electric, solar-panel and other vehicles.

2 Profile of the proposed study

2.1 Objectives sought

Developing applicable technology, which is ready for use or in the phase of testing for postal operations, including collection and delivery of mail.

2.2 Results expected

Summary and evaluation of applicable technology and its use in postal operations and services.

2.3 Suggested sub-studies

1 Vehicles.

2 Processing machines.

3 Other postal operation facilities.

2.4 Suggested duration and timing

Start in 1995, for the whole period 1995–1999.

2.5 Suggested method of conducting the study

- First phase: an inquiry among administrations.
- Second phase: evaluation of technology by a top consultant specialized in environmental issues related to transport and operations.

3 Reasons for the proposal

In addition to improving the image of the postal services and administrations when environmental aspects are taken into account, this study could result in some extra savings and a rationalization of postal services.

CCPS work programme, 1995–1999

Proposal by the postal administration of Finland

Proposal for a study subject

1 Proposed study subject

Study aimed at the collection of basic statistical information on postal administrations and on postal services, operations and networks, for study purposes.

2 Profile of the proposed study

2.1 Objectives sought

- To identify in detail the basic statistical information needed for the studies.
- To define common information needs.
- To ensure the validity and reliability of this information by a number of different means.

2.2 Results expected

Redefinition and establishment of a common valid data base for study purposes.

2.3 Suggested sub-studies

2.4 Suggested duration and timing

To be started and carried out in 1995.

2.5 Suggested method of conducting the study

- Determining basic statistical information needs for study purposes.
- Inquiry among postal administrations responsible for carrying out studies.
- Seminar for evaluation inquiry results.
- Establishment of data base for study purposes, taking into account statistical data collected for the annual UPU statistics compendium.

3 Reasons for the proposal

A lot of statistical data is collected from administrations as part of study inquiries. However, this information is normally used only for the study concerned. At the same time, there is very little likelihood that the validity and reliability of the data concerned can be ensured. In addition, the UPU gathers every year an extensive amount of information from postal administrations for the UPU annual Compendium of statistics. The collection of statistical information should be reviewed and revised in the light of present needs for its use, including study purposes.

The right of access to a single piece of information could be evaluated and defined separately.

Congress – Doc 70/Rev 1

MANAGEMENT OF THE UNION'S WORK

I. Introduction

1 Over a forty-four month period between the Executive Councils of May 1990, and February 1994, representatives of the member countries of the UPU and officials of the International Bureau have collaborated in a fundamental re-examination of the organization's purpose and working methods. During their review and analysis, participants have come to a stronger appreciation of the efforts and accomplishments of their predecessors in developing the current structure of the Union and adapting it to evolving circumstances. As was recognized at the 1989 Washington Congress, however, the pace of change has quickened and there is now a virtual consensus on the need for significant further change. The recommendations outlined in this document and its annexes, which are the subject of an interrelated set of proposals to amend the UPU Acts, are likely to represent only a first step, albeit an important one, in an ongoing process of reform and improvement of the way in which the UPU supports the efforts of postal administrations to improve their international services, to respond more effectively to changing customer needs, and to decide how they can best continue to work together in providing international services.

II. Background

2 Resolution C 8 of the 1989 Washington Congress (annex 1) instructed the Executive Council to continue seeking improvements in all aspects of the management of the work of the Union. In particular, it instructed the EC to have the organization and objectives of the EC, the Consultative Council for Postal Studies, and the International Bureau examined by experts from postal administrations, management consultants, or a combination of the two, and to formulate proposals for reform for the next Congress.

3 The growth of competition, the impact of technology, and the need to streamline structures and decision-making in order to improve the ability of the Union to respond collectively to developments, were key influences on the decision of the Congress to adopt this resolution. Congress participants saw that the changing shape of the communications and delivery services markets and the related pressures on postal administrations to control costs, improve services, and respond more effectively to customer needs at the national level would inevitably affect how postal administrations work together at the international level.

4 In 1990, the Executive Council approved the appointment of a Working Party to carry out the task required by resolution C 8. The 1991 EC approved terms of reference for detailed work to be carried out by postal experts and by external management consultants acting under the guidance of the Working Party. A group of postal experts recruited from six countries then developed broad recommendations for how the UPU might proceed to streamline the organization and management of the bodies of the Union. Ernst & Young was selected as the external consultant and, on the basis of interviews, questionnaires and a workshop involving EC and CCPS Committee Chairpersons and key International Bureau officials, it developed broad recommendations for a more systematic approach to strategic planning supplemented by the introduction of programme budgeting.

5 During the course of their work, both the postal experts and the management consultants took account of a number of developments affecting the world postal community in general and the European postal community in particular. These developments included:

- continuing pressure on postal administrations to respond more effectively to customer needs, changing technology, and competition;
- the trends among some governments to encourage competition and to reduce the scope of the postal monopoly;
- the trend toward changing the status of postal administrations from departments of government ministries to public corporations and the consideration, in some instances, of privatization;
- the emergence of the distinction between postal regulatory and postal operational functions in Europe and the call for an organizational distinction between these two functions;
- the imminent publication of the Green Paper by the European Commission with its potential for redrawing the boundary lines between reserved and competitive services in Europe and its support for distinguishing between regulatory and operational functions; and
- the announcement of the formation of a joint venture between five postal administrations and TNT to offer international express services.

6 The 1992 EC approved the recommendations of the external consultant regarding strategic planning and programme budgeting and also approved many of the general recommendations of the postal experts regarding working methods (annex 2, decision CE 6/1992; further information on the planning system can be found in CE 1992/C 3 – Doc 2d, Recommendations for a strategic planing process and a programme budgeting system). Most importantly, it approved terms of reference for further work to be carried out by the Working Party, with the assistance of the external consultant, on evaluating the organizational recommendations of the postal experts and on the development of detailed recommendations with respect to restructuring, strategic planning, and programme budgeting.

7 Immediately following the 1992 EC, an Extraordinary High-level Meeting of Directors-General and other senior Ministry and postal officials was held in Berne to consider preparations for the Seoul Congress. The participants considered two themes: "What Post for the future?" and "Future role of the UPU". A recommendation (annex 3) was adopted which, with respect to the mission, structures, and operation of the UPU:

- affirmed the mission of the UPU as defined in both the Preamble and article 1 of the Constitution and emphasized its social role and technical assistance activity;
- confirmed the notion of the universality of the letter post as stipulated in article 19 of the Convention;
- favoured a role for the UPU regarding new services, particularly EMS, in continuing to defend postal products;
- expressed unanimity about retaining an integrated UPU which contains both regulators and public operators with obligations stemming from the UPU Acts;
- confirmed the intergovernmental nature of the UPU;
- voiced a majority concern about the possible participation of private operators in the bodies of the UPU, while approving the creation of a Contact Committee with private operators.

8 The terms of reference adopted by the 1992 EC for further work to be carried out by the Working Party included the requirement to take into account the views expressed at the High-level Meeting.

9 Between the EC meetings in 1992 and 1993, and with the assistance of the external consultant, a number of possibilities regarding the organization of the work of the Union were

examined in depth. Three workshops were conducted, with the EC and CCPS Chairmen and Vice-Chairmen, the EC and CCPS Committee Chairmen, the members of the Working Party, and senior officials from the International Bureau all participating and contributing to the results. UPU member countries were also consulted regarding issues under consideration in order to better prepare for the workshops and to evaluate their results.

10 During this period the International Bureau also began to follow up on the strategic planning and programme budgeting recommendations approved by the 1992 EC. In January 1993 the International Bureau recruited a programme budgeting expert and in May a strategic planning expert.

11 The 1993 EC endorsed the detailed recommendations regarding the future structure of the Union which were developed during the course of the workshop and consultation process described above and instructed the Working Party to oversee the development of proposals to change the Acts of the Union accordingly, subject to comments and suggestions made during the EC. The EC also approved further work on developing a draft strategic plan and programme budget structure for presentation to the 1994 EC and to Congress.

III. Proposals to improve the management of the work of the Union

12 It is clear that postal administrations now and in the future will have to carry out their universal service obligations and maintain an adequate revenue base to fulfill these obligations in an increasingly commercialized and competitive environment. It is also clear that governments are sensitive to public demands for efficiency, service quality, and cost control and are increasingly interested in considering deregulation, contractual relations with private service providers, and expanding competition as a means to improve the response to these public demands, even while maintaining universal service obligations.

13 The implications of these trends for the way in which the UPU operates have become increasingly apparent. The UPU must, on the one hand, strengthen its ability to identify and take into account developments with respect to governmental policies on postal issues, deregulation and competition; and on the other hand it must sharpen its focus on service quality, on commercial and technological developments, and on operational issues and it must establish a more integrated and operations-oriented management and decision-making process.

14 The proposals to improve the management of the work of the Union rest on three key and mutually reinforcing elements: restructuring, strategic planning and programme budgeting:

- *restructuring,* to more clearly distinguish organizational roles and responsibilities, to sharpen the focus of each of the organs of the Union, to permit both greater decentralization of work and increased accountability for results, and to streamline decision making;
- *strategic and operational planning,* to improve the ability of the Union to identify issues of importance to it and to its members, to establish measureable objectives and prioritize its response to these issues, to assign responsibilities and allocate resources, to monitor and evaluate progress against objectives, and to do all of this in a much more systematic, democratic, and transparent manner;
- *programme budgeting,* to establish the ability to relate the expenditure of resources to priority activities and objectives, to help evaluate benefits against costs, and to support the strategic and operational planning processes, particularly making decisions about priorities and about the allocation of resources.

15 Under the current structure:

- the Executive Council is responsible for supervising the affairs of the Union between Congresses and also for questions with major financial repercussions (eg terminal dues), for

changes in the regulations governing the exchange of mail (in effect, standard operating procedures), and for overseeing technical cooperation;

- the CCPS is a technical study body responsible for developing recommendations on technical, operational, economic, and technical cooperation issues of interest to postal administrations;
- the International Bureau provides secretarial support for the EC and CCPS, supports the technical assistance programmes of the Union, and also plays a role in bringing issues to the attention of the members and in shaping solutions.

16 The proposals for a new structure establish the roles and responsibilities of the new bodies and also provide for such matters as representation by government authorities and postal administrations, the circumstances in which participation by private delivery services may become necessary or appropriate, and for strategic planning and financing.

A. General

17 The following is a generalization of the proposed structure:

- *Congress:* to focus on broad policy issues.
- *Council of Administration:* to replace the Executive Council and to be concerned with supervision between Congresses and with general principles and policies, primarily for mandatory services.
- *Postal Operations Council:* to replace the Consultative Council for Postal Studies and to be concerned with the operational and commercial aspects of all services and activities, mandatory and optional.
- *International Bureau:* to provide the secretariat and support for the new Councils, with its structure to be adapted to match the structures and needs of the new Councils.

B. Roles and responsibilities

18 Under the new structure:

- Congress will remain responsible for the Constitution, the General Regulations, changes in provisions of the Convention and Agreements, approval of the strategic plan and budget parameters, and for elections and appointments.
- The Council of Administration (CA) will have responsibility for supervising the affairs of the Union between Congresses. It will oversee approval of proposals to change provisions in the Convention and Agreements between Congresses; consider policies that may affect other sectors such as standardization and quality of service; provide a forum for considering the implications of governmental policies with respect to competition, deregulation, and trade-in-service issues for international postal services; and it will also continue the technical assistance policy role of the EC.

  In general this Council will be responsible for activities currently carried out in EC Committees 1 (Human Resource Management), 2 (Finance), 3 (General Matters and Structure of the Union), 4 (Letter Post/Regulatory Aspects – fundamental principles only), 5 (Letter Post/Pricing and Remuneration – fundamental principles only), 9 (Technical Cooperation/Intergovernmental aspects), and 10 (Washington General Action Plan, oversight only).
- The Postal Operations Council (POC) will become the focal point for the operational, commercial and policy implementation aspects of all services, mandatory and optional. It will assume responsibility for changes to the Detailed Regulations and also for questions with major financial repercussions (terminal dues, charges, etc, subject to CA guidance on matters of fundamental public policy and principle). With respect to service quality, it will be responsible for development of service targets, monitoring and improvements. It will

develop proposals to amend the Convention and Agreements between Congresses (subject to CA approval, adopt technical standards, develop the strategic plan and its financial implications for submission to the CA, and address practical implementation issues.

In general this Council will be responsible for activities currently carried out in EC Committees 4 (Letter Post – Regulatory Aspects), 5 (Letter Post – Pricing and Remuneration), 6 (Airmail), 7 (Parcels), 8 (Financial Services), 9 (Technical Cooperation) and 10 (Washington General Action Plan). It will also be responsible for all current and programmed CCPS activities which would be carried forward in the new strategic plan.

- The International Bureau will continue to serve as the secretariat and provide administrative support for the Councils and for the Union member countries. It will take on significant new responsibilities for strategic planning and programme budgeting, including the preparation of the strategic and operating plans under POC oversight, for monitoring and reporting on the implementation of the plans, and for all financial reporting, including developing the cost estimates for all activities in the strategic plan and the operational plan and setting forth their details in the programme budget. The International Bureau will continue its responsibilities for technical cooperation and its role as an intermediary between the UPU and the Restricted Unions, the United Nations and other international organizations.

  The International Bureau will eventually (after Congress) adapt its organization to better support the new CA and POC and will take on new responsibilities for strategic planning, shaping solutions to issues and restructuring the Union.

C. *Overview of organizational structure*

19 The following is an overview of the main roles and responsibilities under the new structure:

- Congress:
  - Constitution
  - General Regulations
  - Convention and Agreements
  - General principles and broad policy
  - Overall policy on technical cooperation
  - Approval of strategic plan
  - Approval of budget parameters
  - Elections and appointments.
- Council of Administration (41 members; equitable geographic distribution):
  - Supervision between Congresses
  - Oversee development and implementation of general principles and broad policies for mandatory services
  - Approval of updates to strategic plan between Congresses
  - Intergovernmental aspects of technical cooperation
  - Oversee quality of service (policy and principles)
  - Agreement of international technical standards impacting delivery services industry as a whole
  - Approval of budget
  - Oversee approval of proposals to change provisions in the Convention and Agreements between Congresses

  - Provide control over activities of the International Bureau
  - Take decisions regarding contacts with international agencies and outside bodies.
- Postal Operations Council (40 members; qualified geographic distribution, with at least half, but not more than 60 percent, of seats reserved for developing countries):
  - Operational and commercial aspects of all services and activities, mandatory and optional
  - Changes to Detailed Regulations
  - Preparation and updating of strategic plan
  - Definition of study areas and work programmes
  - Technical aspects of technical cooperation
  - Questions with major financial repercussions subject to CA approval
  - Develop quality of service targets, monitoring and improvements
  - Responsibility for adoption of international technical standards relating to the Post
  - Practical implementation issues
  - Develop proposals to amend the Convention and Agreements between Congresses and submit to CA for supervision of their approval
  - Take decisions regarding contacts with international agencies, other organizations, customer groups, etc.
- International Bureau:
  - Administrative support
  - Communication with members
  - Strategic planning
  - Accounting and financial reporting
  - Preparation and execution of the budget
  - Execution of specific actions for Congress, the Council of Administration and the Postal Operations Council
  - Technical cooperation
  - Intermediary in relations with Restricted Unions, the United Nations, international and other organizations, customer organizations and private delivery services
  - Representation of the Union.

D. Council Committee structures

20 Although it will be the responsibility of each of the new Councils to organize its own work and to adopt its own Committee structure and to further adapt their structures in the light of experience, the following suggested Committee structures may provide a starting point for such decisions during the constituent meetings of the new Councils at Congress (proposal 017).

COUNCIL OF ADMINISTRATION

CA Management Committee (made up of CA Chairman and Committee Chairmen plus Chairman of Strategic Planning Working Party)	– Coordinate work of CA – Oversee all CA activities carried out under the strategic plan, draw up annual agenda and meet as necessary with POC Management Committee in joint Planning Forum – Supervise strategic and financial plans – Consider annually proposals on revision of CA activities and priorities – Consider any other issue entrusted to it by the CA or the other Union bodies
Committee Structure	**Functions**
1 General Matters and Structure of the Union	– Constitution and structure of the Union – Public policy (trade-in-services, competition oversight) – Continue the study on the management of the Union's work
2 Finance	– Programme budget based on the strategic plan – Consider the annual financial report – Resources
3 Human Resources	– Application of UN Common System to staff – International Bureau training and management development – International Bureau working methods – Staff requirements
4 Services and Standards (questions of policy and principle)	– Mandatory services (Convention) – Optional services (Agreements) – Quality of service – Technical standards (implications for others potentially affected by postal standards)
5 Technical Cooperation	– Policy and review – UNDP programmes – Postal Development Action Group (PDAG)
6 Seoul Postal Strategy	– Review member country implementation

POSTAL OPERATIONS COUNCIL

POC Management Committee (made up of POC Chairman, and Vice-Chairman, Committee Chairmen and Chairman of Strategic Planning Working Party)		– Coordinate work of POC – Coordinate all POC activities carried out under the strategic plan and meet as necessary with CA Management Committee in joint Planning Forum – Consider the draft strategic and financial plans prepared by the WP and the IB – Contact with private couriers
1	Letter Post	– Convention (commercial and operational issues) – Accounts, statistics, charges, terminal dues and transit charges – Customs, CCC–UPU contact – Airmail, IATA–UPU contact – Detailed Regulations
2	Parcel Post	– Agreement and Detailed Regulations – Charges – Service development
3	Financial Services	– Giro – Cash-on-Delivery – Money Orders
4	EMS	– Service Development – Model agreement
5	Service Quality	– Development of standards – Monitoring – Corrective measures
6	Security	– Security standards – Training and technical assistance – Contacts with other organizations
7	Marketing and Product Development	– Market research – Customer relations – New products – Press and publishing

8	Modernization	– ETSG – EDI development – Electronic mail, ITU–UPU contact – ISO–UPU contact – Automation – Postal technology
9	Postal Development and Seoul Postal Strategy	– Global network development – Technical cooperation support – Strategy – Environment

E. Representation

21 As previously noted, a number of countries have begun to separate governmental oversight and regulatory responsibilities for postal services from postal operational and commercial functions in the organization of their postal administrations, with the body responsible for the former often called the "Regulator" and the body responsible for the latter often called the "Public Operator". Such a distinction may have implications for a member country in deciding upon the designation of officials to serve as representatives at meetings of the new Councils, in view of their distinct roles and responsibilities. For countries which make this distinction, it may also have implications for understanding and interpreting the term "postal administration" in the Acts.

22 Although a matter for decision at the national level, countries which have separated regulatory from operational and commercial functions in the organization of their postal administrations may designate officials representing the regulatory function to take a leading role in the CA, with support from officials with operational responsibilities likely to remain essential. Officials representing the operational and commercial function will likely take the lead in the POC, although consultation with officials with regulatory responsibilities will remain important, particularly on matters of policy and principle relating to important financial questions.

23 For those countries (currently the majority) which have not separated regulatory from operational functions, officials with responsibilities for matters of international postal policy and public service obligations will likely play a leading role in the CA, while officials responsible for implementing public policy or for operations and commercial business strategies will likely play a leading role in the POC.

24 The draft resolution submitted to Congress (proposal 018) provides guidance on these matters and expresses the formal opinion of Congress:

"that

i the term 'postal administration' in the Acts of the Union should be considered to apply to the entity or entities responsible for fulfilling obligations arising from adherence to the Convention and Agreements, without prejudice or limitation to the authority of the governmental body responsible for overseeing such an entity or entities;

ii the distinct roles and responsibilities of each of the elected bodies of the Union as set forth in articles 102 and 104 of the General Regulations should not be considered to preclude participation by officials from either the postal administration or from the governmental body responsible for overseeing the postal administration in either or both of these bodies where such participation is agreed at the national level as being necessary or desirable;

iii in the two Councils, the competence of senior officials of postal administrations and of senior officials representing governmental authorities to take decisions on matters within their respective purviews would be recognized; the competence of governmental authorities to ensure compliance with policies they have established would also be recognized;

iv irrespective of the wording used, the formal and institutional stipulations contained in the Constitution or the General Regulations and affecting postal administrations will apply also to governmental authorities, in accordance with the national legislation of each country."

F. Participation

25 As has also been noted, some member countries are considering not only a separation of governmental or regulatory functions from postal operational functions but are also considering changing the status of all or part of the postal operational function from that of a governmental entity into that of a privately-owned corporation operating in accordance with commercial law and practices. In such circumstances, the government may then enter into a contract with the "privatized" postal corporation, offering perhaps a degree of monopoly privilege for some services in exchange for the fulfillment of universal service obligations with respect to these services.

26 In the circumstances described above, the government may also formally designate a privatized postal corporation to be responsible for fulfilling obligations arising from adherence to the UPU Convention and the Agreements. A government may also designate more than one private corporation to be responsible for fulfilling such UPU obligations. It may, for example, designate one privatized postal corporation to be responsible for letter-post services and another private delivery service to be responsible for parcel-post services.

27 In such circumstances, it is proposed that provision be made to permit such privatized postal corporations or private delivery services which have operating responsibilities to implement the UPU Acts to participate in UPU activities relating to their responsibilities. The draft resolution submitted to Congress (proposal 018; see paragraph 24 above) addresses this situation by expressing the decision of Congress:

"that, in the circumstance in which a government formally designates more than one entity to be responsible for fulfilling its obligations arising from adherence to the Convention and Agreements, subject to that country's internal laws and government policies, each such entity may be represented at meetings of the Union's bodies considering services for which it is responsible."

28 Under the resolution cited above, for example, if a member country designates a private entity to be responsible for fulfilling obligations arising from its adherence to the UPU Postal Parcels Agreement, that entity would be able to designate representatives to participate in UPU meetings considering the Postal Parcels Agreement.

29 With respect to relationships between the UPU and private delivery services or "private operators" which do not have any responsibility for implementing the UPU Acts, a few participants in the UPU management study suggested establishing the possibility of observer status for these private operators. The 1992 Executive Council established a Private Operators–UPU Contact Committee. That body has served the purpose of opening up a dialogue between the Union and associations representing private operators and of beginning to examine expectations regarding the benefits of dialogue and to clarify differences in perception regarding the role of the UPU and its relation to the private sector.

30 The High-level Meeting following the 1992 EC approved the creation of this Contact Committee to discuss issues of common interest but expressed the concern of the majority about the participation of private operators in the bodies of the UPU. A majority of those participating in the management study following the 1992 EC continued to oppose going beyond the arrangements provided for by the Contact Committee. In the view of the latter, it is reasonable and appropriate to maintain a clear distinction between providing for dialogue between the UPU and private

operators and providing for participation by private operators in the internal decision-making processes of the Union, particularly in view of the lack of private operator responsibility for implementing the UPU Acts and the competitive relationship between UPU-based services and those offered by private operators.

G. Strategic planning

31 As noted in paragraph 6, on the basis of decision CE 6/1992 (annex 2) the Executive Council and the International Bureau have already initiated the strategic planning and programme budgeting processes and have developed a draft strategic plan, a draft operational plan and a draft financial plan for presentation to Congress (proposal 019).

32 In accordance with the proposals for restructuring, the Council of Administration, the Postal Operations Council and the International Bureau will all have key roles in connection with the strategic planning process. It is proposed that the Postal Operations Council become responsible for overseeing development of a comprehensive rolling five-year strategic plan and related operational and financial plans for the Union for presentation to Congress. Under POC guidance, the International Bureau will be responsible for preparing the plan, and the Council of Administration will be responsible for approving the plan and its related financial plan. It is a rolling five-year plan because the POC will be responsible for overseeing the annual updating of the plan and the CA for approving the annual updatings of the plan between Congresses as well as the programme budget.

33 Detailed recommendations regarding the roles and responsibilities of the Council of Administration, the Postal Operations Council and the International Bureau with respect to strategic planning and programme budgeting are provided in the draft resolution submitted to Congress and its annexes (proposal 020). This resolution and its annexes set forth a process which takes into account the policy and supervisory responsibilities of the Council of Administration and the benefits of having the CA work closely with the Postal Operations Council and the International Bureau in the annual updating of the strategic plan and the development of the five-year strategic plan for submission to the next Congress.

H. Flexible financing

34 Under the current system for financing the activities of the Union, activities supporting both the mandatory letter-post services and the optional postal parcels and financial services are financed through a single Union budget to which all member countries must contribute. Strict adherence to a principle of "zero real growth" in a budget based upon mandatory contributions has helped the Union maintain strong budgetary discipline and limited the financial burden on member countries of financing Union activities. It has also, however, imposed constraints on the ability of the Union to undertake new activities in order to adapt to market developments and the changing needs of postal customers.

35 In the view of some countries, the new strategic planning and programme budgeting management disciplines provide an opportunity to allow member countries a measure of flexibility and discretion in the financing of optional services and activities. These management disciplines also provide an opportunity to distinguish between activities which could continue to be subject to the tight constraints of zero real growth and activities which could receive additional resources because of the direct benefits to postal customers or direct improvements in the management of international operations.

36 It will be the responsibility of the new Councils, in consultation with the International Bureau, to consider adaptations of the Union's Financial Regulations in support of the possible introduction of flexible financing while assuring that the ceilings on annual expenditures adopted by Congress which apply to mandatory contributions continue to be respected.

37 Moreover, a restricted Working Party was set up with a view to finding solutions for funding Union activities, by considering in particular the possibility of creating an extra-budgetary fund maintained by mandatory contributions.

I. International Bureau tasks and working methods

38 Following up on the recommendations of the postal management experts, and taking account of the attention directed toward the working methods of the Union as a whole, decision CE 6/1992 (annex 2) also invited the International Bureau to take appropriate measures concerning its management practices, working methods, human resource management and support for technical cooperation. Following the 1993 EC, the International Bureau undertook an internal study of its management and developed recommendations in five fields of activity: tasks and responsibilities; decision-making at the various levels of the hierarchy; human resource management; circulation of information; and technical cooperation management. Although responsibility for implementing many of the recommendations will rest with the International Bureau and the new Councils and will depend upon the availability of necessary human and financial resources, it will be necessary for Congress to consider proposals relating to matters such as the frequency of meetings of bodies of the Union and recruitment procedures, particularly for the recruitment of individuals with special qualifications available only outside of the postal administration applicant pool. A list of the relevant proposals is given in annex 4.

J. Languages

39 The postal management experts drew attention to the impact of translation and interpretation requirements on the overall management of the work of the Union and on the internal management of the work of the International Bureau. Several issues have emerged from the further examination of this matter, including the need to augment the translation capabilities of the International Bureau and of the various translation services in the light of increases in the workload; the possibility of adopting a second official language; the possibility of adopting one or more working languages of the International Bureau; the possibility of constituting a French Language Group to bear translation costs in the same manner as the existing language groups; and the financial implications of these possibilities. A document on the language issue was presented to the 1994 EC and a summary of that document together with specific details concerning the implications of amending the Union's language system are included in Congress – Doc 70/Add 1.

40 The Executive Council finally proposed:

- the adoption of English as a working language of the International Bureau (proposal 15. 106.91/Rev 1);
- the setting up of a French Language Group (proposal 15. 107.2/Rev 1);
- a study on the working methods of the translation and typing services at the International Bureau (proposal 021/Rev 1).

K. Future work

41 As noted in the introduction to this report, the pace of change in the environment in which postal administrations operate has quickened and the recommendations for improving management processes can only reflect the best evaluation of the situation at a given moment in time prior to the Seoul Congress. There will be a need to continue the task of evaluating the Union's management processes, carrying forward work which could not be completed prior to the Seoul Congress, and deciding upon further management reforms.

42 The areas which have been identified for further attention include:

- a further review of the UPU mission;
- a further recasting of the UPU Convention and Agreements with a view to further distinguishing between matters of policy and principle which should remain in the Convention and Agreements, subject to oversight by the Council of Administration, and operational and commercial matters which should be placed in Detailed Regulations or operating manuals and left for decision by the Postal Operations Council;
- a further review of the system of financing Union activities, considering in particular the possibilities for flexible financing;
- a review of the organization of the International Bureau in light of the roles and responsibilities of the new Councils and the introduction of strategic planning and programme budgeting, with a view to adapting the International Bureau to better support the new Councils;
- a review of how the new Councils themselves are functioning, focussing in particular on their working methods and the possibilities for further decentralization of responsibilities while maintaining necessary accountability;
- monitoring changes in the status of member countries, particularly the separation of governmental and operational functions, deregulation, and trends toward privatization of postal administrations, and considering further the implications of these developments for the organization and management of the work of the Union and for participation in its activities.

43 The draft resolution submitted to Congress (proposal 022) provides instructions to the new Councils for continuing efforts to improve the management of the work of the Union following the Seoul Congress.

IV. Conclusions

44 As noted, the effort to improve how the Union operates has proceeded along three distinct but closely connected tracks:

- the introduction of strategic planning, to help the Union's members better identify issues and focus resources on the improvement of international services;
- the introduction of programme budgeting, to support the strategic planning function with information on the financial implications of decisions and priorities; and
- the restructuring of the bodies of the Union, to better organize the work of the Union in accordance with priorities established by Congress, and updated annually by the Postal Operations Council and the Council of Administration.

45 The new structure aims to streamline decision making and to reduce the overlap and duplication that has been developing within the present structure. Furthermore, while maintaining the UPU as a single unitary body, in accordance with the strong wishes of the members of the Union, it will allow for the differing needs of governments and operators, reducing duplication but promoting dialogue.

46 The introduction of strategic planning and programme budgeting will help the Union concentrate resources more effectively on the priority needs of its members, while the requirement for annual review and updating will contribute to flexibility and responsiveness.

47 New provisions relating to participation in the Union's activities by public and private entities with responsibilities for implementing UPU Agreements will contribute to the ability of the Union to adapt to changing circumstances with respect to the status of member postal administrations.

48 A list of the interrelated set of proposals that the Executive Council is proposing to Congress to improve the management of the work of the Union is contained in annex 5.

Berne, 18 February 1994

For the Executive Council:

T E LEAVEY

Chairman

Annexes

1 Washington Congress resolution C 8/1989.

2 Decision CE 6/1992, Management of the Union's work.

3 Recommendation of the High-level Meeting, May 1992.

4 List of proposals relating to International Bureau management practices.

5 List of EC proposals to the Seoul Congress for improving the management of the Union's work.

Congress – Doc 70/Rev 1/Annex 1

Resolution C 8/ Washington 1989

Subsequent improvement of the management of the Union's work

Congress,

Recognizing
the excellent results obtained by the Executive Council as regards the identification of the means by which the work of the organs of the Union may be improved and modernized,

Keen to ensure
that other possibilities for improvement be identified and introduced,

Considering
that several postal administrations have been the subject of fundamental examinations and reorganizations to adapt them to commercial requirements and to the most efficient management techniques,

Aware
that the International Bureau has to contend with many demands, requirements and constraints which render the task of the Director-General even more difficult,

Being of the opinion
that these demands and requirements should be classified in order of priority so that the most urgent may be dealt with first of all,

Instructs

the Executive Council:

a to continue its activity of seeking improvements in all aspects of management of the work of the Union;

b to evaluate the results of introducing the reforms proposed by the previous EC and adopted during the Washington Congress;

c to have the organization and objectives of the International Bureau, the EC and the CCPS examined by experts selected from among postal administrations, management consultants or a combination of the two;

d to implement as quickly as possible the recommendations of this study which, in its opinion, require immediate action;

e to formulate proposals for reform for the next Congress based on the result of the above work.

(Proposal 026, Committee 3, 4th meeting; Congress – Doc 78.1, 14th meeting)

Congress – Doc 70/Rev 1/Annex 2

Decision CE 6/1992

Management of the Union's work

The Executive Council decided to:

i approve the principle that Congress should concentrate on strategic issues;

ii invite the Chairmen of the EC and CCPS Committees, subject to the approval of the Steering Committees of each of these bodies, to ensure that studies are relevant and action-oriented, and that they are conducted by people with the necessary skills and experience, in small working parties whenever possible and with closer cooperation by the staff of the International Bureau;

iii recommend, when considered appropriate by the EC or CCPS , the creation of Working Parties reporting direct to the plenary of the body concerned and, if appropriate, that discussion in plenary meetings deal only with the results of symposia;

iv invite the International Bureau to take appropriate measures concerning management practices, working methods, human resource management and technical cooperation, if appropriate by seeking assistance from postal experts, and to inform the EC about the financial impact of the measures it might have to take;

v appeal to postal administrations to submit the best candidates with the required qualifications in response to calls for applications for posts at the International Bureau, and invite the International Bureau to improve its method of analyzing applications;

vi invite the International Bureau to continue the process it has begun to adapt its organization to the Union's new objectives and priorities, alongside the introduction of the strategic planning process;

vii refer the recommendations concerning the official and the working language of the Union back to Working Party WP 3/3, so that it may conduct a more thorough study that would also deal with financial implications;

viii instruct the external consultant, within the framework of his study on introduction of a strategic planning system and programme budgeting, to consider the other recommendations made by the postal experts, in light of the comments made within the EC and its bodies and the views expressed during the high-level meeting;

ix support in principle the need for clarification of the respective roles of the EC and of the CCPS;

x approve the principle of rationalizing and specializing the structure of the EC and CCPS Committees;

xi approve the recommendations made by the external consultant as regards strategic planning and programme budgeting;

xii set up a small strategic planning group in the International Bureau comprising a mix of permanent staff and part-time experts seconded from administrations and having strategic planning, commercial and business management experience;

xiii establish a permanent Executive Council Working Party of planning experts to serve as a periodic sounding board for the strategic planning group;

xiv establish a planning forum of EC and CCPS Committee Chairmen and key International Bureau staff to assist with the development and review of the UPU mission and objectives;

xv create an additional post in the International Bureau Finance Section, responsible for coordinating the introduction of the new programme-budgeting system;

xvi approve the timetables proposed by the external consultant for implementation of the strategic planning and programme-budgeting method;

xvii approve the draft terms of reference for further work to be assigned to Ernst & Young, as given in annex 1.

(1992 EC Documents: Doc 7, PV 6)

Congress – Doc 70/Rev 1/Annex 3

EXTRAORDINARY HIGH-LEVEL MEETING TO PREPARE THE SEOUL CONGRESS

Recommendation

The extraordinary high-level meeting to prepare the Seoul Congress, held at Berne on 14 and 15 May 1992, under the chairmanship of Mr H E SONG EON-JONG, Minister of Communications of the Republic of Korea, with the participation of 78 member countries and many observers,

Taking account

- of the principles and actions set down in the Washington General Action Plan;
- of economic and technological developments throughout the world;
- of the more competitive environment in communications;
- of the customers' desire for high-quality service, better value for money, new products and services and increased choice;
- of the trends among some Governments to encourage competition and restrict the boundaries of the postal monopoly,

Recognizing

- the urgent need, for the long-term health of the Post, to improve service and to encourage creativity as regards the design of new products;
- the need to create a new customer-led commercial culture;
- the need to reform the terminal dues system so as not to distort the postal market;
- the reality of the existence of direct competitors to the Post and the need to establish appropriate interface arrangements;
- the need to establish more customer/supplier relationships between postal administrations;
- the trend towards distinguishing between the functions of regulators and those of operators and the need to study, where appropriate, the adaptation of UPU processes accordingly,

Noting

the mandate given by the Executive Council to Working Party WP 3/3 to continue its study, on the basis, in particular, of the trends emerging from the high-level meeting,

Asks the Executive Council to take into account the following trends:

i as regards the role, structure and operation of the Post:

A. measures within the scope of Governments:

- consider, if necessary, the various ways in which the functions of regulators and operators are organized at national level;

- create an appropriate structure, especially a sound financial structure that would allow the public operators (postal administrations) to retain all of their revenue, including terminal dues;
- grant freedom of management to the public operators (postal administrations) within the framework of established terms of reference;
- set objectives;
- define the public service obligations;

B. measures within the scope of public operators (postal administrations), in their attitude towards the market:

- adopt a commercial culture;
- conduct market research in order to respond quickly to customer expectations;
- improve quality of service and introduce new products;
- understand the competition in order to deal with it more effectively;
- have quality of service, customer satisfaction and other performance criteria measured by independent organizations;
- establish strategic alliances with customers and suppliers;

C. measures within the scope of public operators (postal administrations), as regards their organization:

- establish an appropriate commercial management structure;
- clearly define responsibilities and hierarchical relations;
- pay special attention to issues concerning staff, with a view to improving staff members' training and increasing their motivation, so that they might identify with the organization that employs them;
- establish commercial relations between themselves, especially as regards terminal dues;
- provide technological assistance to the developing countries and share with them the benefits of their practical experience;

ii as regards the mission, structures and operation of the Universal Postal Union,

- the mission of the UPU as defined in both the Preamble and article 1 of the Constitution is confirmed, and the social role (public service mission) on the one hand, and technical assistance on the other are emphasized;
- the notion of universality of the letter post as stipulated in article 19 of the Convention is also confirmed;
- as regards new services, particularly EMS, a majority is in favour of continuing to defend postal products;
- a majority agrees on the necessity of identifying the provisions of a regulatory nature and those of an operational nature;
- participants are unanimous about retaining an integrated UPU which includes both the regulators and the operators, with emphasis on the introduction of a dynamic structure;
- the intergovernmental nature of the organization is confirmed;
- participants are unanimous about the necessity of communicating with customers, partners (providers of service and suppliers) and other operators (competitors);

- a majority views with concern the participation of private operators in the bodies of the UPU, while approving the creation of a UPU/private operators Contact Committee to discuss issues of common interest;
- all interested member countries of the UPU, even if they are not members of the Executive Council, should be able to contribute to reforming the organization; in particular, it would be advisable to establish the conditions required for regulators and public operators (postal administrations) to participate in the discussions of WP 3/3;
- appropriate measures should be taken to expand participation in the 1993 session of the EC which will consider the activities of Working Party WP 3/3 on the basis of the Committee 3 report.

Berne, 15 May 1992

H E SONG EON-JONG

Minister of Communications,
Republic of Korea

Chairman of the extraordinary
high-level meeting

Congress – Doc 70/Rev 1/Annex 4

List of proposals relating to International Bureau management practices

024	Organization of UPU conferences and meetings
10. 20.2	Constitution, article 20
15. 103.2	General Regulations, article 103, paragraph 1
15. 105.2	General Regulations, article 105, paragraph 1
15. 107.1	General Regulations, article 107, paragraph 4
15. 109.4	General Regulations, article 109, paragraph 1
15. 109.5	General Regulations, article 109, paragraph 1
15. 109.6	General Regulations, article 109, paragraph 2

Congress – Doc 70/Rev 1/Annex 5

List of EC proposals to the Seoul Congress for improving the management of the Union's work

A. Change of name of the two Councils

10. 13.1 Constitution, article 13, paragraphs 1 and 2

Related proposals: 10. 8.1, 10. 17.1, 10. 20.1, 10. 22.1, 10. 25.1, 15. 101.1, 15. 102.3, 15. 103.1, 15. 104.1, 15. 105.1, 15. 108.1, 15. 109.1, 15. 113.1, 15. 116.1, 15. 118.1, 15. 120.1, 15. 121.1, 15. 122.1, 15. 124.3, 15. 125.1, 19. 4.1, 19. 6.1, 19. 7.1, 19. 15.1, 19. 21.1, 19. 23.1, 19. 25.1, 20. 10.1, 20. 24.1, 20. 57.1, 25. RE4128.2, 25. RE5801.1, 30. 41.1, 35. RE4201.1, 40. 13.1, 45. RE1303.1, 50. 17.1, 55. RE1702.1, 60. 9.1, 65. RE903.1

B. Transfer to the POC of power to draw up the Detailed Regulations

10. 22.2 Constitution, article 22, paragraph 5

Related proposals: 10. 25.2, 15. 102.4, 15. 104.2, 15. 109.2, 15. 120.2, 15. 121.2, 15. 122.2, 19. 15.2, 20. 24.2, 20. 57.2, 25. RE5801.2, 30. 41.2, 35. RE4201.2, 40. 13.2, 45. RE1303.2, 50. 17.2, 55. RE1702.2, 60. 9.2, 65. RE903.2

C. Substantive amendments

10. 18.1 Constitution, article 18

15. 102.5 General Regulations, article 102, paragraphs 1, 3, 4, 9bis, 12, 14 and 14bis

15. 102.6 General Regulations, article 102, paragraph 6

15. 104.3 General Regulations article 104, paragraphs 1, 2, 3, 5, 8, 10, 12, 13 and 14

15. 104.5 General Regulations, article 104, paragraph 9

15. 109.3 General Regulations, article 109, paragraph 1

19. 5.1 Rules of Procedure of Congresses, article 5, paragraph 2

19. 25.2 Rules of Procedure of Congresses, article 25

20. 10.2 Convention, article 10, paragraph 3

20. 57.3 Convention, article 57, paragraph 3

30. 41.3 Parcels, Agreement, article 41, paragraph 3

40. 13.3 Money Orders, Agreement, article 13, paragraph 3.3

50. 17.3 Giro, Agreement, article 17, paragraph 3.3

60. 9.3 COD, Agreement, article 9, paragraph 2.3

D. Proposals of a general nature

015	Mandatory contribution by Council of Administration members
016	Composition of the Postal Operations Council
017	Council of Administration and Postal Operations Council – Committee structures
018	Notification to the International Bureau of information from member countries concerning the designation of the entity or entities to be responsible for fulfilling obligations arising from adherence to the Convention and Agreements and notification of the separation of governmental activities from operational and commercial activities in the case of those countries which apply this separation to postal services
019	UPU Strategic Plan, Operational Plan and Financial Plan
020	Strategic planning and programme-budgeting roles and responsibilities
022	Continuation after the Seoul Congress of the study on improving the management of the Union's work
023	Immediate application of the provisions adopted by Congress concerning the Council of Administration (CA) and the Postal Operations Council (POC)

E. Languages

021/Rev 1	Efficiency of translation services within the Union
15. 106.91/Rev 1	General Regulations, article 106bis
15. 107.2/Rev 1	General Regulations, article 107, paragraphs 1, 2, 3 and 6

Congress – Doc 70/Add 1

Management of the Union's work

Implications of amending the Union's language system

I. Introduction

1 As part of its total review of "management of the Union's work", Executive Council Working Party WP 3/3 was given responsibility for reviewing the status of languages within the Union. Following consideration of the Working Party's report, the Executive Council decided, at its 1994 session, to submit the following three proposals to Congress:

- the adoption of English as a working language of the International Bureau (proposal 15. 106.91);
- the setting up of a French Language Group (proposal 15. 107.2);
- a study on the working methods of the translation and typing services at the International Bureau (proposal 021).

2 The Executive Council also decided that a supporting document should be prepared for Congress in order to provide specific details concerning the legal, financial and administrative implications of the above proposals. In conformity with that decision, the Project Management Team of EC Working Party WP 3/3, in conjunction with the International Bureau, has prepared this addendum to Congress – Doc 70. It contains a summary of the key findings from Working Party WP 3/3's report, together with specific details requested during and subsequent to the 1994 EC session.

II. Current situation

3 Article 6 of the UPU Constitution prescribes French as the sole official language of the Union.

4 Article 107 of the General Regulations provides that French, English, Arabic and Spanish shall be used as languages for Union documentation. In addition, article 107 makes provision for Chinese, German, Portuguese and Russian to be used for the most important documentation only, subject to expenditure ceilings set by Congress. There is provision for other languages to be used, on condition that costs to the Union are not thereby increased.

5 This means that the Union bears the cost of translation into French of documents and correspondence received in other languages. The cost of translation of Union documentation from French into other languages is borne by the language group concerned.

6 For discussions and debates at meetings of the Union's bodies, French, English, Spanish and Russian are admissible, normally by means of simultaneous interpretation. The Union provides and maintains the necessary equipment, whilst the cost of interpretation services is shared among member countries using the same language in proportion to their contribution to the expenses of the Union.

III. Practice in other United Nations agencies

7 The following United Nations agencies use the six UN languages (Arabic, Chinese, English, French, Russian and Spanish) as their official languages: IAEA, ICAO, ITU, UNIDO, WHO, WIPO and WMO. UNESCO uses the six UN languages plus Hindi, Portuguese, and Italian for its General Conference, but the working languages for its Secretariat are English and French. The IFAD uses Arabic, English, French and Spanish; the WTO uses English, French, Russian and Spanish; the FAO, WFP and IMO use English, French and Spanish; and the ILO uses English and French.

8 It is noteworthy that whilst the ITU officially uses the six UN languages, it passed a resolution at its 1989 Nice Plenipotentiary Conference providing that most of the documentation of the Union would henceforth be produced only in English, French and Spanish. The same resolution also provided that, whilst all six languages could be used at meetings, simultaneous interpretation would henceforth be provided only between English, French and Spanish for certain international consultative Committee meetings.

IV. Language groups within the UPU

9 Membership of the various language groups, based on the situation in June 1994, is as follows:

Language Group	Member countries		1995 contribution units	
	Number	%	Number	%
English	84*	44.7	520.0*	55.5
Non-affiliated	51	27.1	173.5	18.5
Spanish	20	10.6	71.5	7.6
Arabic	19	10.1	76.5	8.2
Russian	10	5.3	40.0	4.3
Portuguese	7	3.7	33.0	3.5
German	3	1.6	56.0	6.0
Chinese	1	0.5	25.0	2.7
Total**	188	100.0	936.5	100.0

* Not counting Aruba (0.5 units) which is part of the UPU member country "Netherlands Antilles and Aruba": on the other hand, it comprises member countries belonging to two Language Groups, namely ELG/ALG (Oman, Qatar, Somalia, Sudan, United Arab Emirates, totalling 8 UPU units), ELG/GLG (Germany, 50 units) and ELG/RLG (Estonia, 1 unit).

** The totals are lower than the sums of the components because some countries belong to two Language Groups.

V. Handling by the International Bureau of correspondence from member administrations

10 In order to provide an assessment of the language situation based on empirical data, the International Bureau was asked to compile a breakdown, by language of origin, of all documents received from outside the International Bureau and published for the 1993 CCPS session. The survey covered documents for all meetings held during the CCPS session, including symposia, Working Party meetings, Contact Committees and Steering Committees. The results of this survey are contained in annex 1.

11 The trends indicated by this brief survey suggest that in future, irrespective of whether any other working languages are introduced, it would be necessary either to augment the French Translation Service or to have recourse to outside translators in order to cope with the periodic work overloads of the French Translation Service (see also paragraphs 38 and 39).

12 The International Bureau has estimated that the cost of one additional translator for the French Translation Service would be in the order of 192 000 Swiss francs (149 000 for salaries and other annual expenditure and 43 000 for installation and other once-only expenditure).

13 It is also apparent that there would be a requirement to strengthen the typing pool of any language that was adopted as a working language of the International Bureau.

14 With a view to making a further objective assessment of the inward flow of documents according to the language of origin, the International Bureau was asked to compile a brief record of correspondence received during the second and third weeks of January 1994. The results of this survey are given in annex 2.

VI. Executive Council decisions

15 As noted in paragraph 1, the Executive Council decided to submit three proposals to Congress. To recapitulate, those proposals are:

- the adoption of English as a working language of the International Bureau (proposal 15. 106.91);
- the setting up of a French Language Group (proposal 15. 107.2);
- a study on the working methods of the translation and typing services at the International Bureau (proposal 021).

16 These proposals are independent of each other. Whilst the Executive Council considers that there is merit in all three, it would be quite possible for English to be adopted as a working language of the International Bureau without forming a French Language Group, just as it would be feasible to set up a French Language Group irrespective of whether English is adopted as an International Bureau working language. Similarly, a study on the working methods of the translation and typing services would still proceed if either or both of the two other proposals are adopted. The objective of the study would be to achieve even greater efficiency.

17 The Executive Council noted that the Spanish and Arabic Languages Groups also have significant memberships. In the future, enhancement of the status of these and other languages could be considered. It is important to bear in mind that enhancing the status of one or more languages will not in any way diminish the existing arrangements concerning other languages of documentation and discussion.

18 The following sections address, to the fullest extent possible, the legal, financial, administrative and other implications of the above proposals.

A. Adoption of English as a working language of the International Bureau

i Legal implications

19 As the Acts of the Union currently contain no provisions specifying the working language of the International Bureau (as distinct from the official language of the Union), adoption of English as an additional working language would require the insertion of a new article into the General Regulations (see Congress proposal 15. 106.91).

ii Financial implications

20 The financial implications of adopting English as a second working language would arise from the need to strengthen the English typing pool on the one hand and the French Translation Service on the other to cope with the growing volume of texts drafted in English by International Bureau staff. The following estimates are based on the assumption that it will be necessary to strengthen the English typing pool with two additional posts and the French Translation Service with one additional post; it should however be noted that it will be necessary to augment the French translation service even if no change is made to the Union's language system. The amounts refer to the 1995 budget.

		CHF	CHF
a	Creation of two new English typist's posts (6.5 posts instead of 4.5, as compared to 7.5 existing French typist's posts):		
	– Staff costs: 2 x 64 800 CHF (G 2/1) = 129 600 CHF rounded up to	130 000	
	– Deduction of a budget credit allocated for English typing pool support staff	– 41 000	89 000
	Effect on the Union contribution unit: 89 000 CHF (936.5 units = 95 CHF/unit, ie an increase of 0.28 percent (= 95/34 420 CHF)		
b	Creation of a new French translator's post (3 posts instead of 2 as compared to 5 existing English translator's posts):		
	– Annual costs: (P 3/1)	149 000	
	– Once-only expenditure (installation, etc):	43 000	192 000
	Effect on the Union contribution unit: 192 000 CHF (936.5 units = 206 CHF/unit, ie an increase of 0.6 percent (= 206/34 420 CHF)		
c	Total		281 000
	Impact on the Union contribution unit: 95 + 206 = 301 CHF/unit, ie an increase of 0.87 percent (= 301/34 420 CHF)		

21 These estimates do not take account of the following factors:

- slightly increased expenditure on staff language training (see paragraph 24);
- expenditure related to language bonuses for knowing a second working language (see paragraph 25). In the long run, these bonuses could represent an annual expenditure of up to 100 000 CHF for the Union, ie 107 CHF per contribution unit or + 0.31 percent;

22 If English is adopted as a working language of the International Bureau, the costs of translation into English would still be charged to the English Language Group. If the proposal for establishing a French Language Group is rejected, the costs of translation from English into French would still be charged to the Union as heretofore.

iii Administrative implications

23 Regarding recruitment criteria, an adequate knowledge of English as well as French should obviously be a vital condition for engaging staff, at least in the professional category and above.

24 Language training would have to be given to staff already in service who do not have the knowledge of English required by their functions, either in accordance with the customary formulae (courses organized by the International Bureau at its expense during working hours, evening classes subsidized by the Social Fund) or in another form to be defined later.

25 For General Services staff, language bonuses would probably have to be paid for knowing a second working language, as is done in other United Nations organizations using several official or working languages. The proportion of G staff receiving a language bonus, which currently stands at 2808 CHF per year, represents an average of 38.6 percent in the other organizations. If the number of International Bureau beneficiaries corresponded to this percentage, this bonus would have to be paid to 34 out of 88 members of staff, ie an annual expense of 95 500 CHF for the Union budget. However, this hypothesis is only plausible in the long run, after a period of several years, because applicants have to pass a fairly stiff test to qualify for the bonus.

iv Other implications

26 As long as French remains the official language and despite the possible adoption of English as an International Bureau working language, it seems that all important internal International Bureau documents will continue to be published in French, with the possible exception of some documents and publications of a technical nature and/or which are intended solely for officials who do not speak French. For the International Bureau external correspondence, a French translation should no longer be systematically required.

27 A certain number of administrative documents solely for International Bureau internal distribution could continue to be published in the official language only, even if the possibility of drafting them in another working language were accepted. This applies to the following documentation in particular:

- Internal memoranda;
- Internal information bulletin;
- Administrative instructions;
- Internal regulations;
- Various lists for periodic distribution.

28 In contrast, official memoranda addressed to one or more internal recipients could also be written and distributed in one of the working languages, without having to be translated into the official language, if they were not written in French.

B. Creation of a French Language Group

i Legal implications

29 The formation of a French Language Group would necessitate several amendments to article 107 of the General Regulations (see Congress proposal 15. 107.2). Paragraph 1, a, of article 112 of the Detailed Regulations of the Convention (article RE 5403, paragraph 1.1, of the recast Acts)

would also require modification so that a French version of the Union's documentation would no longer be automatically obtainable by all administrations.

ii Financial implications

30 At the present time, 51 UPU member countries, representing 173.5 contribution units, are not members of the Language Groups constituted for translating Union documentation and therefore receive the French version only (annex 3). If a French Language Group (FLG) were formed, a certain number of these countries could, of course, decide, for financial and/or linguistic reasons, (see paragraphs 33 and 34) to join a group other than the FLG.

31 On the other hand, it also seems fairly plausible that some bilingual countries which are already affiliated to another Language Group could join the French Group out of solidarity or just to obtain a French copy of the documentation.

a Annual operating costs of a French Translation Service (FTS)

32 An estimate of the annual operating costs of the FTS is given in annex 4. The amounts correspond to the expenditure which, depending on the various staff table options, would be charged to the budget of an independent service coming under a French language group yet to be formed. It is assumed that, at the time of the transfer, the staff table will include only the present two translators and a third to be recruited, after which it will be up to the FTS to assess the need for additional staff (see paragraphs 11, 12 and 20 above). Consequently, the expenditure would thus be 478000 CHF for a normal year, leaving aside the once-only expenses for the first year inherent in the recruitment of a third translator and the creation of the FTS Reserve Fund.

b Individual contribution of FTS members

33 Supposing that the 51 Union member countries which currently do not belong to a Language Group and which account for 173.5 contribution units were to join the FTS, the contribution unit to FTS expenditure would range between 1900 CHF and 3370 CHF, depending on the FTS staff, with a slightly higher rate for the first year of operation (between 1990 CHF and 3940 CHF).

34 By way of comparison, the contribution for the translation services already operating in connection with the International Bureau varies between 1400 CHF and 12 000 CHF per unit (English Service 1400 CHF, Arabic Service 12 000 CHF, Spanish Service 3500 CHF, Portuguese Service 7000 CHF, Russian Service 4000 CHF). Seen from this angle, joining the English Group rather than the FTS could seem financially attractive for an administration which does not belong to any group at present. On the other hand, some bilingual countries, with French as one of their languages, might consider joining the FTS.

c Contributions in arrears

35 To deal with the problem of contributions in arrears, a FTS Reserve Fund should be set up as a buffer between contributions received and expenditure to be financed, as is already the case for the Union and the translation services operating in connection with the International Bureau. The credits for setting up and maintaining such a Fund are already included in the above estimate of FTS annual operating costs.

d Savings for Union members in general

36 The transfer of the two present French-speaking translators from the Union budget to that of the FTS would reduce Union expenditure by 315 000 CHF per year, ie 336 CHF per contribution unit (= 315 000 CHF/936.5 units) which will thus be reduced by 0.98 percent (= 336/34 420 CHF) for all Union member countries, including those who choose to join the FTS.

37 For countries which did not join the FTS, this saving would more than offset the additional expenditure caused by strengthening the English typing pool (89 000 CHF, or 95 CHF per unit; see paragraph 20, a) as well as any long-term expenditure generated by the introduction of language bonuses (100 000 CHF, or 107 CHF per unit; see paragraph 21). For these countries, the adoption of English as an International Bureau working language would not therefore generate any extra expenditure in the event of a French Language Group being set up (net saving: 336 – 95 – 107 = 134 CHF per unit).

iii Administrative implications

a Number of translators to be engaged

38 In addition to the International Bureau's two permanent French translators who would be transferred to the FTS, the number of translators to be engaged must obviously be determined on the basis of the anticipated volume of translations to be done, bearing in mind the output standard applicable, the deadlines set and the proportion of work which could be assigned to outside translators.

39 In this connection, the statistics in annex 5 hereto indicate that the FTS staff should in any event be augmented by one additional translator to avoid having to resort too frequently to outside translators to cope with the chronic work overload, a solution which would, moreover, be detrimental to the quality of the translations.

40 Moreover, account should be taken of the possibility of adopting English as an International Bureau working language; logically, this should mean that a considerable number of the texts prepared by the International Bureau would be drafted in English instead of French. In as much as the texts drafted in English then have to be translated into French, a certain increase in the FTS workload can be anticipated. Furthermore, more and more Union documents being drafted by the administrations, along with the increased use of English in this context, also tend to boost the workload of the French translators to levels higher than in statistics for recent years. All in all, these trends may, in the future, justify the recruitment of a second additional French translator to ensure documents are processed by the set deadlines and that translation quality standards are maintained.

b Guarantees for staff in service

41 Like the translation services already operating in connection with the International Bureau, the FTS staff would in principle be given the same terms, status and guarantees as International Bureau staff, despite the transfer of responsibility for the relevant expenditure. Thus, for the two French translators already in service, the changeover to an autonomous FTS would not in itself affect their conditions of service as defined in the Staff Rules and Regulations, since the latter are applicable mutatis mutandis to translation service staff.

c Other considerations

42 In this context, the question could arise of whether, generally speaking, translations into French or English which are of no interest for the members of the relevant Group – because their sole intention was to facilitate either the International Bureau's internal work or relations with third parties – should no longer be done at the Union's expense. This idea already put forward in the past by the English Group in connection with translations for third parties – namely of charging for translations not only on the basis of the target language but also of the destination or the matter dealt with – was not adopted in practice because of the cumbersome administrative procedures and the arbitrariness which are inevitably involved in applying such criteria, disregarding the translations for "Union Postale" and a few rare translations financed by technical cooperation projects. It should also be noted that such criteria were not adopted in the field of reference constituted by the language system applicable to the proceedings of Union bodies either,

where all interpretation costs on the basis of accepted languages are in principle charged to the countries using the target language.

43 Seen from this angle, the creation of a FTS could be conceived of even without the acceptance of English as an International Bureau working language. In this event, the solution already adopted by the 1964 Vienna Congress for interpretation, whereby the costs of interpretation into French, as for any other language of interpretation, are charged not to the Union but to the countries using that language, would just have to be applied to translation.

C. Study on the working methods of the translation and typing services at the International Bureau

44 Irrespective of whether Congress adopts any changes to the Union's language system, a study on the working methods of the International Bureau's translation and typing services would be beneficial (see Congress proposal 021). The study could be given responsibility for refining the financial and other projections associated with implementation of either or both of the other two proposals. Moreover, the study may well identify prospects for further efficiency gains.

VII. Conclusion

45 It is recognized at the outset that any fundamental amendments to the UPU language system would have to be phased in over a period of several years. The most important consideration in this regard is the efficiency of the Union's work.

46 The Executive Council, in supporting the three proposals which are the subject of this addendum, believes that each of these measures is in the long-term best interests of the Union.

Congress – Doc 70/Add 1/Annex 1

Language breakdown of documents generated from outside the UPU International Bureau – October 1993 CCPS session

In response to the request for information received by the International Bureau from Australia, which is responsible for the "UPU languages" issue within WP 3/3, we present below the results concerning the documents produced for meetings held during the 1993 CCPS session.

In analyzing the replies given by the sections concerned, it was felt necessary and even essential to add the following explanatory details to ensure that the data provided are correctly understood and used:

a the survey covers *all* the meetings held from 11 to 29 October 1993 (CCPS, SC, symposia, WPs, CCs, Action Groups, Forum, etc, irrespective of whether they come under the CCPS or the EC) and whatever the date of receipt of the outside contribution;

b in accordance with Australia's request, the data relate only to contributions received from *outside* (administrations, Restricted Unions), to the exclusion of all contributions prepared by the International Bureau (IB officials, security specialist-consultant, human resources consultant, etc);

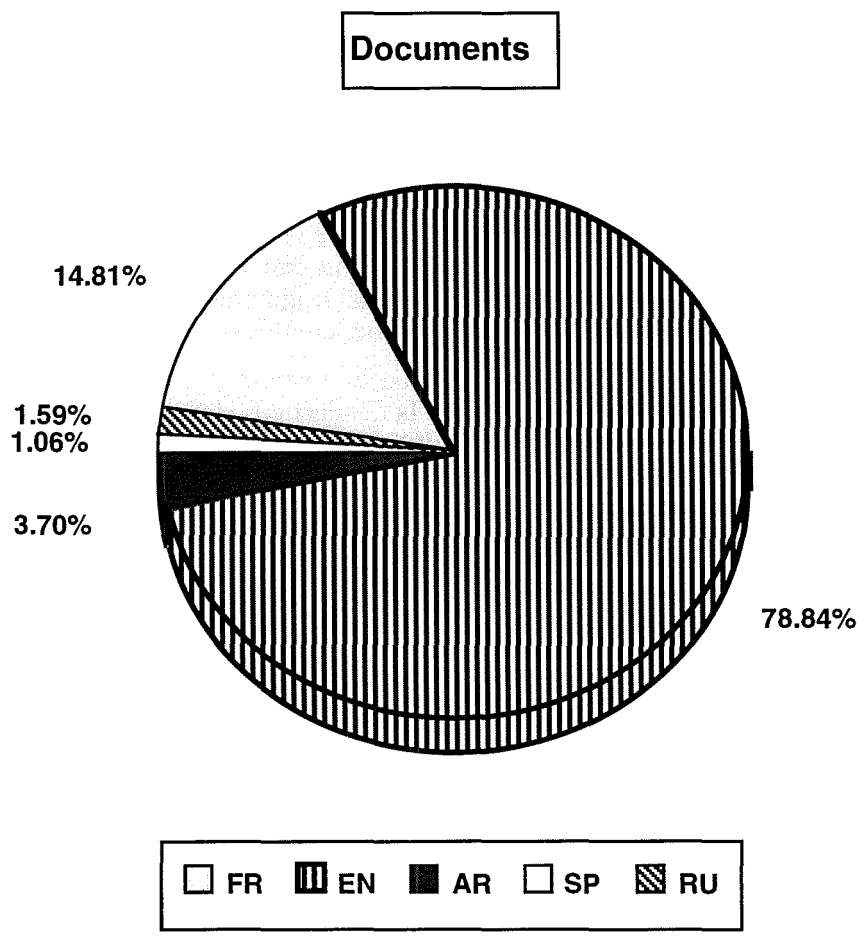
c consideration was given only to the contributions mentioned under subparagraph b which were destined, after formatting or correction where necessary, to become a *Document* (or part of a document) that was distributed to participants in a meeting, to the exclusion of contributions intended for other uses (replies to questionnaires, for example);

d in accordance with the request received, the data hereunder concern only the "INPUT" flow of outside contributions destined to become documents and therefore do not reflect the "OUTPUT" flow, ie contributions which, after being translated into French and finalized, were translated into the languages required for the meeting concerned (substantial variations in the number of languages necessary, depending on the meetings);

e in no way should these data be used to measure the workload of the translation services and the degree of occupation of the officials concerned, since the data deliberately ignore a large amount of other work done during the survey period, such as all the routine work arising from the International Bureau's normal tasks, all the work not covered by points b and c above, and the Committee reports to plenary which must often be translated (by the Committee secretary or by the translation services) initially into the language of the Chairman in order to obtain his approval, before being translated into the other languages.

Original language of contributions	Number of contributions received		Number of pages *	
EN	149	(79%)	1097	(74%)
FR	28	(15%)	201	(14%)
AR	7	(4%)	85	(6%)
SP	2	(1%)	68	(4%)
RU	3	(1%)	31	(2%)
PO	0		0	
Total	189		1482	

* page = A 4 page, typed in final form and ready for printing.



Congress – Doc 70/Add 1/Annex 2

Language breakdown of official correspondence received by the UPU International Bureau durings weeks 2 and 3/1994 (10 to 21 January)

Language	Pieces received		Pages received	
	Number	%	Number	%
English	608	46.8	2673	47.7
French	428	33.0	1978	35.3
Spanish	81	6.2	330	5.9
German	75	5.8	98	1.8
Arabic	58	4.5	159	2.8
Portuguese	24	1.8	206	3.7
Russian	13	1.0	128	2.3
Other	11	0.8	27	0.5
Total	1298	100.0	5599	100.0

Congress – Doc 70/Add 1/Annex 3

UPU member countries which are not members of the Language Groups constituted for translating Union documentation

Status at 10 June 1994

Country	Number of units	Country	Number of units
Albania	1	Iran (Islamic Rep)	5
Antigua and Barbuda	1	Italy	25
Armenia	1	Kyrgyzstan	1
Azerbaijan	1	Lao People's Dem Rep	0.5
Belgium	15	Luxembourg	3
Benin	0.5	Madagascar	1
Bosnia and Herzegovina	1	Mali	0.5
Burkina Faso	0.5	Moldova	1
Burundi	0.5	Monaco	1
Cambodia	1	Namibia	1
Cameroon	1	Netherlands Antilles and Aruba[1]	1
Central African Rep	0.5	Niger	1
Chad	0.5	Romania	3
Comoros	0.5	Rwanda	0.5
Congo (Rep)	1	San Marino	1
Côte d'Ivoire (Rep)	3	Senegal	1
Croatia	1	Switzerland	15
Dem People's Rep of Korea	3	Tajikistan	1
Djibouti	0.5	the former Yugoslav Republic of Macedonia	1
Eritrea	1		
France	50	Togo	0.5
Gabon	1	Turkey	5
Greece	3	Uzbekistan	1
Guinea	0.5	Vatican	1
Haiti	0.5	Yugoslavia	5
Hungary (Rep)	5	Zaire	3

[1] Aruba is a member of the English Language Group.

Congress – Doc 70/Add 1/Annex 4

Estimated cost of the annual operation of an autonomous French Translation Service coming under a French Language Group to be formed

Bases of calculation (scales, rates of exchange, etc) as in the Union's 1995 budget

A. Expenditure to be transferred from the Union budget to the FTS budget

A1	*Outside translations*			
	A1.1 Translations from Arabic (by the ATS)	38 000		
	A1.2 Translations from English and Spanish	18 000	56 000	
A2	*Two translators already in service (P 3 and P2)*			
	• Basic salary and post adjustment: 111 600 + 79 400 =	191 000		
	• Home leave: 1600 + 1800 =	3 400		
	• Education grant:	3 800		
	• Health insurance: 2 x 1100 =	2 200		
	• Accident insurance 2 x 200 =	400		
	• Provident Scheme: 29 300 + 20 400 =	49 700		
	• Medical examinations:	500		
	• Sundry (telecom, training, missions, etc) and contingencies	8 000	259 000	315 000

B. Expenditure for supplementing staff by one or two translators
(P 3/1 with spouse and two children, P 2/1 with spouse but no children)

B1	*Once-only expenditure:*	P 3 = B1.1		P 2 = B1.2			
	• Installation grant	18 100	+	10 900	=	29 000	
	• Moving expenses	17 500	+	12 500	=	30 000	
	• Travel expenses, etc	7 400	+	3 600	=	14 000	
	Total	43 000	+	27 000	=	70 000	
B2	*Annual expenditure:*	P 3 = B2.1		P 2 = B2.2			
	• Basic salary and post adjustment	97 400	+	80 800	=	178 200	
	• Family allowances	4 900				4 900	
	• Home leave	4 200	+	3 800	=	8 000	
	• Education grant	10 000				10 000	
	• Health insurance	4 300	+	2 200	=	6 500	
	• Accident insurance	200	+	200	=	400	
	• Provident Scheme	24 100	+	19 200	=	43 300	
	• Medical examinations	300	+	300	=	600	
	• Sundry/contingencies	3 600	+	4 500	=	8 100	
	Total	149 000	+	111 000	=	260 000	330 000

C. Expenditure linked to creating and maintaining the FTS Reserve Fund
(approximately 5 percent of annual expenditure + 5 percent in the first year)

C1 Expenditure for two translators already in service

C1.1 Annual expenditure	15 000	
C1.2 Once-only expenditure (1st year)	15 000	30 000

C2 Expenditure for three translators

C2.1 Annual expenditure	23 000	
C2.2 Once-only expenditure (1st year)	23 000	46 000

C3 Expenditure for four translators

C3.1 Annual expenditure	28 000	
C3.2 Once-only expenditure (1st year)	28 000	56 000

D. Summary of overall expenditure (range of options)

D1 Option 1: Two translators already in service

D1.1 Annual expenditure (A1 + A2 + C1.1): 56 000 + 259 000 + 15 000 =	330 000	
D1.2 Once-only expenditure (C1.2):	15 000	345 000

D2 Option 2: Three translators

D2.1 Annual expenditure (A1.1 + 0.5 x A1.2 + A2 + B2.1 + C2.1): 38 000 + 0.5 x 18 000 + 259 000 + 149 000 + 23 000 =	478 000	
D2.2 Once-only expenditure (B1.1 + C2.2): 43 000 + 23 000 =	66 000	544 000

D3 Option 3: Four translators

D3.1 Annual expenditure (A1.1 + A2 + B2 + C3.1): 38 000 + 259 000 + 260 000 + 28 000 =	585 000	
D3.2 Once-only expenditure (B1 + C3.2): 70 000 + 28 000 =	98 000	683 000

E. Conclusion

According to the above estimates, the budget expenditure of an autonomous FTS coming under a French Language Group to be formed would, for the first year of operation, be between 345 000 CHF and 683 000 CHF, depending on the staff, and for subsequent years between 330 000 CHF and 585 000 CHF.

These estimates were prepared using the calculation bases applicable to the 1995 budget and do not take account of subsequent expenditure on translators' career development or resulting from changes in their family circumstances.

The estimates for translators to be recruited (point B) are subject to a substantial margin of variation because of uncertainty about their domicile (once-only recruitment expenditure, home leave) and their actual family circumstances (dependents, etc).

Congress–Doc 70/Add 1/Annex 5

Movement in 1990–1993 of volume of French translation and of the corresponding staff strength by UN and ITU output standards

Year	Volume of translations			Staff strength according to output standards		
	IB translators	Outside translators	Total	Separate translation and revision		Self-revising translation
				UN[1]	ITU[2]	UN[3]
	words	words	words	persons	persons	persons
1990	370 500	74 500	445 000	1.69	1.58	1.49
1991	585 400	162 200	747 600	2.84	2.65	2.51
1992	499 500	352 100	851 600	3.23	3.02	2.86
1993	747 100	115 400	862 500	3.27	3.06	2.89

[1] 1238 words per person per day worked (translation 1650 words, revision 4950 words); an average of 213 days actually worked per person per year.

[2] 1323 words per person per day worked (translation 1875 words, revision 4500 words); 213 days.

[3] 1400 words per person per day worked; 213 days.

Congress – Doc 71

Information management as a UPU strategic activity

Secretary-General's report

I. Introduction

1 Information is the basis of decision-making and hence of action-taking, and is thus recognized as a strategic resource of an organization. The effectiveness of the action taken will depend on the relevance of information, so that the design and use of an information system are an integral part of an organization's strategy.

2 In the postal field too, there are many examples to illustrate that principle. Consider the data derived from transmission-time tests, statistical information and other details gathered through many questionnaires. It is obvious that the quality of the action taken by postal administrations, by the UPU and its International Bureau and by the Restricted Unions depends to a substantial extent on the availability or otherwise of pertinent information.

3 Even when the information exists, it is often difficult to get to it. The data is either scattered in manually compiled files or stored in computer systems.

4 Obviously, a good information recording and classification system is the key to solving the problem. This may seem easy, but it is in fact a difficult and painstaking task. A look at the 1995–1999 *Strategic Plan* reveals several references to the establishment of data bases, proof that many needs in this area remain to be filled. That same Plan also mentions the design of a *UPU information master plan*, to provide a systematic and global solution to the problem of acquiring, processing and distributing information.

5 The establishment of an effective information management system requires a *minimal data-processing infrastructure*. At the International Bureau, we have for the past few years had the central data-processing capability needed for the creation of data bases and a significant effort was made in this area beginning in 1993. On the other hand, it was not until early this year (1994) that the International Bureau also had the high-performance means of communication to allow access from the outside (Post*NET). Thus, the basic material conditions needed to ensure the profitable and effective use of information all seem to be present.

6 This document will provide a first overview of what has been done and what remains to be done in terms of information management within the UPU and at the International Bureau.

II. Information requirements

7 If information is to be managed, one must first decide what information is needed. Such needs by definition vary considerably: the information needed by operational services will not be the same as that needed by administrative services, for example. The former might require the List of Prohibited Articles, and the latter could be more interested in information contained in such documents as Congress – Docs, and finally, managers might need accurate data on competitors' activity.

8 Given this diversity of needs, it would be wrong simply to identify information management with computer data base management. An information master plan should identify all the information available in an organization, ie whatever is contained in documents, in files, or even in the brains of one's fellow workers.

9 Let us go back to the UPU and more particularly to the International Bureau. Article 113, paragraph 2, of the General Regulations spells out the role of the International Bureau in this area: "it shall collect, collate, publish and distribute all kinds of information of interest to the international postal service ...".

10 In this context, the documents of the Executive Council, of the Consultative Council for Postal Studies and of Congress are extremely important information media. The CCPS initiative calling for publication of operational binders in which all documents relating to a specific field are gathered together in logical order, proves that there is a real need for easier, targeted access to scattered information.

11 We should continue along this path, and data processing could be of considerable use in this regard. Priority should be given to establishing a document management system in the International Bureau (with access for postal administrations), as has been done in a number of UN specialized agencies. It is a matter of working out a classification and indexing system that would allow documents to be located quickly and bibliographic searches to be made from key words/expressions.

12 Other important information needs stem from the 1995–1999 Strategic Plan (and from the related operational plan), such as the following in particular:

- "Develop a computerized data base capable of synthesizing developments in the postal environment and accessible to the postal administrations, the Restricted Unions and the Regional Advisers";
- "Develop a centralized and accessible market information system".

13 In connection with the foregoing, information contained in such UPU publications as:

- the List of Prohibited Articles,
- the Compendia of Information (Convention, Postal Parcels, Financial Services, Internal Charges, etc),
- the List of Airmail Distances,

should be made more accessible (computerized) and entered in data bases.

14 To avoid inconsistencies and duplications, a global solution is needed for all these requirements. Unfortunately, such an approach is far more demanding than one consisting in setting up smaller isolated systems, but it is clear that in the long run, the benefits of an integrated system will be enormous.

15 The International Bureau has acquired experience in this regard. Development of the relational data base that currently encompasses quality of service, the List of Addresses and postal statistics stands as an example.

III. Progress report on the introduction of the data base

16 As mentioned above, the data base for the benefit of the postal administrations and the International Bureau, creation of which was called for by the Washington Congress, has already been brought into service within the International Bureau. International Bureau officials can now access the following centralized information:

A. Results of quality of service tests

17 The data base contains all data relating to ordinary and EMS mail tests conducted since 1990, comprising the information collected by means of the control cards themselves (about 400 000 of them) as well as statistical information such as the average times between two administrations, average times between two offices of exchange or annual averages by administration.

18 The software for accessing the data has also been developed. These tools among other things allow documents to be produced automatically for regular distribution by the International Bureau after each test or at meetings of the EC, the CCPS or Congress.

19 These computer tools also allow some of the data to be selected on the basis of various criteria (data from a given administration, from a specific test or based on other criteria) for display and even exporting.

20 Once exported, the data can be analyzed in greater depth on a spreadsheet or by means of a market analysis tool such as MAIS.

B. Liste des adresses, des chefs et des fonctionnaires supérieurs des Administrations postales, du Bureau international et des Unions restreintes (List of Addresses, Heads and Senior Officials of Postal Administrations, the International Bureau and the Restricted Unions)

21 All the data from the list of addresses has been entered on computer support and a first prototype for accessing the data on the basis of different search criteria (name of an administration, of an official, department or service) has been developed.

C. Postal Statistics

22 The postal statistics questionnaire was simplified by eliminating headings of little significance and others that were overly detailed, and the layout of the annual publication of the results was completely revised.

23 The computer development work began this summer and will allow the next annual issue of "Postal Statistics" (statistical year 1993) to be generated direct from the data base and in a shorter time than heretofore.

IV. Activities for 1994/1995

A. Opening of the data base to postal administrations

24 As mentioned earlier, all the material conditions are present to also allow administrations to make effective use of the information in the data base. Nevertheless, before the data base can be opened to administrations, hook-up tests will have to be conducted and development of the consultation software finalized.

25 Access by postal administrations will be through the Post*NET network, either by terminal emulation, or by customer/server access, in which case the International Bureau would supply the administration with the customer-side software. Specialized data transmission networks will naturally be an asset in terms of the speed and quality of communication.

B. Participation of administrations in data base development

26 To keep administrations up to date with development of the data base, the International Bureau will distribute a regular information bulletin that will describe, among other things, possibilities for connecting with the data base and the new functions available.

27 To ensure that the contents of the data base correspond to the wishes of the administrations, the International Bureau intends to create a group of interested users. The purpose of the group would be to test the new functions when they are introduced, to decide the order of priority for entering data into the base, and in general terms, to foster cooperation between users and developers.

28 The group could meet informally twice a year, during the sessions of the Council of Administration and the Postal Operations Council. Outside those meetings, it could communicate in writing or by electronic mail. A memorandum about the formalities relating to establishment of the group will be distributed to all Congress participants.

C. Introduction of new data

29 Early next year, the introduction of new data will be started, beginning with the data most frequently requested by administrations in their replies to the questionnaire about establishing a computerized data base at the International Bureau. This will include:

- the List of Prohibited Articles;
- the Compendia of Information (Convention, Postal Parcels, Financial Services, Internal Charges, etc);
- the List of Airmail Distances;
- EMS delivery standards, etc.

30 The order in which the data will be entered into the base will be decided by the user group mentioned earlier.

V. Conclusions

31 Congress is invited to:

- recognize information management, and more specifically computerized information management, as a strategic activity of the UPU;
- take note of the progress made in connection with establishment of the data base for the benefit of postal administrations and of the International Bureau.

Berne, 23 June 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 73

General Debate

Seoul, July 1994

Memorandum by the Secretary-General

For practical reasons, documentation on the General Debate consists of:

- *Congress – Doc 73*, distributed during Congress and containing:
  - the detailed outlines of the papers that will be presented by the discussion leaders and joint discussion leaders (annexes 1 to 4),
  - practical information on the arrangement of the General Debate (annex 5),
  - the timetable of the General Debate (Congress – Doc 73/Add 1);
- *Congress – Doc 73.1*, distributed after the opening of the General Debate and containing the introductory addresses of the Chairman and the Secretary-General;
- *Congress – Doc 87*, which will be distributed after the General Debate and by means of which the Seoul Postal Strategy will be submitted to Congress for approval, accompanied by the relevant draft resolution.

After Congress, a brochure, containing a concise record of the Debate, the introductory addresses by the Chairman of Congress and the Secretary-General, the papers by the discussion leaders and joint discussion leaders and the Seoul Postal Strategy, will be prepared and distributed.

Seoul, 25 July 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 73/Annex 1

COORDINATION TEAM FOR THE 1994 SEOUL CONGRESS GENERAL DEBATE

General Debate, 24 and 25 August 1994

The UPU looks to the future: global strategic planning in a competitive environment

Sub-theme No 1: "The structures of the UPU on the eve of the 21st century"

Discussion leader: United States of America; Joint discussion leader: Czech Rep

Detailed outline of paper

I. Introduction

1 The UPU is an organization with a considerable history and tradition. Since its creation in 1874, it has been credited with numerous achievements, including:

- the concept of a single postal territory;
- guaranteed freedom of transit;
- the standardization of services and the sharing of charges;
- the tradition of maintaining service even in time of war;
- the attainment of a worldwide membership;
- the creation of the International Bureau;
- the holding of regular meetings and discussions on postal needs;
- recognition as a United Nations agency in 1948;
- a deep-rooted spirit of cooperation.

II. Need to reconsider the structure and management of the Union

2 Despite this record of accomplishment, serious questions are being raised about the UPU. The environment has changed considerably since 1874, and especially since 1984. In these circumstances:

- Can the UPU continue to meet the needs of its members?
- Can the UPU mobilize the necessary human and financial resources to respond to these changing needs?
- In a time of competition for limited resources, can the UPU effectively decide on the best use of its resources?

III. Background and origin of the restructuring envisaged

3 By resolution C 8/1989, the Washington Congress instructed the Executive Council to seek improvements in all aspects of management of the work of the Union. In the process, the consultation of member countries and the course of events quickly brought to light fundamental questions about the purpose, mission, organization and working methods of the Union.

4 A series of significant developments prompted the Executive Council to envisage a thorough restructuring of the Union and its bodies:

- the emergence of a growing market for international delivery services;
- increasing competition between the postal services and private couriers;
- the impact of new technologies on the communications market;
- the difficulty for postal services to maintain a sufficient level of revenue;
- increased pressure to change from a legal and administrative orientation to a commercial, market-based one;
- the tendency of some governments to encourage competition and limit or reduce the scope of the postal monopoly;
- the trend towards transforming State-subsidized postal administrations into public corporations receiving no government subsidies;
- consideration, in some countries, of the possibility of privatizing the Post while maintaining some universal service obligations;
- the emergence of the distinction between regulatory and operational functions;
- the new policy of the European Union supporting liberalization of the postal communications market;
- the creation of a joint venture between five postal administrations and a private courier;
- the Extraordinary Executive Council in October 1991 to consider the UPU's response to the joint venture, and the Extraordinary High-level Meeting in May 1992 to assess the Union's policy in the face of these significant changes, in anticipation of the 21st Congress.

IV. Proposals for restructuring the Union

5 In the light of the above developments, the Executive Council's proposals for improving the work of the Union rest on the following mutually reinforcing elements:

- restructuring aimed at distinguishing organizational roles and responsibilities more clearly in order to allow greater decentralization of work and increased accountability for results and to streamline decision-making;
- strategic and operational planning and the programme-budgeting system for improving the Union's ability to identify key issues, to establish objectives and priorities, to allocate resources and assign responsibilities, to monitor results and to accomplish all this in a much more systematic manner;
- further simplification of the UPU Convention and Agreements in order to encourage greater focus on customer needs and to ensure that legal and administrative requirements make it possible to achieve this objective.

6 The Executive Council has proposed the following important changes:

- Changing names and responsibilities:
  - The Executive Council (EC) becomes the Council of Administration (CA), responsible for matters involving general policy,
  - The Consultative Council for Postal Studies (CCPS) becomes the Postal Operations Council (POC), responsible for operational and commercial matters.
- Transferring many responsibilities from the CA to the POC.
- Adapting the organization of the International Bureau to the structures and needs of the new bodies.
- Increasing the membership of the Postal Operations Council.
- Establishing new terms and conditions for representation at Union meetings.
- Reversing the order of meetings of the Union's two permanent bodies.

V. Conclusion and recommendations

7 The restructuring envisaged should make it possible:

- to eliminate the current overlapping of responsibilities and duplication of effort between the EC and the CCPS;
- to streamline the management of the Union's work by introducing strategic and operational planning;
- to achieve a more flexible structure able to adapt to future needs.

Congress – Doc 73/Annex 2

COORDINATION TEAM FOR THE 1994 SEOUL GENERAL DEBATE

General Debate, 24 and 25 August 1994

The UPU looks to the future: Global strategic planning in a competitive environment

Sub-theme No 2: "The dichotomy of 'universal postal services' and 'a commercial approach' "

Discussion leader: Switzerland; Joint discussion leader: Côte d'Ivoire (Rep)

Detailed outline of the paper

I. Introduction

The question of the dichotomy of universal postal services and a commercial approach is linked to the growth of the competition.

The need to provide a universal service throughout the territory is the foundation of every postal sector policy, whether national or international.

Networks which in the beginning were protected by the monopoly are being hurt by the competition especially in profitable areas. The Post must manage deprived areas at a loss and contend with the competition wherever it can make a profit.

How can postal enterprises/administrations fulfil their public service mission while making their network profitable?

II. Overview of the postal market

- The forces that are transforming the structure of the postal market
- Evolution of the postal market
- Evolution of demand on the postal market
- Evolution of supply on the postal market.

III. Obligation to provide universal postal services

- Concept of public service: network, customers
- Constraints binding the provider of a public service
- Public service: legal monopoly or natural monopoly?
- Principle of universality: continuity, equality, affordable price
- Reserved services: tension between profitability and the universal service obligation
- Maintaining and protecting the public-interest missions.

IV. Commercial approach

The monopoly is not sufficient for combating the competition.

Business-oriented strategies must be developed:

- Development of a business logic: autonomy, profitability, cost control, financial balance, human resource management, modern management techniques, etc
- Knowledge of the market: demand, supply, segmentation, competition, trends, etc
- Dynamic commercial policy: marketing, sustained contact with customers, competitive rates policy, promotion of products
- Development and maintenance of quality of service.

V. Strategies for dealing with the dichotomy

- Redefinition of the postal monopoly
- Actions to support the postal service
- Achieving international consistency.

VI. Conclusion and recommendations

- Eliminate the inconsistencies and imbalances of the public service that run counter to a commercial approach
- Reconcile social profitability and economic profitability.

Congress – Doc 73/Annex 3

COORDINATION TEAM FOR THE 1994 SEOUL CONGRESS GENERAL DEBATE

General Debate, 24 and 25 August 1994

The UPU looks to the future: global strategic planning in a competitive environment

Sub-theme No 3 – "Total quality in a competitive environment"

Discussion leader: Japan; Joint discussion leader: United Arab Emirates

Detailed outline of paper

I. Introduction

The term "total quality" implies a formal approach to the management of an activity which accords special attention to:

- a comprehensive conception of the tasks carried out within an enterprise enabling all employees, individually and collectively, to add value to the products and to satisfy the needs of their customers;
- the application of a strategy of change, dictated by the wishes of the customers and extended to the entire enterprise, that will promote the gradual establishment of an environment in which it becomes natural to make continual and regular improvements to all operations;
- the identification and satisfaction of the customers' needs;
- both efficiency (delivering the right products to the right market segments) and cost-effectiveness (doing it in the most economic way possible).

II. Total quality

1 *Total quality and human resource management*

- Create environments where all the staff will enhance their commitment to offer a higher level of service quality to the customer
- Provide staff with proper recognition and reward: promotion, bonuses, awards
- Stimulate competition and collaboration among staff: quality circle activities.

2 *Total quality and customer relations*

- Institutionalize the cycle of activities that enables postal enterprises to continuously improve service quality
- Identify the customer's needs: care for the customer, study competitors' methods

- Satisfy the customer's needs: improve service quality, upgrade existing services, innovate by creating new services
- Find out the customer's degree of satisfaction: review the customer's needs, feed back the findings.

3 *Total quality and development of contact points*

- Development, increase and modernization of counters
- Development of internal postal networks
- Development of delivery methods and delivery points.

4 *Total quality and development of postal security*

- Surveillance of mail at posting points, during conveyance, etc
- Coordinate postal security-related actions with State organs
- Promote the exchange of data between postal administrations.

III. Conclusion and recommendations

Congress – Doc 73/Annex 4

COORDINATION TEAM FOR THE 1994 SEOUL CONGRESS GENERAL DEBATE

General Debate, 24 and 25 August 1994

The UPU looks to the future: global strategic planning in a competitive environment

Sub-theme No 4 – "Global strategy and postal development"

Discussion leader: Australia; Joint discussion leader: Chile

Detailed outline of paper

I. Introduction

1 With the advent of rapid world communications and transport, the Post must on the one hand think and act beyond the boundaries of its traditional cooperative relationships and on the other establish structures capable of responding to the competitive challenges.

2 In order to achieve better development, a global postal strategy is needed in the context of:

- commercial imperatives;
- partnerships with postal and other enterprises;
- skills and technologies that can be transferred.

II. Need for a global strategy

1 Commercial imperatives

- The Post will have to change its ways of operating in order to maintain and increase its viability
- It must organize integrated systems
- It must implement an end-to-end monitoring and control system
- It must develop common services and products
- It must build on strengths that remain unique to the traditional Post.

2 Partnerships

- The Post is a network of individual enterprises
- Internationally, these enterprises depend to a considerable extent on the partnership agreements they are able to conclude

- Types of partnership that are essential to future success must be identified
- These partnerships and strategic alliances must be used to the best advantage.

III. Postal development

1 Traditional considerations

- Traditionally, the development of postal services has always been managed on the basis of technical cooperation programmes
- Complementary activities have been initiated under the banner of "postal development".

2 New approaches to postal development

- Need for and types of preliminary reforms
- Transfer of skills
- Transfer of technologies
- Continuing role of the UPU and the Restricted Unions
- Role of the Postal Development Action Group.

IV. Conclusion and recommendations

- Actions to be taken at national and international level
- Need for the development of efficient postal enterprises
- Move from quantitative to qualitative cooperation
- Cooperation, restructuring and obligation to produce results.

Congress – Doc 73/Annex 5

COORDINATION TEAM FOR THE 1994 SEOUL CONGRESS GENERAL DEBATE

General Debate, 24 and 25 August 1994

The UPU looks to the future: global strategic planning in a competitive environment

I. Introduction

1 At its 1994 session, the Executive Council of the UPU approved the principle of holding a General Debate during the Seoul Congress and entrusted its preparation to the International Bureau in conjunction with Korea (Rep), the host country of Congress.

2 Four sub-themes have been selected within the framework of the general theme of the Debate, reflecting the major and current concerns of the Post.

II. General information

3 Date – Place – Timetable

3.1 The General Debate will be held on 24 and 25 August 1994 in hall No 1 of the Seoul KOEX, in accordance with the following timetable:

- 9 am – 12.30 pm
- 3 pm – 6 pm

3.2 Detailed timing for the day's activities will be given in Congress – Doc 73/Add 1.

4 Chairman – Discussion leader

4.1 The General Debate will be chaired by the Chairman of Congress, who will also serve as general discussion leader.

5 Role of the members of the Coordination Team for the General Debate

5.1 During the General Debate, the discussion leaders and joint discussion leaders will take their places in turn on the Chairman's rostrum. Their role will be as follows:

Discussion leader and joint discussion leader:

- to present a paper on the topic selected;
- to lead to a summary of the discussion, seeking to bring out its major points.

6 Seoul Postal Strategy

6.1 At the end of the General Debate, the general discussion leader will summarize everything that was discussed and the suggestions made in the course of the day. The ideas and conclusions will be used as the basis for the Seoul Postal Strategy which will be prepared as promptly as possible so that it may be used as a guide by the Congress Committee Chairmen. The Seoul Postal Strategy will be submitted to Congress for approval, accompanied by a suitable resolution.

7 Role of the participants

7.1 Union member countries are earnestly requested to take an active part in the General Debate and to arrange for representation at the highest level.

7.2 Given the short time available, delegations should limit the length of their speeches to a strict minimum and ensure that the latter are directly relevant to the topics under discussion; they will therefore refrain from making any statement of a general nature.

8 Presence of the media

8.1 The Executive Council decided to admit the media to the General Debate as listeners without the right of speaking, subject to the final decision in this respect being made by the Seoul Congress (decision CE 3/1994) (proposal 026).

Congress – Doc 73/Add 1

COORDINATION TEAM FOR THE 1994 SEOUL CONGRESS GENERAL DEBATE

General Debate, 24 and 25 August 1994

Schedule and timetable of General Debate activities

Date	Sitting	Time	Activity
24 August 1994	Morning	9.30–10 am	Opening by Chairman of Congress and address by Secretary-General
		10–10.20 am	Presentation of sub-theme 1: "The structures of the UPU on the eve of the 21st century" Discussion leaders: United States of America and Czech Rep
		10.20–10.50 am	Discussion – Sub-theme 1
		10.50–11.10 am	Coffee break
		11.10 am–12 noon	Discussion and summary – Sub-theme 1
		12 noon–12.30 pm	Presentation of sub-theme 2: "The dichotomy of 'universal postal services' and 'a commercial approach' " Discussion leaders: Switzerland and Côte d'Ivoire (Rep)
		12.30–3 pm	Lunch
	Afternoon	3–4.15 pm	Discussion and summary – Sub-theme 2
		4.15–4.45 pm	Presentation of sub-theme 3: "Total quality in a competitive environment" Discussion leaders: Japan and United Arab Emirates
		4.45–4.55 pm	Coffee break

Date	Sitting	Time	Activity
24 August 1994 (cont)	Afternoon (cont)	4.55–6 pm	Discussion and summary – Sub-theme 3
25 August 1994	Morning	9.30–10 am	Presentation of sub-theme 4: "Global strategy and postal development" Discussion leaders: Australia and Chile
		10–11 am	Discussion and summary – Sub-theme 4
		11–11.20 am	Coffee break
		11.20 am–12 noon	General summary by discussion leaders
		12 noon–12.30 pm	Discussion
		12.30–3 pm	Lunch
	Afternoon	3–4.30 pm	Presentation of preliminary draft of Seoul Postal Strategy by Chairman and discussion
		4.30–4.50 pm	Coffee break
		4.50–5.30 pm	Discussion
		5.30–6 pm	Conclusions and closure by Chairman of Congress

Congress – Doc 73/Add 2

COORDINATION TEAM FOR THE 1994 SEOUL CONGRESS GENERAL DEBATE

General Debate, 24 and 25 August 1994

The UPU looks to the future: Global strategic planning in a competitive environment

Sub-theme No 1: The structures of the UPU on the eve of the 21st century

Discussion leaders: United States of America and Czech Rep

I. Introduction

The world has witnessed dramatic changes since the 1989 UPU Congress in Washington: political, social and economic.

Around the globe, the domains of government and of commerce are in a state of flux. At both the national and international levels, older assumptions about the proper relationship between these two areas are in question. There is no apparent new consensus on how to resolve the tension between the claims of the public and private sectors, or on how to achieve balance between competing social and economic principles. Transformation and experimentation are the rule.

It is no surprise, therefore, that Ministries of Posts and Telecommunications and their operating agencies are also affected by the need for adaptation and change. In most countries, until recently, Posts and telecommunications agencies have been linked by the common mandate to assure public access to communications services. They have shared facilities, revenues and support services. Yet in many places they are now separating, forced by pressures arising from technological development and competition to operate independently.

Furthermore, the relationship of both telecommunications and postal agencies to government authorities is changing. Governments are under great pressure to reduce or eliminate subsidies for these services. Consequently, in the developed world, and increasingly so in the developing world, the agencies must operate on the basis of revenues obtained from the services they provide. Reserved services, partial monopolies, help provide a revenue base essential for fulfilling universal service obligations. But they do not provide complete protection from the impact of technology and competition. Commercial principles and the demands of the marketplace intrude upon the domain of public service. Agency employees look across service counters and no longer see service beneficiaries who are dependent upon them, but customers with the option to go elsewhere. The agencies, therefore, seek substantial change in the way they manage their resources and activities. As a consequence, an expanding need for flexibility and adaptability clashes with older requirement of accountability to governments.

The Washington General Action Plan recognized these developments by including the task of urging "administrations to take all necessary measures to obtain from their governments corporate legal status and management independence".

II. The dynamism of the telecommunications sector

The response of the telecommunications agencies to this situation has been dramatic. Restructuring, new strategies and experimentation with new ways of providing service and doing business demonstrate their dynamism. Almost weekly, headlines in the press call attention to the ferment:

- British Telecommunications and MCI form a partnership "to bring businesses around the world a better way to communicate;
- Japan's international carrier, Kokusai Denshin Denwa, joins with Singapore Telecom and AT&T to form a joint venture called "World Partners";
- Dutch, Swedish and Swiss telephone authorities form "Unisource" and are joined by AT&T, while Spain, Belgium and Italy also consider joining;
- France Telecom and Deutsche Telekom consider a partnership with Sprint.

The need to combine financial resources in order to build more sophisticated communications links which will better serve both multinational corporate customers and, ultimately, consumers is a driving force behind these initiatives.

As a consequence, what were essentially national agencies appear to be adopting the characteristics of multinational corporations. On the one hand, the ability of national governmental authorities to oversee and regulate cross-border activities will be increasingly challenged. On the other hand, the need for international standards and service quality commitments will be enhanced, and the need for an effective international forum to consider the international legal framework for international services will be stronger than ever.

In recognition of these developments, our sister organization, the International Telecommunication Union (ITU) has itself recently accomplished a major restructuring. As a result, it hopes to better meet the needs of its members. It will be in a better position to fulfill its key tasks which include standardization, stimulating and coordinating cooperation among telecommunications carriers, and development aimed at reducing the gap between developed and developing countries.

III. The renewal of the postal sector

The postal world, too, has been in a state of flux during the past five years. As called for by the Washington General Action Plan, postal administrations around the world are changing from administrative to corporate legal structures. In some countries, even this step toward management independence is considered insufficient, and privatization is a serious consideration if not an already accepted next step.

These developments cannot help but have an effect on the UPU. If we have learned anything about the UPU during the past four years of examination, it is that the organization and orientation of the UPU reflects the organization and orientation of its members. While its members had a predominantly administrative status and orientation, so too did the UPU. As the status and role of its members change, so too will there be continuing pressure on the UPU to change.

A. UPU strengths

Like the ITU, the Universal Postal Union brings a number of strengths to the current situation. It is an organization with a considerable history and tradition. Since its creation in 1874, it has been credited with numerous achievements, including:

- the concept that the postal administrations of the world form a single postal territory;
- the guarantee of freedom of transit;
- the standardization of services and the sharing of charges;
- the tradition of maintaining service even in the event of war;
- the attainment of worldwide membership;
- the creation of the International Bureau;
- the regular exchange of views and collaboration in pursuit of common postal objectives;
- recognition as a United Nations agency in 1948;
- a deep-rooted spirit of cooperation.

B. UPU questions

Despite this record of accomplishment, serious questions are being raised about the UPU. As we have seen, the environment has changed considerably since 1874, and especially since 1984. In these new circumstances:

- Can the UPU continue to meet the changing needs of its members?
- Can the UPU mobilize the necessary human and financial resources to respond to these changing needs?
- In a time of competition for limited resources, can the UPU effectively decide on the best use of its resources?
- Can the UPU transform itself into the kind of forum needed to address both questions of governmental policy and the commercial and operating needs of postal administrations?

C. Background to the restructuring of the UPU

By resolution C 8/1989, the Washington Congress instructed the Executive Council to seek improvements in all aspects of the management of the work of the Union. In the process, the consultation of member countries and the course of events quickly brought to light fundamental questions about the purpose, mission, organization and working methods of the Union.

A series of significant developments prompted the Executive Council to envisage a thorough restructuring of the Union and its bodies:

- the emergence of a growing market for international delivery services and the segmentation of that market into different customer groups with different service requirements;
- increasing competition between the Posts and private delivery services in that market, particularly for direct marketing and bulk business mail products and for time-certain services;
- the impact of new technologies on the communications market;
- the difficulty for postal services of maintaining a sufficient level of revenue while serving an increasingly diverse market, particularly with reserved services growing less rapidly than unregulated services;
- increased pressure on the Posts to change from a legal and administrative orientation to a commercial, market-based one;
- the tendency of some governments to encourage competition and limit or reduce the scope of the postal monopoly;

- the trend towards transforming State-subsidized postal administrations into public corporations receiving no government subsidies;
- consideration, in some countries, of the possiblity of privatizing the Post, that is, actually selling all or a portion of the ownership of the Post to the private sector, while maintaining some universal service obligations;
- the emergence of the distinction between regulatory and operational functions and the call for an organizational distinction between these two functions;
- the new policy of the European Union supporting liberalization of the postal communications market;
- global and regional efforts to reduce barriers to trade in both goods and services, as reflected in the General Agreement on Tariffs and Trade and the General Agreement on Trade in Services, and the potential application of trade agreement principles to international postal services;
- the emergence of new models for international collaboration between postal administrations, as indicated by the creation of the International Post Corporation;
- the creation of a joint venture between five postal administrations and a major private courier, TNT, to offer international express services, thereby introducing the element of competition between postal administrations;
- the Extraordinary Executive Council meeting in October 1991 to consider the UPU's response to the joint venture, and the decision of the 1992 EC to conduct a collective solicitation, a competitive bidding process, to enable postal administrations to contract with the private operator of their own choosing for delivery of EMS items in joint venture countries; and
- the Extraordinary High-level meeting in May 1992 to assess the Union's policy in the face of these significant developments and in anticipation of the 21st Congress.

D. Proposals for restructuring the Union

In the light of these developments, the Executive Council has developed proposals which, following trends at the national level, aim to move the Union away from an administrative approach to postal services and toward greater attention to customer needs, service improvement, and cost control issues. The new structure achieves this essentially by separating governmental and administrative issues from operational and commercial issues and by providing a separate forum for each.

In addition to structural matters, the EC also proposes changes in management and working methods.

The proposals for reform rest on four mutually reinforcing elements:

- restructuring aimed at distinguishing organizational roles and responsibilities more clearly in order to allow greater decentralization of work, increased accountability for results and streamlined decision making;
- strategic and operational planning to improve the Union's ability to identify key issues, to establish objectives and priorities, to allocate resources and assign responsibilities, to monitor results and to accomplish all this in a much more systematic manner;
- programme budgeting to help relate expenditures to priority activities and objectives, to help evaluate benefits against costs and to support strategic and operational planning, particularly decisions about priorities and the allocation of resources;

- further simplification of the UPU Convention and Agreements in order to encourage greater focus on customer needs and to ensure that legal and administrative requirements support achieving this objective.

Without getting into the details of the restructuring proposals, let me review briefly the highlights. The Executive Council has proposed the following:

- creating a Council of Administration responsible for constitutional, organizational, administrative, and government policy issues, primarily for mandatory services, to reinforce technical cooperation and to supervize the activities of the Union between Congresses, replacing the current Executive Council;
- creating a Postal Operations Council responsible for the operational and commercial aspects of all services, mandatory and optional, to replace the current CCPS and to become a decision-making body in its own right;
- the continuation of International Bureau responsiblity for providing the secretariat for the Councils, with its structure and working methods to be adapted following the Congress to match the structures and needs of the new Councils;
- the transfer of responsibility for questions with major financial repercussions, for example, charges and terminal dues, from the current EC to the proposed Postal Operations Council, subject to oversight by the Council of Administration on matters of principle, for example, concerning government trade and competition policy or assuring equity in meeting the terminal dues compensation needs of both developing and developed countries;
- the transfer of responsibility for changes in the Detailed Regulations from the current EC to the proposed Postal Operations Council;
- an increase in the size of the Postal Operations Council, in comparison with the current CCPS, to forty member countries, in view of its expanded responsibilities, and an increase in the Council of Administration to 41 members to accommodate the general increase in the number of UPU member countries, while keeping the election to the CA on the same basis as that currently used for the EC and reserving at least half of the seats on the new POC for developing countries;
- further consideration of the possibilities for introducing a system of alternative financing which would permit the UPU to maintain the "zero real growth" discipline for mandatory membership contributions while providing other financing mechanisms, perhaps on an investment or a fee-for-service basis, for optional and new services;
- providing for the possiblity that a UPU member country which has privatized all or part of its postal services may designate its privatized postal corporation to be responsible for fulfilling its UPU membership obligations and to participate in UPU meetings and activities relating to such obligations;
- confirming the decision to establish a UPU–Private Operators Contact Committee to provide a forum for dialogue between postal administrations and private operators so that they may have a better understanding of each others' circumstances and concerns and identify areas of common interest where cooperation may be beneficial;
- reversing the order of meetings, with the Council of Administration meeting in the autumn to consider changes to the strategic plan recommended by the Postal Operations Council and any financial implications and to approve the budget closer to the start of the budget year; and with the Postal Operations Council meeting in the spring to update the strategic plan and to submit proposals with financial implications for the Council of Administration.

IV. Conclusions

In conclusion, the key aims of this restructuring are:

- first, to align the UPU with developments that are occurring at the national level;
- second, to provide a more efficient and effective international forum for governments and postal administrations to come together and decide how they can better cooperate in order to meet the international service needs of postal customers;
- third, to provide a framework for global cooperation which respects the efforts of governments and postal administrations in different regions to pursue different strategies for balancing and managing tensions between the public service roles of the Posts and the demands of the marketplace;
- fourth, to eliminate the overlap and duplication that has been developing in the elected bodies of the Union, the current EC and CCPS;
- fifth, to sharpen the focus of the new Council of Administration on governmental policy issues and to centralize key postal operational and commercial issues in the Postal Operations Council;
- sixth, to support streamlined management with strategic and operational planning and programme budgeting; and
- seventh, to provide a forum in which developed and developing countries can continue to come together and support the common task of building up the global postal network which serves the single postal territory formed by our Union.

With this combination of changes in organization, objectives and working methods, the Union hopes to be able to demonstrate a greater ability to support the needs of its members in an increasingly competitive environment, to attract the resources needed to meet member country needs for joint infrastructure development, and to better manage those resources.

Are these changes sufficient to assure that the UPU will be able to meet the needs of its members?

The structure does not go as far as some have proposed, with completely separate organizations, budgets, and even secretariats, for government functions and for postal administrations. Nor does it address the question of a larger oversight role for the UPU, one in which the relations between public and private operators, for now regulated at the national level, and the activities of multinational operators who challenge the reach of national authorities, might be taken into account. For now, the UPU will monitor how national authorities and the World Trade Organization may handle these issues.

But the structure proposed by the EC is consistent with the recommendations of the High-level meeting in May 1992, to take into account the emerging distinction between governmental and operational functions while maintaining a single Union.

Considering the dynamic nature of the situation we face, many of those who have contributed to the development of these proposals consider the recommendations to be essentially an important first step in an ongoing process of renewal.

What is most important is that a new structure is being proposed with sufficient flexibility to adapt to future needs.

After our presentations, representatives participating in the General Debate will be encouraged to ask questions and to make suggestions regarding the direction that the Union must take on the eve of the 21st century.

Congress – Doc 73/Add 3

COORDINATION TEAM FOR THE 1994 SEOUL GENERAL DEBATE

General Debate, 24 and 25 August 1994

The UPU looks to the future: Global strategic planning in a competitive environment

Sub-theme No 2: The dichotomy of "universal postal services" and "a commercial approach"

Discussion leaders: Switzerland and Côte d'Ivoire (Rep)

Mr Chairman of Congress, whom I congratulate on your impressive election to the Congress chairmanship,
Mr Chairman,
Mr Secretary-General,
Dear Colleagues,
Delegates,
Ladies and Gentlemen,

It is a great pleasure and honour for me to lead discussion of Sub-theme No 2 of this General Debate "The dichotomy of universal postal services and a commercial approach" and thus to share with you the experience of the Swiss Post in particular.

The paper that I am going to present to you has been prepared in close collaboration with my colleague from Côte d'Ivoire (Rep), Mr Louis Blaise Aka Brou, whom I wish to thank sincerely. Our text essentially reflects strategic options based on current and intended postal reforms in our two countries.

It is not our assertion that these strategic options are universally applicable, but we feel that they merit consideration by such an assembly in order to stimulate discussion.

I. Introduction

1 The contemporary world is currently undergoing changes in the economic, political and social arenas alike. What this means for corporations, and for the postal corporations in particular, is taking account of the development of their environment in strategic planning so as to maintain their competitive edge in the market and, in so doing, guarantee their prosperity.

2 Through the publication of its Green Paper on the development of the single market for postal services, the European Union is seeking to reconcile the gradual, controlled liberalization of the postal market and a lasting guarantee of providing a public service.

3 Heretofore, the Post in every country has concerned itself with its national market, protected by a large monopoly. Competition was virtually non–existent. Today, that scenario is in

jeopardy. Increasingly, private couriers are capturing slices of the market, even in areas which are the exclusive domain of the Post.

4 It is above all in the most profitable market sectors that private couriers are undertaking such action, that is, in the major customer sector and in densely populated regions. The consequence is a twofold handicap for the Post; not only is it losing market shares, its rate equalization system is being challenged into the bargain.

5 What attitude can the Post adopt towards this creaming off of the market? Should it strengthen its monopoly? Or should it, on the contrary, relinquish its public status and go private?

6 Personally, I favour a realistic approach. The private economy cannot provide a truly satisfactory response to the task of delivering quality postal services to all corners of a territory. The State must therefore intervene to guarantee these services. But in so doing, it has to take account of two conditions, namely, operating more cheaply and offering services which effectively meet the needs of the population and of the economy.

7 The postal services can therefore no longer be provided by a bureaucratic administration but rather by a corporation which, in my view, should remain public, at the same time respecting modern management methods. In other words, the Post must open up to the market while respecting its public service character. This approach immediately introduces a dichotomy, a source of tensions, not to say contradictions, which are sometimes hard to deal with.

II. Overview of the international postal market

8 For a better understanding of what all this means, let us briefly analyze the international postal market.

2.1 The forces that are transforming the structure of the postal market

9 On the whole, the international postal market has achieved major advances over the past decade. Its growth can essentially be ascribed to the increase in international commercial exchanges, to the globalization of the markets and the delocalization of production; it is nurtured by multinational companies offering their products and services globally. The acceleration of the development of the international market has also been sustained by the expansion and growing sophistication of the transport infrastructures and by the development of new communications technologies.

10 The international volume of postal traffic has not registered any appreciable growth over the same period. On the contrary, the volume of international exchanges of letters and parcels is today less than it was in the mid-1980s. The conclusion must therefore be that in recent decades the Post has lost a large share of the international market at a time when the opportunities in that market were particularly favourable.

2.2 Development of the postal market

11 In 1992, the international market for letters, parcels and express items was put at some US $30 000 million per year. The postal revenue from that market was put at US $11 000 million, or roughly a 35 percent share for the Post of the international market overall. Four players dominated the rest of the market and continue to do so: DHL, FEDEX, UPS and TNT, ie 40 percent overall, the remainder being shared between the small number of multinational private operators and a large number of local and regional operators.

12 The Post's share per product sector in volume in 1992 represented some 13 percent for express items, 15 percent for parcels and 80 percent for letters.

13 However, although controlling close to 80 percent of the international letter market, the position of the Post is less enviable than it appears at first sight, above all if the electronic transmission of documents, such as facsimile transmission and electronic mail, are included in the postal market.

14 Today, international customers are making greater use of electronic communication methods, to the detriment of the traditional, physical means of communication. This phenomenon will gain further momentum in the coming years with the total liberalization of the telecommunications market.

15 In addition, increasingly aggressive private operators have won over 20 percent of the international letter market, notwithstanding the persistence of local monopolies in most countries.

16 The Post is thus confronted not only with the increasing use of the electronic services, but also with growing competition from private operators.

17 Where parcels are concerned, the Post continues overall to lose ground to private operators, particularly when one considers the business market (exchanges of parcels between corporations). Without an international postal transport infrastructure, the Post will be hard put to compete with the large private operators.

18 As regards the international market for express items, the management of the Post is far from satisfactory, despite regular growth in EMS sales. Partnerships and operating agreements between the Posts and private service providers are expected to grow in the medium term.

III. Obligation to provide universal postal services

19 The Post derives its raison d'être from the fact that countries, their economies and their populations need high-quality postal services which are affordable and nationally uniform. This is what differentiates a nondescript corporation from the postal administration which, whatever its status, owes its existence and its raison d'être to the national constitution.

20 The public service is above all a task which has to be performed, a task which, I grant, must regularly be subjected to political, social and economic scrutiny. For only too often when the subject at issue is the operation of the public service, it is solely the rigid principles of continuity and equality that are mentioned, the – flexible – principle of mutability being overlooked. This is a principle which implies that the services provided to the public should always be adapted to its needs. Thanks to this principle, the public service is not imprisoned in a straitjacket, but is capable of development.

21 However, the raison d'être of the public service is not just political and social; it is also and above all economic. For the public service is justified by the fact that the private economy cannot, unless this activity is substantially profitable, operate an effective postal network throughout a country.

22 All that remains – and this is the nub of the matter – is to define the scope of the public or universal service.

23 The public service is an objective recognized by the UPU (mandatory services, freedom of transit), by the European Union (universal service currently being defined) and by many countries individually (minimum public service).

24 Not all postal services form part of the public service. Hence, in most countries, the express mail service, like the delivery of non-addressed items, is not part of the public service. As much public service as necessary, as much competition as possible – that must be the motto.

25 To my mind, it is the aim of the public service to collect, convey and deliver postal items sent, determined on the basis of the weight and the price. The minimum and maximum dimensions of the articles concerned are those laid down in the Acts of the Universal Postal Union.

26 Thus defined, the public service includes both national and international services.

27 In order to guarantee the financial viability of its network, the Post, upon which a public-service mission is imposed, must be able to maintain reserved services. It will have to be ascertained how necessary reserved services are to ensuring that the providers of universal services have the means to accomplish their general-interest mission without jeopardizing their financial equilibrium.

28 This realistic approach implies adapting the public services to the new economic environment we are familiar with: the public service must not exclude private initiative in domains where it makes for a more effective response to the needs of the community. To safeguard its future, the Post must base its activity on a commercial approach to its market and focus on the quality of its products and services rather than on the exclusive protection of its monopoly.

IV. Commercial approach

29 There are a number of possible strategies. Yet all of them are based on the organization and operation of the postal service on the business model. Some countries have already started to turn towards this model. This development of the business approach involves separation of the regulatory and operation functions.

30 In the context of the universal postal services, the commercial approach should, in our view, be based on the same dynamic principles as those applied in the free market. Among other things, this requires the Post to adapt its structural and operational organization, as well as the attitudes and behaviour of its staff, to the imperatives of the market and the demands of the customers.

31 In a word, the Post must move from the primacy of the catalogue of services to a strategy of demand. This calls for a complete volte–face, entailing as it does a transition from a simple production approach to a marketing approach. The customers are thus no longer an amorphous monolithic mass of simple users, but of consumers, whose demands and needs are as different as they are shifting.

32 This novel approach, focussing on demand rather than supply, has implications for the organization of the Post now as it will have in the future. It also depends on a change in attitudes.

33 Although the public service is a mission which has to be performed, it is also a practical activity and, as such, a management body. Management of the public service is therefore as important as its legal status. The degree of autonomy of the public service, which is essential to any commercial approach, therefore depends as much, if not more, on the management method as on the definition of the services it is supposed to provide and its status.

34 The Post should enjoy greater corporate freedom. For the way most national postal services are organized at present impedes rapid reaction to the development of the market, to meeting the competition on equal terms and to cooperating with national or international corporations.

35 Furthermore, financial balance is an imperative: it is actually the sine qua non of the true autonomy of the Post, a yardstick of its ability to adapt to the development of the markets and to guarantee the delivery of a high-quality public service. Pricing must be warranted by a precise table of production costs. This detailed knowledge will also make for better cost control and coherent, rational organization and investment choices, as between the objectives of improving quality of service, productivity and the scale of the network.

36 Also, the level of quality provided must be geared to the social and economic level of the consumer. The search for quality therefore means that precise standards must be laid down and a monitoring structure developed. In general, the postal services tend to equate quality of service with the volume of complaints. What counts is rather to measure how satisfied the customer is and to ascertain whether the services offered are really those which best correspond to his needs.

37 Far from hurting the public, the commercial approach on the contrary makes it possible to go to meet it with an enhanced knowledge of its needs. The notion of vocation, part and parcel of the traditional public service, must therefore yield to the more dynamic notion of know–how, deployed on the basis of the customer's needs and motives.

38 It should be noted that, in the developing countries, the commercial approach is also a necessity, perhaps an even greater one than in the industrialized countries. In those countries, the emergence of private couriers could actually result in irreversible imbalances.

V. The search for strategies for overcoming the contradiction

39 At this point, I should like to address the matter of the strategy or strategies to be adopted in dealing with the contradiction, apparent or real, mentioned at the beginning of my paper.

40 It is a good idea, not to say indispensable, today to lay down a new legal framework, as well as new bases for the operation of the Post. This precaution would make for better management of the tension which exists between the public service vocation and commercial objectives.

41 That tension can best be dealt with by redefining the postal monopoly and action in support of the postal service.

5.1 Redefinition of the postal monopoly

42 The public service mission has led the Post to develop vast collection and delivery networks, whose maintenance costs are very high. To guarantee the financing of these networks, the Post must have a reserved area, or failing this, must receive compensatory subsidies from the State.

43 The limits of the reserved sector or monopoly must be fixed in line with the resources needed to finance a nation-wide postal network. The reserved sector or monopoly is thus not a privilege, but an essential tool for ensuring funding of quality services on a nation-wide basis. The scope of the monopoly must be as broad as the funding of the public service requires.

44 However, the reserved sector must not be a pretext for idleness, still less a rear supply base to be plundered for subsidizing other services. Even in the reserved sector, the Post must be efficient, in other words, it must provide quality at minimum cost.

45 Lastly, it is preferable to finance the public service by a reserved sector rather than by complex compensation machinery, which is a source of fresh bureaucracy.

5.2 Action to support the postal service

46 In general, it is important for countries to encourage the promotion of the spirit of enterprise in their administrations as well as the transition from the concept of user to that of customer. Countries must also guarantee that the Post can finance the public-service missions.

47 Countries must also lay down a new legal framework, for instance, in the form of a charter setting out the procedures for changing rates and varying degrees of autonomy depending on whether it is the products of the reserved sector or the products of the competitive sector that are involved.

48 For its part, the Universal Postal Union should encourage countries to take steps to redefine the Post's management framework by initiating high-level talks.

VI. Conclusion

49 In conclusion, allow me once again to mention the following:

50 Competition requires a constant effort to modernize, to improve productivity and rationalize management methods.

51 However, the introduction of modern management methods and the boldness of the strategies set out above should not obscure the fact that the postal administrations' raison d'être and justification reside in the public service mandate conferred upon it by governments. As in the Green Paper of the Commission of the European Union, the guidelines contained in this mandate imply above all a redefinition and a clarification of the postal services, namely, as a universal service with reserved sectors and competitive sectors. This debate must be initiated, yet without falling into the illusions of the neo-liberal approach which would have us believe that unbridled privatization and liberalization are the panacea.

52 In my view, public corporations can be as efficient as private ones. If the Post genuinely starts to listen to the customer, if it offers high-quality affordable services on a nation-wide basis, if those services are innovative, if they have a flexible structure and are open to cooperation in the private sector, the dichotomy between the "public service" and the "commercial approach" will rapidly be diminished or even eradicated entirely. The resulting renewal of the public service will not only ensure that the Post survives but also that it prospers.

VII. Recommendations

53 Given the changes in the structure of the international and national postal markets, and to guarantee quality postal services to all peoples and to the economy as a whole, we recommend that:

i postal administrations be made more independent of public authority (in at least four fields: pricing, finances, staff policies and strategic alliances), by redefining the tasks for which each party is responsible (resp: administrations, Government);

ii a business attitude be fostered at all levels along with modern management methods, while retaining the social benefits already acquired by the staff (resp: administrations);

iii a transition be made from a supply strategy to a demand strategy (resp: administrations);

iv the public service field and the scope of the reserved services be clearly defined in order to finance their infrastructure (resp: Government, administrations);

v harmonious and effective solutions be sought allying public sector and private firms (resp: administrations, Government);

vi countries be urged to facilitate the implementation of the recommendations stated (resp: International Bureau, Restricted Unions).

To draw a more precise outline of the recommendations I have just set out, I suggest that the discussions focus on the following themes:

Principal themes of discussion

I. Maintaining or not maintaining the public service

- Status quo
- Complete liberalization
- Gradual, controlled liberalization

II. State–Post relations

- Field of public service
- Scope of the reserved services
- Independence in matters of:
  - Pricing
  - Finance
  - Staff policies
  - Strategic alliances

III. Management structures

- Promoting a corporate culture
- Moving from a user concept to a customer concept

IV. Implementation of reforms

- Multilateral (International Bureau, Restricted Unions) or bilateral exchanges of information

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COORDINATION TEAM FOR THE 1994 SEOUL CONGRESS GENERAL DEBATE

General Debate, 24 and 25 August 1994

The UPU looks to the future: Global strategic planning in a competitive environment

Sub-theme No 3: "Total quality in a competitive environment"

Discussion leaders: Japan and United Arab Emirates

I. Introduction

1 Before proceeding with my presentation, I should first like to thank Mr Botto de Barros, Director-General of the International Bureau, and Mr Kwon, Chairman of the Congress, for designating Japan as Discussion Leader of sub-theme No 3 of the General Debate, which is one of the most important tasks to be accomplished by this Congress. The Japanese administration is extremely honoured to be accorded this important role in the Congress.

2 Let me note here that Mr Kobo Inamura, former Director of the International Affairs Division of our administration, was promoted to another post. I was thus nominated to take over this very important and challenging task for which I feel greatly privileged.

3 May I also introduce our joint discussion leader, Mr Abdallah Said Bouhassan, who is Director General of the postal administration of United Arab Emirates. He is one of the leading personalities in the Arab countries in the field of postal services among others. Mr Bouhassan has indeed provided us with a number of very useful suggestions in the course of preparing our paper, focussing on the developing countries' aspect of our sub-theme, for which we are exceptionally grateful.

4 Thanks to his invaluable support and cooperation, as well as the very worthwhile interventions we expect from the floor, I hope that we will be able to offer numerous positive suggestions and recommendations for the improvement of the quality of our international postal services.

II. Rapid changes in the market environment

5 I should now like to proceed to the substance of sub-theme No 3, "Total quality in a competitive environment", which is the subject for discussion.

6 In the past few years, the environment surrounding the international and national postal services throughout the world has been undergoing rapid and dramatic changes in terms of regulatory policy, legal status and competition both with telecommunications and with private operators.

7 I should like to briefly analyze these developments from the viewpoint of the services provided to our customers.

8 Under the deregulation policy, the postal monopoly has given way to competition in parallel with the privatization or corporatization of government-owned postal operations. This has meant that deregulation in many countries has encouraged rapid expansion of private courier services and proliferation of multinational courier companies. The public postal operators are thus forced to face severe competition from private operators. Therefore, the emerging new operators in the private sector have had and will have a tremendous impact on the world postal market, and on the direction of the postal service well into the 21st century. It is on this area that we plan to focus our discussion this morning.

9 Such severe competition is primarily observed in the rapid delivery area, namely EMS in the UPU's case. Major courier operators have rapidly eroded the most profitable routes of the conventional postal market through their customer-friendly services, such as rapid delivery, pick-up services, tracking and tracing, and moderate and flexible pricing, which may sometimes be difficult for a postal administration to offer as a government-controlled agency, and with a constraint arising from the obligation to offer universal service.

III. Improvement in the quality of services to meet customer needs

10 Under such circumstances, the requirements of postal users have considerably changed with customers now quite naturally demanding that the quality level of international and domestic postal services be the same as that provided by private couriers. Therefore, if we as public operators desire to continue to survive in competition with private couriers, we must make every effort to provide services featuring the same level of quality as provided by the private couriers.

11 At this point, then, interpreting the quality of service can be done in terms of:

- speedy delivery;
- predictable transmission time;
- security;
- cheap rates (or affordable rates);
- quick response in the case of irregularities;
- easy access; and
- convenience.

12 In order to improve the quality of service, it is firstly necessary to ascertain the trend in the international delivery market as a whole, the performance of competitors in international and national markets, customer needs and the satisfaction rate of our customers with our services. To be at all effective, the market research in these fields should be conducted at the international and national levels. Making the appropriate responses will then be essential following careful analysis of these matters. And the answer in the broadest possible terms is none other than improvement of service quality.

IV. Improved service quality through a harmonized and homogeneous postal network

13 Needless to say, the global postal network operating under the umbrella of the UPU is basically formed by uniting the individual national postal networks of its member countries. Although this has worked efficiently in a great many ways, this is also why it lacks homogeneity in terms of the level of our service standards. This criticism is, of course, based on the facts that the work of improving and developing the domestic postal network of a member country is left to that country, and that the UPU is not supposed to intervene forcibly in this respect. And, if I may

say, this means that no one is responsible for a failure arising in another country's network, which leads to another customer turning away dissatisfied. To our disfavour, this situation generates the argument put forth by private courier operators that they can provide an end-to-end service by a single company.

14 As we all know, however, this argument is not so well founded in light of the UPU having a certain amount of success with its EMS service. The UPU and all of its members have done their very best to improve the EMS and have demonstrated their ability to do so with significant developments being introduced in this field.

15 In areas of postal services other than the EMS, thanks to the efforts made by all parties concerned, the gap in postal networks between developed and developing countries seems to have been narrowed in the last few years. However, there is much to be done to elevate the level of our networks as a whole. Therefore, I must repeat that priority in formulating the future strategy of the UPU should be given to the improvement of service quality since significant and lasting improvement of our international postal network as a whole is imperative if we are to contend with severe competition from private couriers.

V. Total quality management

16 Having enumerated the fields to be tackled to ensure an improved service quality in a broad sense, I would now like to comment briefly on enhanced service quality in the narrow sense. What I would like to introduce to this session for the mutual benefit of our entire membership is the concept of Total Quality Management: an effective means for improving the service quality as a whole within each of our administrations. As we are sure you are aware, this is a field in which Japan has accumulated a number of particular positive experiences. We are very much of the belief that this management concept can significantly contribute to improving our international postal services when applied to each individual administration, which together constitute the foundation blocks of our very existence.

17 Total Quality Management, or TQM, is a management strategy for energizing an entire organization for the purpose of satisfying customer's needs. This is accomplished through putting in place systems that naturally add periodic and continuous improvements to every area of the organization's operations and thereby enhance the quality and added value of its products and services.

18 This management philosophy, originally propounded by W Edwards Deming, seeks to resolve problems in the workplace through the efforts of employee teams, which we know as quality circles. The first step in solving a problem here is to quantify the organization's performance so that every employee can see where the problems lie. The subsequent approach to energizing the organization involves creating an environment in which employees can actively participate in efforts to analyze a particular problem, pinpoint its root cause, formulate a solution, and then implement that solution.

19 More simply, total quality management is characterized by a process consisting of three steps. The first step is to make it easy for employees to see where problems are located by quantifying the organization's performance. The second step is to heighten employees' motivation and get them involved in active and positive efforts to solve problems in their own workplace. The third step is to meet customers' needs better as a result of having resolved the problems.

20 In more detail, first let me give you an outline of performance assessment. One method for assessing an organization's performance is to gather the opinions of a broad spectrum of consumers outside the organization through, for example, questionnaires. Another approach is benchmarking, which involves preparing flowcharts of operations or setting annual sales goals, and then comparing the actual results attained with the desired performance.

21 Accordingly, an effective way to assess performance is to broaden the channel for gathering customers' opinions on a regular basis and feeding that information back to the workplace, to check constantly on the way work is performed by holding regular work study meetings, to set goals for annual service sales or quality standards, and closely monitor the progress made in attaining them.

22 The second step deals with workplace development. Workplace development is achieved through the traditional methods for heightening employee motivation coupled with quality circle activities that serve to foster a spirit of competitiveness and cooperation among employees.

23 One point that should be kept in mind here is that these methods are nothing more than a means for motivating employees. The ultimate objective of workplace development is to create an environment that supports employees actively taking the initiative in finding problems in their own workplace and resolving the problems by themselves, and thus deriving satisfaction and fulfilment from their jobs.

24 The third step, satisfying customer's needs, is obviously important to all employees. Here, promoting TQM involves emphasizing qualitative and quantitative improvements to the customer interface, such as counter service or mail delivery, where postal employees have direct contact with postal service users. At the same time, it must always be kept in mind that reliable delivery of mail forms the basis of the trust that users place in our postal services.

25 It is essential to note here that TQM is only accomplished through team activities. A team consists of about five to eight employees at the same workplace, for example, in our case, a post office. Each team sets its own activity targets for improvement in such areas as operations, service, products and sales. The team members identify problems through analysis of the present level of quality performance at their workplace, making use of statistical-control techniques as well as brainstorming and developing ideas through teamwork. They then devise plans to solve the problem and execute the plans by working together as a unified team. They subsequently review and evaluate the results of the team activity, and continue their efforts, initiating their next team activity based on the results of team activities that have just been completed.

26 To show how team activities work, let us look at one example common to all of us, that of misdeliveries, and how one of our post offices greatly reduced them.

27 This particular team of letter carriers established the slogan "Prevent misdeliveries". The team analyzed the types and causes of misdeliveries and worked out measures to eliminate the problems. They set as their target the goal of reducing the number of misdeliveries, which at that time averaged 15.6 per month, to less than ten.

28 In the planning stage, the team first pinpointed the problem as I noted: having 187 misdeliveries in the previous year for an average of 15.6 per month. The team members then analyzed the causes. They found that many people in the area had identical or similar family names or given names, and that mistakes were made sorting mail because the address or addressee's names were not accurately confirmed. They also found that even mail items with an incomplete or wrong address were delivered without being properly confirmed. Also about 30 percent of the households in the delivery area either had no family nameplate at all at the entrance to their residences or did not list all family members' names.

29 This latter fact led the team to set a secondary target, along with the main target and to seek its achievement: to reduce by half the number of households without nameplates identifying all family members. This was to be done through on-the-spot encouragement at the time of mail delivery.

30 In the action stage, the team posted on sorting shelves the names and addresses of people who frequently received misdelivered mail. They double-checked the address on each mail item at the time of delivery.

31 At the final stage, that of goal review or evaluation, the team found that the main goal was achieved successfully. Misdeliveries were lowered to an average of 9.5 per month. Review on a monthly basis, however, revealed that about half of the months during the programme saw 10 or more misdeliveries. It was therefore decided to continue efforts with the aim of completely eliminating these misdeliveries. In turn, the secondary goal was also attained.

32 Moreover, misdelivery-prevention activities brought about a surprise bonus of unexpectedly higher sales of postal products, such as event parcels and stamp sets. This could be attributed to greater contact with residents resulting from canvassing activities for solving the initial problem.

33 Through applying the TQM method, this post office team could successfully reduce their misdeliveries to less than 10 per month. This small operational improvement is trivial by itself, but please imagine that this kind of small improvement could occur everyday and everywhere in post offices throughout Japan. These small changes together will surely help us address our daily problems and will create a dynamism within our organization that will let us greatly adopt to changes in the markets.

34 To conclude this brief outline of TQM, I hope you will remember that its central purpose is to satisfy our customers and thus ensure the survival of our postal services. Importantly, in the face of an increasingly tougher and more competitive environment, the implementation of the practices through the promotion of TQM is vital to our very survival.

VI. Recommendations

35 To conclude my presentation, I should now like to summarize the principal points which we believe should be followed up by the UPU and each member country aiming at improving the quality of service of our international postal services.

36 First, the UPU and Restricted Unions as well as each postal administration should set up a mechanism whereby every effort can be unified and coordinated to better meet the customers' needs and to provide services with the same quality level as provided by the private operators.

37 Second, the UPU and Restricted Unions as well as each postal administration should ascertain the trend in the international delivery market as a whole, the performance of competitors in international and national markets, customer needs, and the rate of customer satisfaction with our services.

38 Third, the UPU and Restricted Unions as well as each postal administration should expand their monitoring activities of mail circulation in our international and national postal networks.

39 Fourth, the UPU and Restricted Unions as well as each postal administration should endeavour to establish a collective approach to provide homogeneous end-to-end service.

40 Fifth, the UPU and Restricted Unions should construct an appropriate system for applying corrective measures to a member country when deficiency in a transmission route or postal network is detected through the monitoring process, paying due consideration to the sovereignty of the member country.

41 Sixth, each postal administration should create a workplace in which employees can derive satisfaction and fulfilment from their jobs, which will heighten the motivation of employees and impart to the organization a dynamism capable of producing change and progress for contending with the constantly changing market environment.

42 Seventh, each postal administration should encourage employees to build an organization that is capable of responding quickly and flexibly to satisfying customers' needs, fostering a customer-focussed corporate culture, outgrowing outdated, bureaucratic ideas.

43 Eighth, postal administrations should try to implement TQM at exchange offices or other specialized facilities providing international services in order to motivate employees to improve their daily activities concerned with handling international mail items.

44 Ninth, postal administrations should encourage postal employees at the post office level to include or choose as their team target the improvement of international postal services or expansion of sales activities of international postal products.

45 Finally, though it may be difficult to apply directly the concept of total quality to the international level, the UPU and Restricted Unions should attempt to apply the TQM concept in their work methods to strengthen its means to improve its overall international postal service.

46 Again, the first step here is performance assessment. The UPU's efforts to set quality standards and to monitor actual performance should be further advanced.

47 The second step is the formulation and implementation of activities aiming at improving the international services in various fields. Also, a more unified international effort among postal administrations to satisfy customer's needs must be sought.

48 The third step is the all-important feedback. Appropriate procedures should be set up so that the UPU can make more positive or stronger recommendations for improving the postal network in a member country when it is necessary.

49 Having respectfully presented our recommendations for enhancing our service quality, I should now like to ask the distinguished delegates present here to offer their suggestions and recommendations concerning any of the aspects I have mentioned regarding the improvement of our service quality as a whole and also total quality management in general.

50 Finally, I should like to report to the session that we have with us today an expert in charge of total quality development in the Japanese administration. He would be quite happy to respond directly to any questions from the floor or even after the meeting.

This concludes my presentation. Thank you very much for your kind attention.

Total quality: Summary

Development of a harmonized and homogenous network: overall strategy

When we talk about service quality in a broad sense, the following aspects must be included in our agenda for positive change:

1 Having a sound knowledge of the market
- delivery market as a whole
- competitors market share
- public postal service's market share
- knowledge of customer satisfaction
- exchange of information between administrations

2 Monitoring mail traffic
- end-to-end monitoring
- sectoral monitoring
- global, regional and national monitoring
- results analysis by information processing software to be developed
- introduction of tracking and tracing system
- feedback of the results to all parties concerned
- taking remedial measures when necessary

3 Streamlining mail circulation
- improvement of mail transportation system
- containerization
- mechanization
- introduction of postal code system
- expedited customs clearance
- improvement of delivery methods and delivery points

4 Setting postal service standards
- analyzing current performance
- analyzing the performance of our competitors
- setting appropriate standards

5 Improving our national postal networks
- human resources development
- network management
- expansion of customer contact points
- increase and modernization of counters
- marketing activities

6 Improving our overall postal security

- surveillance of mail at posting points, during conveyance, etc
- coordination of inter-administration postal security activities

7 Expanding our offering of services and products

- introduction of new services
- application of affordable rates

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COORDINATION TEAM FOR THE 1994 SEOUL CONGRESS GENERAL DEBATE

General Debate, 24 and 25 August 1994

Sub-theme No 4: "Global strategy and postal development"

Discussion leaders: Australia and Chile

Address by Mr Graeme John, Managing Director, Australia Post

I. Introduction

Mr Chairman,
Distinguished delegates,

It is my great privilege to speak to this General Debate at the 21st UPU Congress.

My perspective is that of the Chief Executive of a commercial postal enterprise seeking ways in which this industry, and my own enterprise within the industry, can develop by serving its customers better.

My views come from more than 20 years experience in the private sector, and now some four years in the postal industry in Australia.

With that background, it is my intention today to endeavour to inject a sense of urgency into considerations of this important topic "Global strategy and postal development".

The international postal environment is changing at an accelerating pace:

- competition is increasing;
- the role and market influence of traditional postal enterprises are changing;
- international trade barriers are being dismantled; and
- a number of countries are liberalizing their regulatory regimes to provide for greater competition.

If this environment is to deliver real benefits to consumers worldwide, postal enterprises cannot afford to tread water but must compete fully in this new environment at world's best practice.

This means being responsive to the needs of our customers in terms of developing and marketing products and working together to provide high quality end-to-end service.

This forum provides a good opportunity for all countries to consider and discuss these important issues and to examine strategies which will meet these changing times.

II. Our changing environment

Since 1874, the UPU has been a catalyst for international cooperation, assisting its member countries to develop their own postal systems.

For much of this time, post offices operated in a stable environment. This is no longer the case. The industry, which now comprises traditional postal enterprises as well as private carriers, is being challenged by accelerating technological change at a time when governments are reviewing their traditional approach to postal services.

In the past, postal enterprises understandably have seen themselves predominantly as individual, nationally-based organizations meeting domestic needs.

There have been two consequences.

First, domestic services have developed unevenly, with marked differences in mail delivery standards and performances between nations.

Second, international marketplace issues have, for the most part, been relegated to the bottom rung of work priorities for postal enterprises.

This lack of attention to the international postal marketplace, and the low service priority given to this traffic, have meant that large and growing segments of that market have been neglected by public postal enterprises.

As can be expected in such an environment, other industry players, in particular some of the large international express freight operators, filled the gap to provide services to meet business demands.

National postal enterprises are now too often regarded as being unable to provide the end-to-end monitoring and management needed to ensure delivery reliability.

None of this is new to the UPU. It was discussed in 1989 when the Washington General Action Plan was adopted. I am raising it again because it concerns me that the industry as a whole has failed to produce the necessary strategic approach that will result in the greater efficiencies and higher levels of customer service and satisfaction that competitive markets deliver.

In the meantime, another potential challenge has emerged to the traditional postal industry, this time in the form of technological convergence.

We have lived with challenges from electronic substitutes such as the telephone, telex and facsimile machines for many years.

Now the pace of electronic change is accelerating:

- it is just 60 years since television was invented as a one-way "information and entertainment" conduit;
- and only 10 years since the invention of the personal computer which produced a tidal wave of change.

Driven by computers, linked by satellites or fibre-optics, telephone, television and computer technology is converging around the world and governments are wrestling with the implications of an electronically "wired world".

Their response is to liberalize the telecommunications sector, and having done that, they are turning their attention to the postal services sector.

I don't mean to overstate this development. We are not facing the demise of written mail which has long been forecast for one reason or another.

But the postal industry faces a different role, and we all need to contribute to defining that role and the services that will be offered within it. This redefinition and redevelopment will call for new strategic and other business relationships.

Changing roles, coupled with technological advances, provide opportunities for niche providers to offer specific solutions and specialized products.

It will be up to postal enterprises to show they too can capitalize on the opportunities offered by new technology.

III. Strategic response

For postal enterprises to fully participate in this changed environment, there must be a strategic approach that addresses two major issues:

- international postal services; and
- the impact of technological convergence.

From my private sector experience, I know the traditional postal enterprises perform a difficult task well – much better in fact that many of you realize. Collectively these enterprises are a unique partnership of enterprises with expertise and networks developed over more than a century.

For example, together the world's postal enterprises have the ability to deliver to any address in the world at low cost. No one else can do this.

A further advantage is the sheer spread of the worldwide post office network, with almost 600 000 post offices servicing the needs of customers.

However, it must be recognized that in this changing environment other industry participants may also contribute to a more efficient and effective postal industry.

To begin to realize the potential (for the industry), four closely linked steps must be taken.

Firstly, postal enterprises and their strategic partners must be committed to working together to achieve and maintain complete management of their international services, from pick-up to delivery.

In working to achieve this objective, however, there must be flexible strategies. Postal enterprises must retain the flexibility to utilize the most efficient service and delivery systems available, either within the traditional postal system or by alliances with contractors. Of course, sophisticated customers now expect to contract for end-to-end service with a single agent who accepts full responsibility, and provides a single point of monitoring. That requires the industry to develop interfaces and interconnection among all participants in a way that meets customer needs.

Secondly, there must be sharper focus on the market and its segments:

- for example, the needs of one business segment may be met by adopting universally recognized products;
- this need not be a wide range, but should accommodate key areas of business customer demand (for example, for document and small parcel carriage).

Thirdly, service quality must be developed by the adoption of delivery standards which are compatible, and the achievement of performance that is uniformly high:

- these standards must meet the expectations of the marketplace; after all that's not too much to ask!

Fourthly, there is a need to look at how these technical developments are to be financed.

Delivery systems

Turning first to the delivery of end-to-end services.

Ours is not the first industry forced to confront the problem of delivering integrated services, so we should look to the experience of others for solutions.

Responding to market pressures, the airlines developed very sophisticated computer reservation systems – Amadeus, Galileo, System One and Gemini, to name a few.

They provide the linkages and reach which give customers confidence that when they book a flight from Sydney to Seoul, it will be trouble-free – even if they choose to travel via Singapore, Delhi, Bangkok, Hong Kong or Beijing.

Their reservation systems bring individual – and competing – airlines together, cooperatively providing complex travel arrangements amongst a number of airline companies.

Integration of their services means that one telephone call makes the booking; one payment is made; and one ticket is issued regardless of the number of stages flown in a journey.

To the customer, it is as if his or her travel was being handled by a single organization. The airlines achieve this sense of cooperation and single-minded approach to customer service even though they are in competition with each other. It is this same perception which the postal industry must also foster.

Customers seeking international postal services tend to see post offices as mail dispatch agents, rather than as end-to-end carriers. This situation can be remedied to some extent by technology which will enable postal enterprises, both public and private, to work more efficiently with each other in providing services. Such linkages would encourage customers to view the delivery of postal services as a single company operation.

For example, an international postal system is being developed which will enable global coordination of collection, carriage, customs clearance and delivery.

Along with track and trace, these new tools will bring new levels of interconnectability and cooperation within the postal industry that ought to convince customers that the postal service has complete end-to-end management of the mail.

Market focus

Turning to customer needs, companies like Hertz, Visa, Kodak, Shell, Coca Cola, or even McDonalds, provide models for the development of internationally recognizable postal products.

Like theirs, the menu of postal services should be simple.

The highest possible standards of quality and uniformity should be applied to these products.

Simplicity is essential for customers to know exactly the service they are buying, and for postal staff to know exactly what is expected of them in providing the service for which customers have paid.

When a Kodak customer orders a film, he or she knows what product will be delivered, whether it is ordered in New York, Paris, Tokyo or Sydney.

The same applies to McDonalds. A "Big Mac" bought in Sydney's King Cross is the same or similar quality as one bought in Tokyo's Ginza.

Adopting a simple menu for postal services will be the means for staff to recognize the international service bought by a customer, and to accord the priority expected by the customer.

EMS: EMS fits well my prescription for product simplicity, but its variable delivery performance – excellent in some destinations and only mediocre in others – works against achieving its full potential.

There are other traditional and simple services with great potential.

Express Post: Australia Post has recently launched a prepaid speed product which guarantees next business day *dispatch* to international destinations. Prepaid, with a price, around 50 percent or so less than comparable offerings, the service is growing steadily.

The product is similar to others under the post "express" umbrella, for example Royal Mail's "Swiftair".

All postal products must compete in the "real time world".

Customers know very well major flight times and expect the delivery performance of international postal services to be close behind.

As well as matching "real time", they expect delivery performance to be consistent. Too often this is not the case.

Postal enterprises, like players in any competitive market, need to look critically at customer expectations and delivery promises, compare international performance with other services, and lift performance standards universally.

Some countries are already working together to address customer needs on a regional basis. In Europe there are groupings addressing the particular needs of their market, and there are also developments in the Asian-Pacific region.

Last month, members of the Asian-Pacific Postal Union recognized the urgency of meeting their customers' changing postal needs, and agreed to establish a regional business office in Singapore. This office will form a focus for regional work in market research, postal product development and service improvement. Although only in the concept phase, this initiative could provide a useful model for further regional and international cooperation.

In summary, the postal industry must move quickly – and coooperatively – to introduce a concise range of products and services which are globally recognizable and which meet the specific needs of customers. Traditional postal enterprises have the opportunity to reinforce their role by emphasizing the value to the industry of the worldwide post office network as a universal outlet for products and services which could be prepaid for customer convenience.

Other products

I have referred to the need to define roles and develop products to align with the trends in convergence of technology.

I am confident that full cooperation in this field will convert this challenge to an opportunity. Postal enterprises can access markets that are growing, and which will continue to grow at significantly greater rates than those of traditional mail products. Many postal enterprises have already begun to reap rewards through their presence in these markets.

There is a wide range of products and services that the postal industry can logically offer, including:

- hybrid mail services – which combine electronic sorting, transmission and printing with final hard copy delivery;
- financial services and, in particular, bill payment and accounts management which provide for payments either over-the-counter or through the mail:
  - it will be increasingly attractive for customers to outsource these arrangements, particularly as electronic mail becomes more widely accepted;
- interactive television, and in particular its ability to generate extensive fulfilment services;
- information storage and retrieval – for example, producing high-quality mailing lists through the continual review of addresses which comes with post office initiated change of address systems.

At Australia Post, we have already achieved great success with the first of two of these products.

Our "EDI POST" operation aims to handle 10 percent of our bulk business by 1996. We offer "EDI POST" customers early entry into the mail stream and a complete collection service for inward financial remittances.

Our bill payments service across post office counters now handles 70 million transactions a year in 2500 outlets. Bill payment and cross-counter banking transactions now account for five percent of Australia Post's total turnover and contributes significantly to our bottom line.

Quality

Now turning to the third step that the postal industry must take:

- adoption of quality as a key aspect of everything that they do.

To start with, it must be acknowledged that often international postal services are not up to the quality of domestic services.

The postal industry *must* consistently deliver a higher service quality to expand beyond its existing international mail customer base. Without this commitment to quality and reliability, postal services will not be seen as viable alternatives to new technological solutions.

Quality service must become a vital component of a global strategy which is aimed at achieving universally high levels of service quality to match the expectations of customers.

Achieving world leading quality will require concentrated effort and cooperation and in many enterprises it may require a change in workplace culture.

The objective of postal enterprises should be to ensure that the world's best practices are adopted for international service quality in all countries. This is essential to meet customer needs for seamless international hard copy communications.

I believe that UPU members and their administrations must work towards universal adoption of the ISO (International Organization for Standardization) Standard 9002 to provide customers with an assurance of the commitment of the postal sector to world's best practice. This must be complemented with the training of all employees on the importance of quality in our long-term strategy.

A change in workplace culture was necessary at Australia Post to bring real focus to customer service, and this change is being successfully realized through a number of quality programmes.

Coordination and funding

Finally, turning to cost, it is understood that the postal enterprises of some members of the UPU may be constrained by cost factors and there is a need to look at more cooperative bridging to progress towards a vision of a united and competitive global postal industry.

Japan has generously demonstrated how funding can be arranged for one important project, the development of the EMS track and trace system. For our part, Australia Post is pleased to contribute to funding development of the UPU's global EDI system.

But the postal industry should not rely on individual postal enterprises to assume responsibility for key projects on a continuing basis. To advance its international strength, the postal sector needs to look to a broader-based approach to financing development work.

I believe that mechanisms must be developed which provide for increasing joint funding for ongoing business research and development with a special emphasis on the application of new technology.

Operational structures should also be explored for the accelerated introduction of new technology universally.

IV. Conclusion

In concluding, I would like to emphasize the key proposals in my address. I believe there are four areas of action which postal enterprises should consider to enhance the Post's international strategy:

- Firstly, there should be a cooperative approach to guarantee a viable, competitive and efficient universal network. Change is accelerating and new forces are emerging in international communications, yet postal enterprises are lagging behind in the application of technology to international services. By working together, we must set in place the capability to respond quickly and effectively to major market change.
- Secondly, we should accelerate the development of end-to-end international linkages using the electronic technology provided by the EDI system. This can provide the basis for seamless service that customers now demand.
- Thirdly, selected commonly branded services which meet universal customer needs should be introduced. The first efforts should boost the marketing of existing international post products like EMS and ensure that they are handled efficiently at all destinations.
- Finally, quality service is of the utmost importance to customers. Recognizing this, a programme to achieve high standards of service excellence, must be adopted and this must be

accompanied by development of a quality-focussed culture amongst all postal operators and their staff.

The degree of effort and the timing of it are critical to success in the marketplace. The pace of technological change is quickening:

- there is no time for complacency;
- there is no time for inertia which could restrict the potential of the postal industry.

Now is the time for concerted action.

To hesitate is to lose the initiative.

Today the modern postal industry in all its facets has the opportunity:

- to inject fresh momentum to processes already underway within the UPU and regional postal forums; and
- to provide new impetus to implementing policies that are essential for the industry's growth and survival.

Now is the time to adopt bold new strategies to underpin the growth of the postal sector into the 21st century, rather than allowing outside forces to dictate the nature of our international postal services.

Now is the time to seize the day – and shape our industry's future.

Congress – Doc 73.1

GENERAL DEBATE

(24 and 25 August 1994)

Introductory speeches:

- **by the Chairman of Congress (Annex 1)**
- **by the Secretary-General (Annex 2)**

Congress – Doc 73.1/Annex 1

Opening address by the Chairman of Congress

Delegates,
Observers,
Guests,
Ladies and Gentlemen,

It is my pleasure and privilege to welcome you all today to participate in the General Debate of the 21st UPU Congress on the theme "The UPU looks to the future: global strategic planning in a competitive environment".

This overall theme was chosen – in accordance with a decision of the Washington Congress (decision C 48) – by the Executive Council at its 1993 session.

At the same session, the EC approved in principle four sub-themes, subject to consultation with the host country and the member countries designated as discussion leaders for the debate. The outcome of this consultation was the adoption of four sub-themes or topics and the selection of two member countries – one developed and one developing – as discussion leaders for each theme, with joint responsibility for the treatment of their topic. This dual responsibility is intended to allow the special circumstances of the developing countries to be taken into account.

I will take this opportunity to remind you that the four topics and member countries responsible are:

1 The structures of the UPU on the eve of the 21st century – United States of America and Czech Republic

2 The dichotomy of "universal postal services" and "a commercial approach" – Switzerland and Côte d'Ivoire (Rep)

3 Total quality in a competitive environment – Japan and United Arab Emirates

4 Global strategy and postal development – Australia and Chile.

I will, of course, introduce the discussion leaders to you personally as each topic is presented.

Now that we have dealt with the theme of our debate and its component topics, I would like to remind delegates and observers that our guests today – continuing a practice that began at the Washington Congress – include representatives of the media. I hope that our discussions over the coming two days

will help to increase their understanding of the Universal Postal Union and its role, and will provide some good copy, and – hopefully – some positive headlines.

The Universal Postal Union – although its members offer the most extensive physical communications network in existence, affecting the daily life of the vast majority of the world's population – is certainly not universally known. Although it is one of the oldest and one of the smallest of the international organizations it has always tended to keep a low profile, neither seeking nor receiving much publicity. Like the postal administrations of many member countries, the UPU has over the past 120 years acquired perhaps unfairly the image of a traditional, rather static, governmental bureaucracy: solid, worthy, but rather conservative and slow moving.

However, as we will see in the course of this debate, this image is fading, change is beginning to manifest itself in the postal world, sometimes in radical ways that even five years agao would have been regarded as improbable developments. After earnestly discussing the need for change in the postal world over a long period – the first debate of this kind took place at the Rio de Janeiro Congress in 1979 – we have within the past five years seen strong evidence of a real momentum towards structural and operational reform at national and international level, in the interests of serving our customers better.

Credit for giving that process a kick-start must be given to the last Congress – with its Washington General Action Plan, which had the merit of being not just an enunciation of general principles, but a pragmatic and practical programme of concrete actions to be taken by governments, postal administrations and the bodies of the Union in order to improve the overall efficiency of the worldwide postal service in all its important aspects.

The implementation of the Washington General Action Plan has been carefully monitored by dedicated Committees of the Executive Council and the Consultative Council for Postal Studies, supported by the International Bureau – particularly in the provision of technical cooperation activities aimed at assisting administrations to achieve the objectives and implement the actions of the Plan. The joint report of the bodies of the Union on the implementation of the Plan is available in the form of Congress – Doc 21, which will be discussed by Plenary. At this stage, I only wish to emphasize that over such a relatively short period it would be unrealistic to expect readily quantifiable evidence of a major change in the trend of postal business worldwide, but I would like to quote briefly from the conclusions of the common report:

"The WGAP has undoubtedly contributed to a remarkable increase in awareness in many administrations and postal corporations: awareness of the need for the Union and the postal services to change and adapt to a new communications market, awareness of the reality and presence of competitors, awareness of the new needs and quality requirements being increasingly affirmed by the customers. There is also a determination to take action, as the remarkable results achieved in some fields show."

Although our theme today is essentially concerned with the future of the postal services and the UPU, I consider it worthwhile to spend some time on

recalling the achievements of the WGAP, which was the end result of the General Debate at the last Congress on the theme "Caring for the customer – Commercial and operational strategies of the Post". The WGAP represented a considerable step forward for the UPU and it is my hope that at Seoul we will be able to capitalize on this achievement and make further progress. Our General Debate – extending for the first time over two days – will provide us, as the decison-makers in the postal services – nationally and internationally – with an opportunity to reflect on the ways in which the postal environment has changed since Washington, and will change in the future; to consider the degree to which our response to our environment – and to the communications market which results from it – is still valid and acceptable; and to propose ways in which we can update our overall strategy and further improve our organization, structure, service pattern, product strategies and customer policies with the constant overall aim of serving our worldwide customers better. It is my hope that in so doing we can build upon the many positive features of the WGAP, develop and refine them to suit our changing environment, and add new ideas, policies and actions designed to allow us to face the future more effectively.

We have an opportunity and an obligation to think strategically and in a positive manner about our common future and our mutual obligation to provide a range of services which fully meet the needs of our customers – the citizens of the whole world. The result of our debate should provide a signpost to the future, providing strategic direction and common priorities for the next five-year period 1994–1999.

It has been suggested that we should call these guidelines for our immediate future, which Congress will be called upon to approve in Plenary, the Seoul Postal Strategy. I hope that this idea meets with general approval and that I may count on your contributions to the General Debate to help us to construct this Seoul Postal Strategy on the firm foundations provided by the work of the Congresses of Rio, Hamburg and Washington.

We have with us today the Secretary-General, Mr Botto de Barros, who has played a major part in the three Congresses I have referred to and who has therefore nurtured the idea of an overall strategic vision for the UPU from its genesis at the Rio Congress. I feel, therefore, that this would be an appropriate moment to give him the floor.

Congress – Doc 73.1/Annex 2

Speech by the Secretary-General

Mr Chairman of Congress,
Mr Chairman,
Heads of delegation,
Delegates,
Ladies and Gentlemen,

Once again, it is a very great honour for me to be taking part with you in the General Debate, which we can now look upon as a UPU tradition, since the idea of holding such a forum was first mooted at the Rio Congress, as many of you will not fail to remember. Its usefulness therefore requires no further demonstration and its impact on the conduct of our business, nationally, regionally and internationally, is fortunately going from strength to strength.

In fact, the General Debate has become a highly appreciated forum bringing together all the decision-makers in the regulatory and operational fields, the managers and experts in the various branches of the Post, thereby providing a unique opportunity, within the framework of our Union's Congresses, to determine the general objectives and associated strategies and to define a joint action plan for the next five-year period, funding of which is guaranteed in whole or in part through the combined efforts of all the partners.

The subject forming the central theme of discussion in this debate as announced by the Chairman of Congress – "The UPU looks to the future: global strategic planning in a competitive environment" – is both relevant and topical. It will mean that we will have to analyze questions currently exercising the minds of the public players in the postal world, some, if not all, of whom will be required from now on to operate in an environment profoundly shaken by the winds of deregulation and liberalization of the postal market.

At this point, I would recall that these trends had already been noted during the work that led to the Washington General Action Plan, which may be regarded as the first UPU Strategic Plan, whose main aim was to improve the Post's ability to care for its customers. The WGAP, like other specific actions taken recently in the UPU by one or other of its bodies, must be seen, first and foremost, as a unifying force designed to combine all efforts at national, regional and international level as member countries act in concert, shoulder to shoulder, in a strategy aiming at common objectives. If that had not been the case and if that is not the case in future, it is to be feared that outside competition, that is competition from other postal operators, may have the

harmful effect of bringing about internal competition between postal administrations, which, in my opinion, could lead to the weakening or even the disintegration of the international postal network. This is what happens, in particular, when postal administrations compete with each other on their respective territories.

It must be remembered, however, that the strength of our competitors is, among other things, linked to their end-to-end quality of service control capability and their information systems firmly based on the new technologies; I refer in particular to their track and trace systems which meet customers' needs for information. In other words, the Universal Postal Union will have to strengthen and energize the international postal network, which cannot be regarded as simply a juxtaposition of national postal networks, with all the inertia that entails. For that purpose, adoption of an innovative policy, implementation of concerted action and regional and international coordination are necessary.

I personally am firmly convinced that the true response to these challenges requires the adoption of three basic principles:

- knowledge of the market (customers and their needs, the competition, the products on offer, etc);
- meeting customers' needs at all levels of our relations with them; here, the concept of total quality for all the products and services provided needs to be endorsed;
- innovation through promotion of products and services, technologies and management.

At the Extraordinary High-level meeting, held in Berne in May 1992, I told administrations that it was absolutely essential for them to find, from day to day, appropriate answers to the following vital questions:

i Who are the Post's customers?

ii What are their needs?

These two basic questions still apply. What entity – other than the Post – can assert that all the citizens of the world are its customers? As regards postal administrations' reaction in a competitive environment, I feel that the best strategy for us to adopt is to care for our markets better, in other words, to satisfy our customers – the basic principle behind the WGAP – by having a positive and proactive approach. If this principle is implemented at national and international level, the future will be ours. Obviously, putting this principle into effect will require the introduction of a real plan covering all aspects of the Post at the level of each entity responsible – Governments, administrations, Restricted Unions and the Universal Postal Union. Introduction of such a plan, which the General Debate is called upon to define the broad lines of, requires the cooperation of all member countries to reduce the development gap between administrations and, in so doing, to strengthen the weakest links in our network.

Those were, Ladies and Gentlemen, the convictions I wished to share with you. I thank you for your attention and wish you every success in your further work.

Congress – Doc 74

UPU Strategic Plan for 1995–1999

Secretary-General's report

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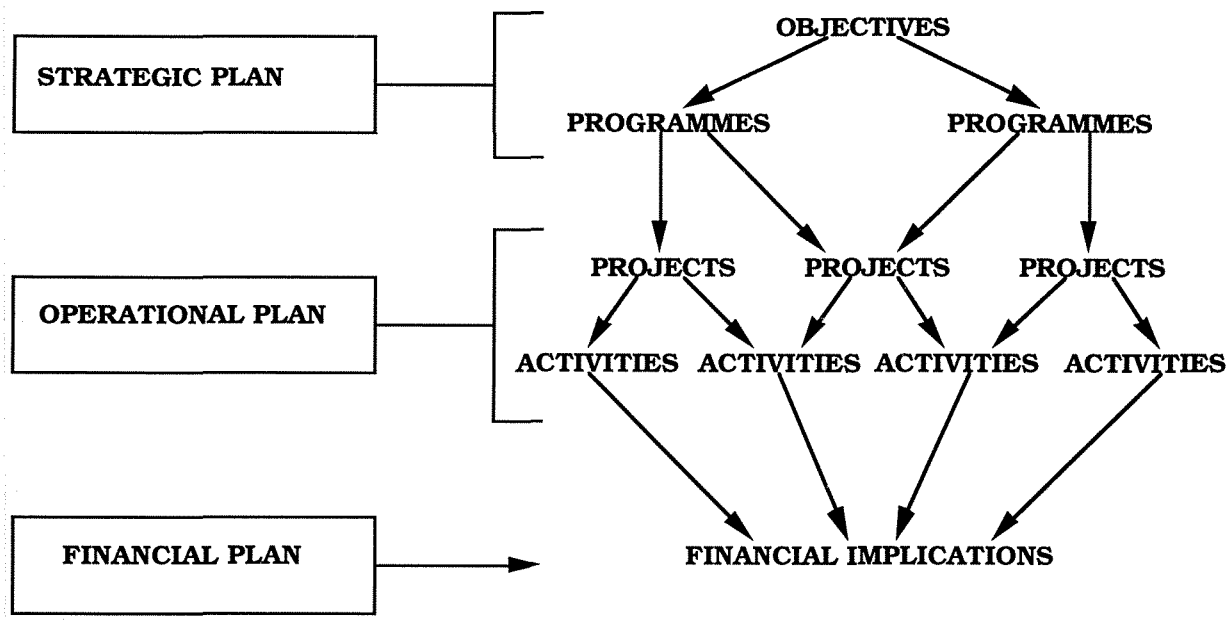
1 Foreword

1.1 Structure of the medium-term plans – 1995–1999

1 The draft Strategic Plan, as defined in Congress – Doc 70, forms part of a set of three related and fully coordinated documents that constitute the essentials of the Union's medium-term plans:

- The Strategic Plan itself identifies, on the basis of the Union's mission and the characteristics of the postal environment, the major policies proposed for the next five-year period in the form of objectives and programmes.
- The Operational Plan refers to all the activities of the Union and describes, in the form of projects and activities, the practical methods envisaged for implementing the programmes identified in the Strategic Plan.
- Lastly, the Financial Plan indicates the estimated financial implications associated with each component of the Operational Plan.

2 The following diagram summarizes how these three basic documents are organized and coordinated:



3 This structuring of the Union's medium-term plans is primarily based on the EC decision in this field (CE 1991 – Doc 7/Annex 3/Attachment 1) which advocated this type of organization.

4 Finally, the type of planning selected by the UPU is more ambitious than the systems adopted to date by other intergovernmental organizations. The relative complexity that results from this can still be dealt with successfully, however, as far as implementation of the plan in a comparatively small organization is concerned. Moreover, the concept adopted is important if one wishes to completely satisfy the conditions for:

- optimum coordination of activities; and
- transparency and prioritization in the use of resources, laid down by the Union's bodies.

5 The method of considering, approving and updating these three medium-term plans is the subject of Congress – Doc 70.

1.2 Sectoral plans

6 For the sake of comprehensiveness, it is worth recalling the existence of sectoral plans, which are fully coordinated with the three documents mentioned above and which relate to:

- quality of service (Congress – Doc 64);
- postal security (Congress – Doc 23);
- electronic data interchange (Congress – Doc 75b);
- technical cooperation (Congress – Doc 51);
- postal development (Congress – Doc 56);

and, of course, the draft studies prepared by the CCPS for 1995-1999 (Congress – Doc 68), whose execution will contribute a great deal to implementation of the UPU's medium-term plans.

1.3 Seoul Postal Strategy

7 All of the planning documents will be updated in the light of the work of Congress, and in particular on the basis of the Seoul Postal Strategy (Congress - Doc 87) defining the results of the General Debate in practical terms.

2 Draft Strategic Plan

2.1 Preliminary note

8 Two separate but complementary documents are being submitted to Congress:

- The Seoul Postal Strategy (Congress – Doc 87) resulting from the General Debate which lays down the broad lines of the activities to be undertaken at national and/or regional level and whose implementation is primarily the responsibility of the governments and the postal administrations;
- the Union's medium-term plans (strategic, operational and financial) which establish the main lines of the activities to be carried out at world level and whose implementation is primarily the responsibility of the UPU bodies.

9 This division into two separate documents is based on the need to clearly define the role and responsibilities of the players involved (postal administrations and Union bodies) so that essential resources can be mobilized in the best way possible. The result of this division is the permanent coordination of the Union's medium-term plans with the Seoul Postal Strategy.

10 The draft Strategic Plan of the UPU for 1995–1999 originated in two Washington Congress resolutions:

- the Washington General Action Plan already recognized the competition which postal administrations were confronting and the need to adapt quickly to changing customer needs as a result;
- resolution C 8 recognized from this the need to continue improving the Union's management methods with a view to optimizing its ability to take up these new challenges effectively.

11 What these two resolutions have in common is that they both recognize the need for adaptation and improvement.

12 After study, the Executive Council (cf CE 1992/C 3 – Doc 2d) decided that preparation of a strategic plan, and more broadly implementation of a medium-term planning process, could contribute to improving the UPU's management methods, particularly within the framework of restructuring the Union's bodies.

13 The draft Strategic Plan thus finalized consists of six objectives and 53 programmes aimed at proposing a practical response by the UPU bodies to the challenges of the 21st century.

14 The content of the Plan has been prepared as part of an extensive consultation which an external consultancy firm has facilitated with its comments and recommendations.

15 Regularly involved in this process have been the most senior representatives of the Executive Council, the Consultative Council for Postal Studies and the International Bureau, as well as planning specialists specifically seconded by a number of postal administrations representing the various regions of the world. Finally, all member countries were consulted by means of a questionnaire issued at the end of 1993.

16 The draft Strategic Plan therefore enjoys a solid foundation. Taking guidance from the practices of commercial enterprises and recognized planning techniques, it reflects the broader aspirations of the community of UPU member countries and the problems specific to an intergovernmental organization.

2.2 Foundations of the Strategic Plan

17 The Strategic Plan was prepared on the basis of the UPU's mission and on an analysis of the environment in which postal administrations operate.

18 The mission of the UPU, which is clear from its Constitution, was the subject of a detailed formulation (mission statement) ratified by the 1994 EC (cf resolution CE 4/1994):

"The mission of the Union is to develop social, cultural and commercial communications between all peoples by the efficient operation of the postal services described in the Acts.

19 "In order to fulfil this mission, the members of the Union undertake to:

- guarantee freedom of transit and the free circulation of postal items;
- secure the organization, development and modernization of the postal services;
- promote and participate in postal technical assistance between member countries;
- ensure the interoperability of postal networks by implementing a suitable policy of standardization;
- meet the changing needs of customers;
- improve the quality of service."

20 Analysis of the environment, a preliminary phase indispensable for preparing the Strategic Plan, must be done in a precise context.

21 The General Debate will analyze the environment in which postal administrations are evolving and the UPU will draw conclusions from that analysis for the next five years in the form of the Seoul Postal Strategy.

22 The Union's Strategic Plan analyzes the major trends appearing at world level which are likely to affect the way in which the UPU fulfils its mission.

23 The complementarity of these two types of environmental analysis is clear: the changes noted in the environment in which many postal administrations are evolving are inducing the latter not only to take up new challenges (Seoul Postal Strategy), but also to expect increased or new contributions from the Union (Union's Strategic Plan).

24 So as to avoid unnecessary duplication with the Seoul Postal Strategy and not to anticipate the results of the General Debate, the environmental analysis presented below mentions only recent significant changes. The high-level meeting held in May 1992 already presented a revealing picture of the changes noted in this area since the Washington Congress.

25 Finally, the Union must take account of the many different situations emerging throughout the world. In this regard, some of the facts mentioned below cannot be interpreted as a position adopted by the Union, but rather as a differentiated acknowledgement of the recent developments in the environment characterizing a given geographic region.

2.3 Brief analysis of the postal environment

26 It appears that analysis of the environment as previously described and within the specific framework of the Union's Strategic Plan should take into account four major areas:

- economic and institutional changes which are closely interlinked as far as their implications are concerned;
- market changes involving supply and demand;
- technological innovations and their impact on postal operations;
- lastly, changes in corporate culture which are gradually permeating many postal administrations.

a Economy and institutions

27 The recent economic changes noted in some industrialized countries have quickly spread to broad geographic areas. These changes have led some governments to reorganize their priorities.

28 The constraints of achieving a balanced budget or even profitability are now being placed on many postal administrations, as national and/or regional economic operators, without, however, any changes to their resources or terms of reference.

29 At the same time, the globalization of trade has been institutionalized through worldwide (GATS) and regional (NAFTA, APEC, EU, etc) agreements creating free trade areas within which the traditional position of postal administrations is likely to be called into question.

30 In a few cases, postal administrations have to reconcile the constraints imposed by their national supervisory body with those resulting from regional and international free trade agreements. This twofold economic and institutional evolution is creating a sometimes destabilizing situation for the postal administrations concerned.

31 At UPU level, these economic and institutional changes are resulting in a greater need for financing in order to meet the legitimate demands of the member countries; and this at a time when the budgetary rigour adopted by many governments is likely to penalize the financing of the Union as an intergovernmental organization.

b Postal markets

32 The activity of operators other than postal administrations in postal markets is no longer something new in much of the world.

33 While international postal traffic volumes continue to increase (see Congress – Doc 20), this growth is appreciably slower than that of the global communications sector, which has shown almost exponential growth over the last few years.

34 The diversification of postal service providers has greatly favoured customer demands, particularly in the high value-added segments of the market. These customer demands, regarding both the range of services offered and all aspects of quality of service, are leading many postal administrations to reconsider their long-standing supply strategy (the number and nature of services offered were previously set by the postal administration or even its supervisory body) and gradually adopt a demand strategy in which the needs expressed by customers become the determining factor.

35 Owing to these postal market developments, the number and complexity of the actions that the UPU must undertake in order to fulfil its mission have increased.

c Technology

36 Only slowly and in a differentiated manner do technological innovations affect postal operating methods, mail handling systems and, as a result, postal administrations as large-scale economic operators.

37 The disparity of the various situations in this area makes the question of postal network interoperability at international level even more crucial.

38 Aware of the importance of what is at stake here for the international postal services, the Union has already made available to postal administrations a set of electronic data interchange systems and plans to continue the efforts made thus far. This initiative is aimed at modernizing and improving the efficiency of the services offered and improving means of communication among postal administrations.

39 At the same time, various technological innovations such as facsimile have for several years now been offering customers alternative services. These widely-known services have generated significant decreases in some types of items (LC) while giving rise to growth in other sectors (AO), with the result that global traffic has remained relatively stable. Technological developments such as text-based services and the extension of cable networks known as "information highways" could, in time, offer other alternative services, particularly in the field of direct mail advertising, and bring about increased competition for the postal services.

40 Some postal administrations are successfully attempting to offset the negative impact of these alternative services by establishing themselves on the electronic mail market.

d Corporate culture

41 Corporate culture encompasses all the behaviours (both individual and hierarchical) that create and condition the internal structure of organizations. For postal administrations subject to economic, institutional, technological and commercial (in the broad sense) changes – and this now corresponds to most of the world's geographic regions – corporate culture and its adaptation to new constraints is a priority issue.

42 Maintaining traditional management methods is not enough and is leading many postal administrations to reconsider their decision-making and decentralization processes with a view to improving both their performance and overall profitability.

43 This adaptation of corporate cultures is unquestionably a guarantee of the efficiency and durability of the world postal network (cf Objective E of the WGAP).

44 Obviously, as part of preparing the Strategic Plan, the Working Parties specially mandated for that purpose have taken into account a much greater number of parameters characteristic of the postal environment and its recent developments.

45 It does not appear necessary, however, at the risk of duplicating other documents submitted to Congress, to analyze the postal environment any further at this stage in order to present the six objectives and 53 programmes that make up the Union's Strategic Plan for 1995–1999.

2.4 Objective 1
Ensure application of the principle of a single postal territory

46 The purpose of this objective is to confirm, within the framework of the Strategic Plan, one of the essential aspects of the Union's mission.

47 The four programmes that make up this objective are aimed at anticipating the events that are likely to violate or compromise the single postal territory principle.

Programme 1.1
Facilitate freedom of transit for international postal items.

Programme 1.2
Study the influence of developments in the legal and regulatory environment on the manner in which member countries fulfil their obligations relating to the single postal territory principle.

Programme 1.3
Study and analyze significant trends in the technological and marketing fields insofar as those trends might affect the obligations of member countries in regard to the single postal territory concept, and take all necessary measures for this analysis to reinforce the single postal territory principle.

Programme 1.4
Study the relationships between the General Agreement on Trade in Services (GATS) and other similar agreements concluded within the framework of NAFTA, the EU, APEC, etc, and the notion of free circulation of postal items contained in the Acts of the Union.

2.5 Objective 2
Establish equitable and market-sensitive remuneration arrangements between administrations

48 The major importance of Objective 2 justifies the following eight programmes which focus on improving inter-administration remuneration arrangements (Programmes 2.1 to 2.6) and improving the tools needed for their implementation (Programmes 2.7 and 2.8).

Programme 2.1
Establish equitable and market-sensitive terminal dues and transit charges arrangements.

Programme 2.2
Establish equitable and market-sensitive arrangements for payment of parcel-post inward land rates and transit charges.

Programme 2.3
Design models for equitable and market-sensitive EMS reimbursement arrangements between administrations.

Programme 2.4
Improve inter-administration remuneration arrangements for the postal financial services.

Programme 2.5
Improve inter-administration remuneration arrangements for the other value-added services (IBRS, for example), in accordance with possible Congress decisions.

Programme 2.6
Develop and improve inter-administration reimbursement arrangements for surface and air conveyance costs.

Programme 2.7
Improve statistical systems for measuring mail flows between countries to better support terminal dues, transit charges and other payments, and to support better cost analyses.

Programme 2.8
Modernize accounting methods, particularly through computerized means.

2.6 Objective 3
Help member countries to improve operations and quality of service

49 The 10 programmes identified focus on service standards and their monitoring (Programmes 3.1 and 3.2), study of the world postal network (Programme 3.3), handling of international postal items (Programme 3.4), electronic data interchange systems (Programmes 3.5 and 3.6), relations with Customs (Programme 3.7), postal security (Programme 3.8), protection of the environment (Programme 3.9) and express mail operations (Programme 3.10).

50 These 10 programmes represent an extension of Objective C of the Washington General Action Plan.

Programme 3.1
Define and update service quality policies and standards.

Programme 3.2
Develop and improve the traffic monitoring programme, including office of exchange audits.

Programme 3.3
Continue the study of the international postal network.

Programme 3.4
Promote the qualitatively equitable handling of national and international postal items and set up suitable monitoring systems.

Programme 3.5
Design and set up a track and trace system for individual items and mails such as EMS items, postal parcels, registered mail and insured items, express items, mailbags and containers.

Programme 3.6
Develop EDI activities.

Programme 3.7
Improve and simplify customs procedures to optimize the free flow of mail and the quality of service, identify customs-related problems and request the cooperation of postal administrations in this field.

Programme 3.8
Improve the security of mail at all stages of handling and at airports and seaports in particular.

Programme 3.9
Formulate policies, guidelines and procedures of universal scope for protection of the environment, to be implemented in postal services.

Programme 3.10
Help postal administrations to improve the operation of EMS and electronic mail services as well as other high-speed and/or time-certain delivery services.

2.7 Objective 4
Facilitate the identification of customer needs for international postal services and the adoption of appropriate responses

51 The six programmes identified focus on market research techniques and their use (Programmes 4.1 and 4.2), customer relations (Programmes 4.3 and 4.4), the development of philately (Programme 4.5) and relations with other postal service providers.

52 These six programmes represent an extension of Objectives A and B of the Washington General Action Plan.

Programme 4.1
Provide support to administrations in planning and undertaking market research and analysis and using information drawn from market research studies.

Programme 4.2
Develop a centralized and accessible market information system.

Programme 4.3
Facilitate the adoption and implementation of service policies and practices in response to customer needs.

Programme 4.4
Encourage/promote the adoption of customer relations programmes based on best existing practices.

Programme 4.5
Contribute to the development of philately.

Programme 4.6
Organize relations with other parties that speak for postal customers.

2.8 Objective 5
Strengthen and modernize postal structures and operating methods

53 The six programmes identified focus on management methods (Programmes 5.1 to 5.3), the various aspects of technical assistance (Programmes 5.4 and 5.5) and monitoring the provisions laid down in the Acts (Programme 5.6).

54 These six programmes represent an extension of Objectives D and E of the Washington General Action Plan.

Programme 5.1
Promote increased autonomy and management independence and provide effective assistance to administrations wishing it, taking into account the effects identified as part of an analysis of developments in the legal and regulatory environment (Programme 1.2).

Programme 5.2
Promote the most efficient modern management techniques in the areas of finance, medium- and long-range planning, and operational control.

Programme 5.3
Encourage and help postal administrations to carry out research and development activities and to adopt appropriate technologies.

Programme 5.4
Promote and develop the most efficient technical assistance systems.

Programme 5.5
Use postal development as a means of modernizing postal structures and increasing their competitiveness.

Programme 5.6
Contribute to compliance with and the effective application of the provisions laid down in the Acts.

2.9 Objective 6
Improve the operating processes of the UPU bodies

55 The 19 programmes identified focus on implementing the provisions already identified for improving the operating methods of the Union's bodies (Programmes 6.1 to 6.3), continuation of the studies to be conducted in this field (Programme 6.4), the specific measures envisaged for the International Bureau (Programmes 6.10 to 6.15) and the measures for improving the Union's internal and external communication (Programmes 6.16 to 6.19). Programmes 6.5 to 6.9, corresponding to the broadly administrative activities of the International Bureau, have been included in the interest of consistency with the Financial Plan, which encompasses all the activities of the Union.

56 These 19 programmes represent an extension of Objective F of the Washington General Action Plan.

Programme 6.1
Conduct strategic planning and programme budgeting.

Programme 6.2
Monitor implementation of Congress decisions, more particularly those contained in the Seoul Postal Strategy.

Programme 6.3
Conduct an in-depth analysis of the Union's various financing options.

Programme 6.4
Pursue the study on improving the management of the Union's work and continue to streamline organizational structures and decision-making processes.

Programme 6.5
Carry out, in accordance with the provisions of the Acts, the management functions of the International Bureau.

Programme 6.6
Carry out the administrative management functions inherent in the International Bureau, in particular:

- administrative management of staff;
- Union accounting and budgetary management.

Programme 6.7
Manage technical cooperation.

Programme 6.8
Provide the support needed to carry out Union activities to which the International Bureau contributes, in particular:

- informatics support;
- logistical support, consisting of, among other things:
  - production of documents (word processing, desktop publishing, reproduction);
  - language services (translation, interpretation);
  - documentation (library, archives, printed matter);
  - communications (mail, telecommunications);
  - maintenance of building and equipment.

Programme 6.9
Provide secretariat services for Union meetings.

Programme 6.10
Improve the management of the International Bureau to make it more effective and to increase its contribution.

Programme 6.11
Continue optimizing activities under implementation of the regional technical cooperation objectives and programmes.

Programme 6.12
Design the UPU information master plan and lay down detailed rules and methods for input and processing of information.

Programme 6.13
Improve the system of IB human resources management.

Programme 6.14
Develop legal activities in support of the various programmes.

Programme 6.15
Introduce an internal audit system in the International Bureau in coordination with the work of the external auditor.

Programme 6.16
Optimize cooperation relations with United Nations system organizations, particularly the specialized agencies, and with other governmental and non-governmental organizations.

Programme 6.17
Strengthen dialogue and coordination with the Restricted Unions.

Programme 6.18
Develop internal and external information activities as well as activities for promoting the UPU.

Programme 6.19
Improve the substance and format of publications.

2.10 Summary of the preliminary prioritization of objectives and programmes

57 At the Strategic Planning Forum held in October 1993, it was decided to submit to all member countries a questionnaire on the preliminary prioritization of objectives and programmes identified up to that time.

58 Although a number of changes have been made to the list of objectives and programmes since the dispatch of the questionnaire at the end of November 1993, the results of this consultation provide valuable information but must be regarded with caution inasmuch as the questionnaire sent to member countries did not provide any indication of the costs associated with each programme.

59 Two general comments should be made first:

- At 14 July 1994, 117 member countries had replied to the questionnaire, implying that the envisaged planning process had gained the attention of most member countries;
- the preliminary prioritization was based on a rating from A to E (A being the highest) for each objective and programme. Out of 3958 individual ratings provided by the member countries, less than 1 percent corresponded to the lowest ratings (D or E). It can be concluded from this that the list of objectives and programmes identified essentially corresponds to the major concerns of member countries.

60 A first group of eight programmes was considered to have priority:

1 Programme 2.1: Terminal dues
2 Programme 3.1: Quality of service standards
3 Programme 2.2: Transit charges
4 Programme 3.8: Postal security
5 Programme 3.5: Tracking and tracing of items
6 Programme 6.1: Strategic planning
7 Programme 6.4: Simplification of the Acts
8 Programme 2.7: Mail flow measurement.

61 A second group of 12 programmes was considered very important:

1 Programme 2.3: EMS compensation arrangements
2 Programme 6.9: Management of the International Bureau
3 Programme 3.2: Traffic monitoring
4 Programme 1.1: Freedom of transit
5 Programme 4.1: Market research
6 Programme 3.6: EDI
7 Programme 4.3: Customer relations
8 Programme 5.1: Management independence
9 Programme 5.2: Management techniques
10 Programme 5.3: Optimization of postal operations
11 Programme 1.2: Single postal territory principle
12 Programme 3.7: Customs procedures.

62 Finally, except for three programmes:

1 Programme 2.4: Remuneration/postal financial services
2 Programme 3.9: Protection of the environment
3 Programme 6.17: Internal and external information,

all the other programmes were considered important.

3 Conclusion

63 Congress is requested, in accordance with proposal 019, to give a ruling on the implementation of the medium-term plans contained in Congress – Doc 74, as well as on the subsequent updating of these plans in accordance with the procedures described in Congress – Doc 70 and proposal 020, possibly including a new consultation of member countries on the prioritization of the objectives and programmes on a more precise basis.

64 Congress is also requested to give a ruling on the conclusions of annex 2.

Berne, 26 July 1994

A C BOTTO DE BARROS
Secretary-General

Draft Operational Plan

1.1 Introduction

The Operational Plan is the second component of the Union's medium-term plans. It describes the practical measures to be undertaken for implementing the programmes and achieving the objectives identified in the Strategic Plan.

In this regard, the text of the objectives and programmes in the draft Strategic Plan is mentioned here only to make separate consideration of the draft Operational Plan easier.

The latter will be updated on the basis of the work and decisions of Congress and therefore must not be likened, as is, to an exhaustive list of all the activities of the Union. Nevertheless, it presents in detail the activities identified for the period 1995–1999 as they may be conceived prior to Congress.

It is worth recalling the existence of the sectoral plans mentioned in paragraph 1.2 (page 3 of the document) which present in detail the activities relating to certain UPU action fields.

On the basis of Congress – Doc 70 (Description of strategic planning roles and responsibilities) submitted to the Seoul Congress in connection with proposal 020, the Operational Plan is presented to Congress for information purposes in order to illustrate the material nature of the work that can be envisaged within the framework of each programme. The conditions for implementing the Operational Plan and updating it each year remain within the competence of the UPU's bodies, which enjoy wide-ranging autonomy in this area.

To avoid weighing down this document needlessly, the purely methodological aspects of the Operational Plan, such as:

- preparing and distributing questionnaires and making a digest of the replies;
- creating working parties and organizing their tasks;
- holding symposia and other forums;

have not been mentioned here.

On the contrary, assistance activities are indicated as needed, while the draft studies prepared by the CCPS are indicated when they contribute to implementing a particular programme.

Lastly, it is worth mentioning that all the components of the Strategic, Operational and Financial Plans will be submitted in synoptic form to the permanent bodies of the Union with a view to proposing to them a work plan outline for 1995–1999.

1.2 Objective 1
Title: Ensure application of the principle of a single postal territory

Four specific programmes have been identified to help achieve Objective 1.

Programme 1.1

Facilitate freedom of transit for international postal items

The main activities corresponding to this programme consist in better defining freedom of transit and trying to increase the number of services benefiting from it, following developments in the environment threatening freedom of transit and taking measures to maintain continuity of services, which include more specifically identifying alternative postal routeing in the event of major difficulties (armed conflict, for example) affecting normal routeing, and using the results of the work carried out on the world postal network (Programme 3.2).

Technical cooperation contribution

Conduct a consciousness-raising campaign through the Regional Advisers, among others, and identify problem areas if any.

Programme 1.2
Study the influence of developments in the legal and regulatory environment on the manner in which member countries fulfill their obligations relating to the single postal territory principle

The main activities corresponding to this programme consist in following regulatory developments worldwide.

Programme 1.3
Study and analyze significant trends in the technological and marketing fields in so far as those trends might affect the obligations of member countries in regard to the single postal territory concept, and take all necessary measures for this analysis to reinforce the single postal territory principle

The main activities corresponding to this programme consist in establishing a multidisciplinary monitoring system to quickly identify technological innovations and business methods that could affect the singleness of the postal territory, and anticipating the necessary reactions.

Programme 1.4
Study the relationships between the General Agreement on Trade in Services (GATS) and other similar agreements concluded within the framework of NAFTA, the EU, APEC, etc, and the notion of free circulation of postal items contained in the Acts of the Union

1.3 Objective 2
Title: Establish equitable and market-sensitive remuneration arrangements between administrations

Eight specific programmes have been identified to help achieve Objective 2.

Programme 2.1
Establish equitable and market-sensitive terminal dues and transit charges arrangements

The activities corresponding to this programme can be divided into three main projects:

i Concluding the studies on terminal dues as approved by Congress and in accordance with the Washington Congress decision that made terminals dues the subject of a permanent study of the Executive Council; conducting an economic study to identify the relations between national rates, terminal dues and the occurrence of remailing.

ii Continuing the work related to the calculation of transit charge scales (letter post and parcel post) and the permanent methodological study aimed at improving its quality; conducting the study on remuneration of the intermediate administration in connection with surface and airmail letter-post items in transit à découvert.

iii Considering revising, before each Congress and between Congresses, the calculation of basic charges issued for guidance purposes in order to adapt them, if necessary.

Programme 2.2
Establish equitable and market-sensitive arrangements for payment of parcel-post inward land rates and transit charges

The main activities corresponding to this programme consist in concluding the following studies:

1 Universal rate for land and sea rates

2 Revision of outward and inward land rates

3 Revision of transit land rates and sea rates

4 Postal parcels sent in transit à découvert (remuneration of the intermediate administration).

Programme 2.3
Design models for equitable and market-sensitive EMS reimbursement arrangements between administrations

The main activities corresponding to this programme consist in establishing a possible link between remuneration for services rendered and quality of service with regard to EMS and the new range of parcel-post products/services.

Programme 2.4
Improve inter-administration remuneration arrangements for the postal financial services

Programme 2.5
Improve inter-administration remuneration arrangements for the other value-added services (for example, registered and insured items, IBRS), in accordance with possible Congress decisions

Programme 2.6
Develop and improve inter-administration reimbursement arrangements for surface and air conveyance costs

The main activities corresponding to this programme consist in improving and designing provisions for establishing and updating transit charges as well as the provisions regarding air conveyance dues.

Programme 2.7
Improve statistical systems for measuring mail flows between countries to better support terminal dues, transit charges and other payments, and to support better cost analyses

The main activities corresponding to this programme consist in creating a support structure for the economic and statistical services of the international Post to optimize analysis of international traffic and of costs generated by these items.

Technical cooperation contribution

Organize Terminal Dues workshops and organize consultants' missions to administrations requiring such assistance.

Programme 2.8
Modernize accounting methods, particularly through computerized means

Contribution of CCPS draft study No 41

The activities corresponding to this programme can be divided into four main projects:

i Simplify documents and forms, adapt the system to the possibility of direct settlement of terminal dues and develop it on the basis of Congress decisions. Adapt the forms used in international exchanges according to new technologies and rationalize the forms used in the letter-post service in order to simplify their content and reduce their number.

ii Make widespread use of data processing and more specifically of EDI techniques as a logistical support for inter-administration remuneration arrangements.

Technical cooperation contribution

Provide technical support to the developing countries in connection with the use of data processing and more specifically of EDI techniques within the framework of technical cooperation.

iii Conduct a study on the accounting system needed to record IRBS operations.

iv Conclude the study on modernizing and expanding International Bureau offsetting arrangements and draw from it any conclusions as regards practical measures to be implemented.

1.4 Objective 3
Title: Help member countries to improve operations and quality of service

Ten specific programmes have been identified to help achieve Objective 3.

Reminder: Details of the sectoral strategy and the activities provided for in the area of quality of service (summarized below in Programmes 3.1 and 3.2) are the subject of Congress – Doc 64.

Programme 3.1
Define and update service quality policies and standards

Contribution of CCPS draft study No 21

The activities corresponding to this programme can be divided into three main projects:

i Follow the application of the provisions contained in the service standards manual, then conduct the studies necessary to optimize the normative aspect of all postal items.

ii Make available to postal administrations the detailed delivery standards applied in each country. Prepare and distribute up-to-date compendia containing delivery standards applicable to other postal items, as well as a compendium of worldwide standard transmission times in collaboration with postal administrations.

iii Define and update policies and standards on the quality of the new range of parcel-post products/services and make available to postal administrations the detailed delivery standards applied in each country.

Programme 3.2
Develop and improve the traffic monitoring programme, including office of exchange audits

The activities corresponding to this programme can be divided into six main projects:

i Monitor sector transmission times (conveyance time), eg office to office.

ii Evaluate the impact of implementing end-to-end monitoring systems for letter-post items and study the extension of these systems to other postal services.

iii Encourage independent end-to-end testing of quality of service by administrations which find this procedure economically justified.

iv Identify and analyze the reasons for non-compliance with established delivery standards and the justifications given for declining offers to take part in transmission-time tests. In this regard, adopt specific measures to remedy the situation in this field and continue missions by specialist-consultants, follow-up missions to the countries that have received initial missions, and individual training.

v Assist postal administrations with the identification and use of practical modern tools designed to achieve total quality and to measure performance objectively. Analyze the results obtained (with regard to quality of service testing) and apprise postal administrations of them. Develop and make use of a centralized data base for quality testing results.

Technical cooperation contribution

Assist the least developed countries through specialist training with a view to establishing a system for monitoring and evaluating mail delivery in large towns.

Provide the countries with assistance in the postal operations field according to the regional plans prepared and adopted following the regional high-level meetings.

vi Promote the auditing of offices of exchange by postal consultants and coordinate these operations with other international audits (Restricted Unions, IPC) and supply solutions to the problems identified.

Technical cooperation contribution

Train office of exchange staff quickly (seminars, workshops, explanations).

Programme 3.3
Continue the study of the international postal network

The main activities corresponding to this programme consist in following in particular the problems related to offices of exchange and international civil aviation hubs with a view to helping to correct all the anomalies noted, in collaboration with the postal administrations of all member countries and the airlines, in order to make international mail circulation faster, more regular and more reliable. Analyze the mail circulation plans of all administrations. Monitor world air links continuously with a view to their rational use by postal administrations. Make use of the "International Airline Financial Statistics" prepared by ICAO. Finally, restructure the basic documents: AV 1 List, List of Airmail Distances. In this regard, adopt practical measures to remedy the situation in this field and continue missions by specialist-consultants, follow-up missions to the countries that have received initial missions, and individual training.

Programme 3.4
Promote the qualitatively equitable handling of national and international postal items and set up suitable monitoring systems

The activities corresponding to this programme can be divided into two main projects:

i Examine all compartments of the postal service, particularly in the international postal service, and compare the state of services with the results of IB tests; initiate specific operational activities in each postal administration visited to help improve quality of service.

ii Conduct surveys among member countries regarding arrangements made for monitoring quality of service and organize support for postal administrations on the basis of their needs.

Reminder: Details of the sectoral strategy and the activities provided for in the area of electronic data interchange (summarized below in Programmes 3.5 and 3.6) are the subject of Congress – Doc 75b.

Programme 3.5
Design and set up a track and trace system for individual items and mails such as EMS items, postal parcels, registered mail and insured items, express items, mailbags and containers

Contribution of CCPS draft study No 12

The main activities corresponding to this programme consist in developing a set of computerized applications to facilitate transmission and receipt of international mail as well as to improve track and trace facilities and methods, particularly for EMS.

In particular, development of:

–	POST*Net:	Global Postal Telecommunications Network
–	POST*Mail:	X 400-based Message Handling System
–	POST*Star:	EDI Message Management and File Transfer Service
–	POST*Info:	Postal Information Systems and related data bases
–	International Postal Systems:	Applications for mail management.

Also part of programme 3.5 activities is participation in the activities of the EMS Task Force (former WP 722.2), and in particular development of the quality of service testing system based on computerized data.

Technical cooperation contribution

Organize "Track and trace" workshops.

Help to set up track and trace quality circles by means of group training for supervisory staff who can create and lead such quality circles. Workshops will be needed as well as supplementary training through individual fellowships.

Programme 3.6
Develop EDI activities

Contribution of CCPS draft study No 22

The activities corresponding to this programme can be divided into three main projects:

i Develop EDI operations in support of track and trace systems, quality of service measurements, traffic volume (accounting) and external links (airlines, Customs). Set up a global telecommunications network so that all interested postal administrations can be offered a range of telematic services. Develop uniform global telecommunications cover with a view to supplying the needs of both developing and developed countries so that each postal

administration can access and use the services most appropriate to its own operational needs. Define the range and nature of services to be offered to postal operators, such as electronic mail, EDI translations, mail-box service, centralized and decentralized data bases. Update the master plan for implementing systems and services.

Technical cooperation contribution

Organize the training of specialists (workshops in EDI techniques).

Install the computer equipment necessary for operational exploitation of a global network for the least developed countries (LDCs) as a priority.

ii Define the technical standards applicable to EDI messages.

iii Introduce appropriate computerized means (such as electronic mail and data bases) in order to facilitate and expedite security procedures between administrations and with security agencies and airlines.

Programme 3.7
Improve and simplify customs procedures to optimize the free flow of mail and the quality of service, identify customs-related problems and request the cooperation of postal administrations in this field

The activities corresponding to this programme can be divided into three main projects:

i Prepare proposals, especially on the introduction of EDI techniques in exchanges with Customs, for adoption in the CCC–UPU Contact Committee, with a view to speeding up customs clearance of postal items. Organize relations with the Customs Co-operation Council (CCC) and participate in the Contact Committee established for that purpose.

ii Conduct all work in collaboration with the CCC, the Commission on Narcotic Drugs of the United Nations Economic and Social Council and the UNDCP with a view to speeding up customs clearance of postal items. Participate fully in the work of the CCC Permanent Technical Committee, the Enforcement Committee (narcotic drugs), the Joint Customs–Carriers Group (Memorandum of Understanding) and the EDI Advisory Group.

iii Prepare a new edition of the List of Prohibited Articles in its new form based on the "CCC Harmonized System for Designation of Goods". Make it available to postal administrations, study the possibilities of computerizing this new presentation of the List and, if need be, carry out the necessary work.

Reminder: Details of the sectoral strategy and the activities provided for in the area of postal security (summarized below in Programme 3.8) are the subject of Congress – Doc 23.

Programme 3.8
Improve the security of mail at all stages of handling and at airports and seaports in particular

Contribution of CCPS draft study No 23

The activities corresponding to this programme can be divided into four main projects:

i Formulate an updated list of dangerous and prohibited articles prohibited from conveyance by post.

ii Implement the provisions resulting from the UPU work on postal security. Develop security standards, policies and procedures in all sectors of postal activity concerned.

iii Establish a security network to ensure end-to-end monitoring and coordination of security of postal items.

Technical cooperation contribution

Strengthen implementation of a postal security network by supporting the creation/strengthening of postal security/inspection units within administrations through specific consultants' missions and by promoting a broader exchange of information through the preparation of operational and awareness-raising documentation.

Pursue and improve the training programme for postal security staff.

iv Pursue and reinforce contacts and joint activities with other organizations having the same postal security interests.

Programme 3.9
Formulate policies, guidelines and procedures of universal scope for protection of the environment, to be implemented in postal services

Contribution of CCPS draft study No 51

The main activities corresponding to this programme consist in developing a follow-up mechanism for ensuring that recommendations on protection of the environment are implemented in the Post, developing and applying a rational policy for procuring environment-friendly postal materials, and studying the environmental impact of postal technologies and postal transport.

Programme 3.10
Help postal administrations to improve the operation of EMS and electronic mail services as well as other high-speed and/or time-certain delivery services

Contribution of CCPS draft study No 15

The main activities corresponding to this programme consist in improving the operation and organization of EMS and electronic mail services through, among other things, the organization of symposia which will review the main aspects of these services. Prepare, as a preventive measure, operational plans for delivery of EMS items or postal parcels by alternative routeing or replacement operators. Prepare, in this context, the conditions of contract, calls for tender and pertinent analyses, and summary reports. Make it easier for postal administrations to choose the supplier of the required service and prepare contracts and operational procedures. Improve the presentation of the EMS Operational Guide and the Bureaufax Table and possibly introduce other manuals (for example, for the new range of parcel-post products/services), and prepare and distribute updates (about twice a year) to the Supplement to the EMS Guide containing delivery standards.

1.5 Objective 4
Title: Facilitate the identification of customer needs for international postal services and the adoption of appropriate responses

Six specific programmes have been identified to help achieve Objective 4.

Programme 4.1
Provide support to administrations in planning and undertaking market research and analysis and using information drawn from market research studies

Contribution of CCPS draft study No 14

The activities corresponding to this programme can be divided into three main projects:

i Promote the acquisition and development of professional techniques in market research by organizing awareness-raising and training seminars in these techniques and by encouraging the exchange of information and experience.

Technical cooperation contribution

Provide administrations with information in the various marketing sectors.

Analyze the needs of postal administrations and prepare specialized management guides in various branches of marketing, communication, etc, according to identified needs and established priorities.

Organize study cycles, symposia and workshops in collaboration with the Restricted Unions.

Prepare and distribute brochures on the findings of symposia (awareness-raising, exchanges of information and experience).

ii Facilitate identification of market opportunities (new products, quality of service, etc) and the changes which should be regularly analyzed in market studies to be conducted by postal administrations.

iii Design and develop standard formats and media (books, magnetic tapes, computer diskettes, etc) for effective distribution of the results of regular market studies carried out by postal administrations.

Technical cooperation contribution

Help postal administrations so wishing to organize symposia with customers in order to have a better idea of their changing needs.

Programme 4.2
Develop a centralized and accessible market information system

Contribution of CCPS draft study No 14

The activities corresponding to this programme can be divided into four main projects:

i Develop appropriate rules and measurement methods for conducting market analysis. Formulate a method of constituting representative samples for use in statistical studies.

ii Consolidate member countries' market analysis and research information in a UPU data base. Use sources of information other than postal administrations in order to supplement the results of market studies.

iii Promote and facilitate access to information compiled at national level by postal administrations.

iv Promote access to available national statistics.

Programme 4.3
Facilitate the adoption and implementation of service policies and practices in response to customer needs

The activities corresponding to this programme can be divided into six main projects:

i Evaluate the manner in which postal administrations respond to customer demand and assist in improving and modernizing existing services.

Technical cooperation contribution

Organize advertising and sales management workshops.

Organize individual training for the benefit of developing countries expressing a desire for it.

ii Encourage the acquisition of marketing and sales expertise in sectors such as advertising and promotion, direct mail and customer account/sales management.

Technical cooperation contribution

Hold symposia, forums, workshops and training activities.

Organize meetings at senior level in the field of marketing, in close cooperation with the industrialized countries and all postal schools.

Provide assistance to the countries, taking account of the regional plans prepared and adopted following the high-level regional meetings.

Contribution of CCPS draft study No 13

iii Analyze international letter-post services and adapt them to changing customer needs, introduce a range of new products/services, prepare standards for operation of the new services, prepare models for bilateral and multilateral agreements with a view to increasing the number of participants in the new services and improve the current provisions for operation of the new services (IBRS, for example), prepare publications (manuals, operational guides, press reviews, etc), including electronics publications, and improve existing publications with a view to facilitating operation of the new services.

iv Analyze international parcel-post services and adapt them to changing customer needs, conclude the study aimed at encouraging administrations that are not signatories of the Postal Parcels Agreement to accede to it and examining the possibility of making the postal parcels service compulsory within the Union, prepare a development strategy and identify the measures needed to make the parcel-post service more profitable and efficient worldwide.

Technical cooperation contribution

Have the Regional Advisers approach administrations not signatory to the Postal Parcels Agreement to encourage them to accede to it.

v Analyze the international postal financial services and adapt them to changing customer needs. Prepare and implement the action plan to energize the postal financial services (PFSAP); more specifically:

- design, draft and finalize the activities to be incorporated in the plan;
- design, draft and finalize the operating methods for executing the PFSAP;
- manage the financial resources allocated to follow-up activities and to PFSAP implementation;
- carry out consultations of postal administrations with regard to monitoring PFSAP implementation;

- distribute documentation on the EUROGIRO system and promote the conditions for its expansion.

Conclude the study aimed at encouraging administrations that are not signatories of the Postal Financial Services Agreements to accede to them, consider measures aimed at encouraging administrations which offer postal financial services based on bilateral agreements to become party to the UPU Postal Financial Services Agreements. Revise the financial services courses.

Technical cooperation contribution

Provide the services of consultants for computerizing money order, giro, savings bank, life insurance and cash-on-delivery operations and other postal services.

vi Provide a system for the sale and settlement of international reply coupons exchanged by administrations.

Programme 4.4
Encourage/promote the adoption of customer relations programmes based on best existing practices

The activities corresponding to this programme can be divided into two main projects:

i Promote the simplification of customer documents.

ii Promote the establishment of optimized user contacts, including widespread introduction of customer care services, as well as providing staff specially knowledgeable about major postal administration accounts.

Technical cooperation contribution

Organize public relations workshops.

Programme 4.5
Contribute to the development of philately

The activities corresponding to this programme can be divided into two main projects:

i Provide information and technical assistance to postal administrations on philately and organize competitions and exhibitions, distribute postage stamps and prepare circulars on philately, monitor philatelic activity on the basis of stamp issues and bulletins received by postal administrations.

ii Organize relations with philatelic associations and collectors, and ensure permanent contact with partners in the philatelic world (IFSDA, ASCAT/FIP, etc).

Programme 4.6
Organize relations with other parties that speak for postal customers

The activities corresponding to this programme can be divided into two main projects:

i Organize relations with the private operators and participate in the Contact Committee set up for that purpose, monitor the activity of the various private operators and study their proposals and criticisms.

ii Organize relations with international publishers' organizations, participate in the Contact Committee set up for that purpose and institute the exchange of information with these organizations.

1.6 Objective 5
Title: Strengthen and modernize postal structures and operating methods

Six specific programmes have been identified to help achieve Objective 5.

Programme 5.1
Promote increased autonomy and management independence and provide effective assistance to administrations wishing it, taking into account the effects identified as part of an analysis of developments in the legal and regulatory environment (Programme 1.2)

The main activities corresponding to this programme consist in making available alternative models or frameworks of management autonomy which administrations may adopt in order to provide efficient postal services to meet customer needs; collecting information on the legal status and structures of postal administrations with a view to drawing up models; designing status and organization models geared to customer needs; considering the appropriateness of designing, compiling and distributing a catalogue of the statutes and structures of postal administrations on a selective basis; and designing, preparing and distributing an information bulletin on the structural dynamics of postal administrations.

Technical cooperation contribution

Organize awareness-raising and training activities in these areas in close cooperation with the Restricted Unions.

Programme 5.2
Promote the most efficient modern management techniques in the areas of finance, medium- and long-range planning, and operational control

Contribution of CCPS draft studies No 24 and No 31

Technical cooperation contribution

Hold seminars in collaboration with the Restricted Unions and conduct selective consultancy missions and supplementary training through individual fellowships.

Programme 5.3
Encourage and help postal administrations to carry out research and development activities and to adopt appropriate technologies

Contribution of CCPS draft study No 32

The main activities corresponding to this programme consist in promoting and considering the appropriateness of setting up regional study and research centres within the framework of technical assistance and in conjunction with the Restricted Unions concerned; ensuring support by the Informatics and Data Base Section and the EDI Unit of the International Bureau for the information technology aspect of the establishment of regional study and research centres; and helping postal administrations that so wish to master effectively the consequences of technological innovations directly or indirectly affecting their operational systems, activities or performance by taking into account the results of the overall analysis of the technological environment (Programme 1.3).

Technical cooperation contribution

- training of specialists/study tours;
- selective missions by consultants;

- supply of equipment and documentation;
- finalizing and distributing the Postal Technology Bulletin.

Reminder: Details of the sectoral strategy and the activities provided for in the area of technical cooperation (summarized below in Programme 5.4) are the subject of Congress – Doc 51.

Programme 5.4
Promote and develop the most efficient technical assistance systems

Contribution of CCPS draft study No 42

The activities corresponding to this programme can be divided into three main projects:

i Promote technical cooperation among developing countries (TCDC), enhance postal authorities' awareness of the potential of TCDC and promote its application in the field.

Technical cooperation contribution

Hold workshops on optimization of postal operations.

Organize TCDC consciousness-raising workshops in various regions relating to the following themes:

- management independence;
- mail circulation;
- training (exchanges between country schools).

ii Finalize a modular training system with a view to decentralization towards country/regional training centres. Negotiate the funding required for this project with the UNDP and other donors and develop the system in question with the assistance of the international organizations with the requisite experience in this area.

iii Develop and introduce the BLT (Build – Lease – Transfer, see CE 1992/Doc 13, paragraph 46; Congress – Doc 51, paragraph 60) concept. Finalize BLT projects and agreements.

Technical cooperation contribution

Supply technical aid in the various application areas to countries wishing to introduce BLT.

Reminder: Details of the sectoral strategy and the activities provided for in the area of postal development (summarized below in Programme 5.5) are the subject of Congress – Doc 56.

Programme 5.5
Use postal development as a means of modernizing postal structures and increasing their competitiveness

Contribution of CCPS draft study No 52

The activities corresponding to this programme can be divided into four main projects:

i Encourage postal administrations to use the services of international financial backers. Update and circulate Congress documents on postal development. Organize a Ministers' conference and symposia on postal development during the period 1995–1999. Organize postal development workshops in conjunction with the Restricted Unions. Update and reissue the Procedural Model.

ii Interest financial backers and facilitate their involvement in postal development projects. Provide better information for the International Bank for Reconstruction and Development on the importance of postal activity in the socio-economic context at both national and international levels through surveys, questionnaires and other projects conducted jointly with the World Bank. Conduct studies to evaluate the extent to which national postal services, as transport infrastructures, are capable of providing basic transmission and delivery functions. Develop contacts with all international financial backers through promotional visits and projects conducted jointly with them. Ensure that international financial backers take part in the Postal Development Symposium. Develop "models" based on successful development projects and ensure that the models are promoted vis-à-vis international financial backers. Take an active part in financial backers' conferences.

iii Demonstrate to governments and convince them that postal administrations should benefit from multilateral investment plans. Design brochures containing detailed statistical information showing the importance of the postal sector's contribution in maintaining national and international infrastructures. Maintain contacts between Regional Advisers and specialized Ministries so that the latter are kept better informed on the aims and potential of the postal sector. Ensure that postal development is promoted at regional-level intergovernmental meetings attended by Ministers responsible for postal services. Establish contacts with the Ministries of a number of countries in order to promote postal development projects.

iv Pursue the search for supplementary development resources in the framework of the Postal Development Action Group. Update the five-year postal development plan (1995–1999). In collaboration with the International Bureau, identify sources of finance for PDAG missions as well as the postal administrations selected annually to receive the missions. Hold regular meetings to examine the mission results and the progress of the five-year plan, and disseminate the information to PDAG members. In order to avoid any duplication and to optimize the use of resources allocated to development, ensure that there is complete coordination of postal development aims and projects with:

- the International Bureau Technical Cooperation Division;
- the Regional Advisers;
- the Restricted Unions;
- the UNDP sectoral support service.

Create and update a directory of qualified consultants able to take action within the framework of projects developed by the PDAG.

Programme 5.6
Contribute to compliance with and the effective application of the provisions laid down in the Acts

The activities corresponding to this programme can be divided into two main projects:

i Study and analyze the existing interconnections between the concepts of mandatory service, reserved service and universal service obligations, then evaluate the potential reciprocal impact between these interconnections and the services provided for in the Acts of the UPU.

ii Follow and evaluate developments in the environment affecting the postal monopoly, deregulation and the institutional status of postal administrations by taking into account the overall analysis of the regulatory environment (Programme 1.2).

1.7 Objective 6
Title: Improve the operating processes of the UPU bodies

Nineteen programmes have been identified to help achieve Objective 6.

Programme 6.1
Conduct strategic planning and programme budgeting

The activities corresponding to this programme can be divided into two main projects:

i Develop and refine specific planning procedures on the basis of Congress decisions in this field. Update, within the framework of the new Union bodies, the medium-term plans (Strategic, Operational and Financial Plans) adopted by Congress and coordinate their implementation with the Restricted Unions, the Regional Advisers and the national officials responsible for executing the plans. Set up and develop a network for exchange of information and experience among all the strategic planning departments of all postal administrations in order to incorporate as far as possible into the UPU Strategic Plan the trends thus identified. Take account in this regard of the results of the work relating to developments in the legal and regulatory environment (Programme 1.2) as well as significant trends in the commercial and technological fields (Programme 1.3).

ii Design and introduce a system for analytical cost monitoring making it possible to prepare management reports for the Union's bodies. Conduct a study on the appropriateness of implementing a programme-budgeting system on a two-yearly basis. Study the possible adaptation of the Union's Financial Regulations needed following introduction of the programme-budgeting system.

Programme 6.2
Monitor implementation of Congress decisions, more particularly those contained in the Seoul Postal Strategy

Programme 6.3
Conduct an in-depth analysis of the Union's various financing options

Programme 6.4
Pursue the study on improving the management of the Union's work and continue to streamline organizational structures and decision-making processes

The activities corresponding to this programme can be divided into five main projects:

i Look for ways of improving all aspects of managing the Union's work.

ii Review and adapt, if need be, the UPU's mission statement.

iii Simplify the UPU Acts and Regulations and improve procedures for adapting and updating them. Revise the Seoul Acts by reducing them to essential principles and further transferring operational provisions to the Detailed Regulations.

iv Study the concept of postal administration in the Acts of the UPU.

v Make a regular and constructive critical analysis of existing structures and processes.

Programme 6.5
Carry out, in accordance with the provisions of the Acts, the management functions of the International Bureau

Programme 6.6
Carry out the administrative management functions inherent in the International Bureau, in particular;

- administrative management of staff;
- Union accounting and budgetary management.

Programme 6.7
Manage technical cooperation

Programme 6.8
Provide the support needed to carry out Union activities to which the International Bureau contributes, in particular:

- informatics support;
- logistical support, consisting of, among other things:
  - production of documents (word processing, desktop publishing, reproduction);
  - language services (translation, interpretation);
  - documentation (library, archives, printed matter);
  - communications (mail, telecommunications);
  - maintenance of building and equipment.

Programme 6.9
Provide secretariat services for Union meetings

Programme 6.10
Improve the management of the International Bureau to make it more effective and to increase its contribution

The main activities corresponding to this programme consist in analyzing the present structural and decision-making organization of the International Bureau and ensuring its compatibility with the structure and duties of the Union's new managing bodies. Commission a specialist in organization and methods to study and propose solutions to the problem of the effects that the new organic structure of the UPU will have on the International Bureau.

Programme 6.11
Continue optimizing activities under implementation of the regional technical cooperation objectives and programmes

The main activities corresponding to this programme consist in incorporating in the UPU action programme at regional level the needs expressed at high-level meetings and involving activities requiring UPU assistance. Develop and refine regional plans. Take an active part in programming, execution and evaluation of country, regional and interregional projects contained in the sixth UNDP programming cycle. Develop relations on technical cooperation matters with UNDP representatives as well as with Regional Economic Commissions and other organizations. Take part in formulating the technical cooperation policy of the UPU as an organization of the United Nations system. Strengthen the action of the Regional Advisers who are responsible, among other things, for implementing UPU technical assistance policy in the field and for strengthening links with donors, the Restricted Unions and other UN system agencies, as well as implementation of the UPU multi-year technical assistance programme. Provide for the recruitment of an

additional Regional Adviser for the countries of Central and Eastern Europe. Depending on the updated needs at country level, prepare, negotiate, implement and evaluate multi-year integrated projects. Take an active part in implementation of programmes prepared within the framework of the Transport and Communications Decades (Africa, Asia and Pacific). Implement the action plan for the least developed countries. Prepare a single document regarding technical cooperation expenditure and receipts. Commission a consultant to study and propose improvements to the management and organization of technical cooperation.

Programme 6.12
Design the UPU information master plan and lay down detailed rules and methods for input and processing of information

The activities corresponding to this programme can be divided into two main projects:

i Commission a consultant specializing in documentation to make a comprehensive study of UPU documentation and on the conditions governing the exchange of correspondence and the preparation, approval and distribution of documents. Establish a computerized data base for the administrations and the International Bureau. Promote optimal use of modern office management technology.

ii Analyze, improve and facilitate internal communication procedures in the International Bureau. Improve the efficiency of the translation services, in agreement with the language groups, particularly through strict application of professional criteria at the time of recruitment, increased versatility as regards source languages, systematic use of computer equipment by translators, and better compliance with approved regulations by those requesting the translations.

Programme 6.13
Improve the system of IB human resources management

The activities corresponding to this programme can be divided into three main projects:

i Develop a continuous vocational training programme for IB staff. Commission an external consultant to identify, in consultation with the staff and management of the International Bureau, vocational training requirements, training programmes and the associated budgets.

ii Develop a system of budgetary control for work posts and a recruitment programme for fixed-term appointments.

iii Develop a system for analysis of individual performance. Commission an external consultant to develop a system for International Bureau staff grading and merit recognition and reward.

Programme 6.14
Develop legal activities in support of the various programmes

The main activities corresponding to this programme consist in making expert appraisals on the basis of the legal environment outside the Union. Seek possibilities of link-ups to other organizations' legal data bases. Study the hierarchy of international regulations, particularly regional regulations, concerning the postal services and their compatibility with the UPU Acts. Continue the work (inquiries, opinions, arbitrations) aimed at helping to settle disputes between postal administrations. Participate, from a legal standpoint, in the annual updating of the Strategic Plan.

Programme 6.15
Introduce an internal audit system in the International Bureau in coordination with the work of the external auditor

Programme 6.16
Optimize cooperation relations with United Nations system organizations, particularly the specialized agencies, and with other governmental and non-governmental organizations

The activities corresponding to this programme can be divided into two main projects:

i Ensure and improve cooperation with the UN and its working bodies, as well as with the United Nations specialized agencies in areas of common interest, through appropriate participation in programmes and in actions aimed at the entire international community.

ii Coordinate UPU cooperation and relations with non-governmental international organizations.

Programme 6.17
Strengthen dialogue and coordination with the Restricted Unions

The main activities corresponding to this programme consist in strengthening relations with the Restricted Unions, informing the Restricted Unions about the Union's accomplishments and the results of symposia, and seeking information from the Restricted Unions about their regional achievements.

Programme 6.18
Develop internal and external information activities as well as activities for promoting the UPU

The activities corresponding to this programme can be divided into five main projects:

i Organize the annual international letter-writing competition.

ii Do the work connected with World Post Day (WPD).

iii Manage production of the periodical "Union Postale".

iv Issue press releases and other useful information for the media on UPU activities.

v Supply information requested by member countries, individuals and various organizations. Organize guided tours of the UPU headquarters building.

Programme 6.19
Improve the substance and format of publications

The activities corresponding to this programme can be divided into two main projects:

i Prepare and distribute a new hard-copy edition of the "International List of Post Offices". Issue the new edition also on CD/ROM.

ii Develop operational manuals after the Seoul Congress.

Congress – Doc 74/Annex 2

Draft Financial Plan 1995-1999 – Financial analysis of the draft Strategic Plan

I. Introduction

1 Following a decision by WP 3/3, the 1994 Executive Council instructed the International Bureau to:

- provide cost estimates for all activities in the Strategic Plan approved by the Executive Council for submission to Congress;
- include those estimates in the cost projection for the five-year Financial Plan;
- ensure that the financial implications thus identified are based on cost estimates rather than on the *a priori* allocation of resources. This is to enable Congress and the new Councils to see clearly whether and to what extent the financial plans might exceed the expenditure ceilings submitted to Congress.

2 On the basis of that decision, the International Bureau made an estimate of the financial implications of the Strategic Plan.

II. Method used

3 By convention (cf Congress – Doc 19 "Director-General's report on the finances of the Union", part III, paragraph 4, pages 29, 30 and 31), the Union's activities have been broken down into three separate categories, taking account:

- of the nature of the activities;
- of the sources of financing required in budgetary and extra-budgetary terms.

i *Institutional activities* are those relating to the actual operation of the UPU, and include meetings of the Union's legislative bodies, the Senior Management of the International Bureau and support activities (staff, finance, logistics and informatics). These activities are of a permanent nature and should normally be funded through the regular budget.

ii *Essential activities* are those stemming from the Acts and the mission of the Union (cf CE 4/1994). Traditionally, the greater part of the activities of the International Bureau's Divisions II and III are in this category. Long-term essential activities should also be financed from the regular budget.

iii *Reinforcement activities* are either new activities or were recently initiated as an extension of essential activities. They are generally financed through extra-budgetary funds.

4 The costs estimate presented below is based on all the documents and information available prior to the Seoul Congress, viz:

- the Operational Plan for 1995–1999;
- the draft programme budget for 1995 (CE 1994/C 3 – Doc 6b);
- the Congress – Docs relating to the sectoral plans drawn up in the areas of technical cooperation, quality of service, EDI, etc.
- the specific contributions of the International Bureau Section Heads.

III. Financial Plan 1995–1999 and analysis of financial implications

5 The total estimated costs of the 1995–1999 Strategic Plan amount to 368.9 million CHF (73.8 million CHF a year). Obviously, it will be impossible for such a sum to be financed from the regular budget alone. It will therefore be essential for the Union to find other sources of financing.

Analysis by objective

6 The estimated costs of the Strategic Plan by objective and by year are shown hereunder. Graph 1 illustrates the cost share of each objective during the next financial period.

	1995 CHF 000	1996 CHF 000	1997 CHF 000	1998 CHF 000	1999 CHF 000	Total CHF 000	Ratio 1995–1999
Objective 1	539	611	611	611	611	2 983	1%
Objective 2	2 687	2 777	2 777	2 777	2 779	13 797	4%
Objective 3	15 459	15 939	16 071	16 244	16 443	80 156	22%
Objective 4	8 918	8 955	8 955	8 955	8 956	44 739	12%
Objective 5	15 082	15 559	15 559	15 559	15 559	77 318	21%
Objective 6	27 751	30 225	29 841	27 976	31 564	147 357	40%
Subtotal	70 436	74 066	73 814	72 122	75 912	366 350	99%
Step increases	0	260	516	749	976	2 501	1%
Grand total	70 436	74 326	74 330	72 871	76 888	368 851	100%

7 It will be noted that activities under Objective 6 mobilize 40 percent of the total resources required, ie 147.4 million CHF. This is because Objective 6 encompasses all institutional activities which are essential to the proper functioning of the Union. Furthermore, when the draft Strategic Plan was being prepared, a number of activities were identified with a view to increasing the contribution and productivity of the International Bureau (Programmes 6.10 to 6.19). Several of these programmes require selective action by consultants.

Analysis by activity

8 The costs of the Strategic Plan by activities and objectives are shown hereunder. Graphs 2 and 3 illustrate the distribution of resources between objectives and activities.

	Objective 1 CHF 000	Objective 2 CHF 000	Objective 3 CHF 000	Objective 4 CHF 000	Objective 5 CHF 000	Objective 6 CHF 000	Total CHF 000	Ratio
Institutional activities	0	0	0	0	0	111 966	111 966	30%
Essential activities	413	3 951	20 801	3 239	30 151	14 703	73 258	20%
Reinforcement activities I	0	7 262	56 376	23 376	40 251	6 951	134 216	36%
Reinforcement activities II	2 570	2 584	2 979	18 124	6 916	13 737	46 910	13%
Total	2 983	13 797	80 156	44 739	77 318	147 357	366 350	99%
						Step increase	2 500	1%
						Grand total	368 851	100%

Institutional activities

9 *Institutional activities* account for 30 percent of the total costs of the Strategic Plan, ie 112 million CHF. This is explained by the fact that they comprise:

- on the one hand, all support (logistics, informatics and legal affairs) and administrative (staff and finance) activities;
- on the other, the activities of the meetings of the legislative bodies of the Union (Congress, the new Councils). These activities come under Objective 6.

Essential activities

10 *Essential activities* account for 20 percent of all the resources required, ie 73.3 million CHF. On an annual basis, this represents a little more than 40 percent of the resources financed from the 1995 regular budget (34 145 000 CHF). Essential activities cover all current postal activities.

Reinforcement activities

11 Reinforcement activities account for approximately 50 percent of the total financial implications of the Strategic Plan, ie 181.1 million CHF. The costs of some categories of reinforcement activities are based on the Congress – Docs dealing with technical cooperation, quality of service and EDI. The Section Heads have also provided data that enable the activities relating to financial services, postal security, EMS, the market, etc, to be reliably quantified. The costs of these reinforcement activities (*Reinforcement activities I*) account for 36 percent of all estimated resources. The total cost of these activities amounts to 134 million CHF for 1995–1999. The costs of the other reinforcement activities (*Reinforcement activities II*) are estimated on the basis of information given for guidance, until such time as the Strategic, Operational and Financial plans are developed in detail. The total costs of the reinforcement activities II amount to 46.9 million CHF for the next financial period, which represents 13 percent of all the resources required.

Financial implications of the Strategic Plan and expenditure ceilings of the Union for 1996–2000

12 The table below compares the financial implications of the Strategic Plan and the adjusted expenditure ceilings* of the Union.

	Strategic Plan (A) CHF 000	1995 budget and 1996–1999 ceilings (B) CHF 000	Ratio (A/B)
1995	70 436	34 145	206%
1996	74 326	36 749	202%
1997	74 330	36 896	201%
1998	72 871	36 595	199%
1999	76 888	40 409	190%
Total	368 851	184 794	200%

* The adjusted ceilings are calculated on the basis of the gross expenditure of the 1995 budget, taking into account the expenditure for the ILPO (900 000 CHF) and the 22nd Congress (provisional estimate: 3 500 000 CHF).

13 This comparison shows that the resources required for executing the Strategic Plan account for 200 percent of the Union's expenditure ceiling proposed in Congress – Doc 19. The difference of 184.1 million CHF for the five-year period (36.8 million CHF per year) must be financed from extra-budgetary funds. Graph 4 illustrates this difference.

14 The table below and graph 5 show that the resources available within the expenditure ceilings proposed to the Seoul Congress would enable 99 percent of the institutional activities and 97 percent of the essential activities to be financed. On the other hand, financing of the reinforcement activities identified within the framework of the medium-term plans would require the marshalling of additional resources approximately equivalent to the amount of the expenditure ceiling. The amount of extra-budgetary funds made available to the Union during financial years 1991 to 1995 for carrying out certain activities is 6.8 million CHF. Nevertheless, the real value of this amount is 7.3 million CHF by comparison with the ceilings and the financial implications of the 1995–1999 Strategic Plan.

	Strategic Plan (A) CHF 000	1995 budget and 1996–1999 ceilings (B) CHF 000	Ratio (A/B)
Institutional activities	111 966	111 243	99%
Essential activities	73 258	71 050	97%
Reinforcement activities I	134 216	0	0%
Reinforcement activities II	46 910	0	0%
Step increases	2 500	2 501	100%
Total	368 851	184 794	50%

IV. Conclusions

15 As the distinction between the role of Congress and that of the Executive Council clearly illustrates (see annex 2 to Congress – Doc 19 "Director-General's report on the finances of the Union", paragraphs 1, 2 and 3), Congress should limit itself to fixing the level of expenditure during the next financial period within the budgetary and extra-budgetary frameworks, taking into account the analysis of the financial implications of the Strategic Plan given in this document. Also, and in accordance with proposal 019, Congress should delegate to the permanent bodies of the Union the task of updating the medium-term plans on the basis of the needs expressed by the member countries. This updating process, which is the subject of proposal 020, will make it possible to considerably refine the Financial Plan resulting from the Strategic and Operational Plans, and then to translate it within each body into programme budgets that include allocation of the necessary resources.

16 The essential aim of this initial estimate of the financial implications of the Strategic and Operational Plans is to highlight:

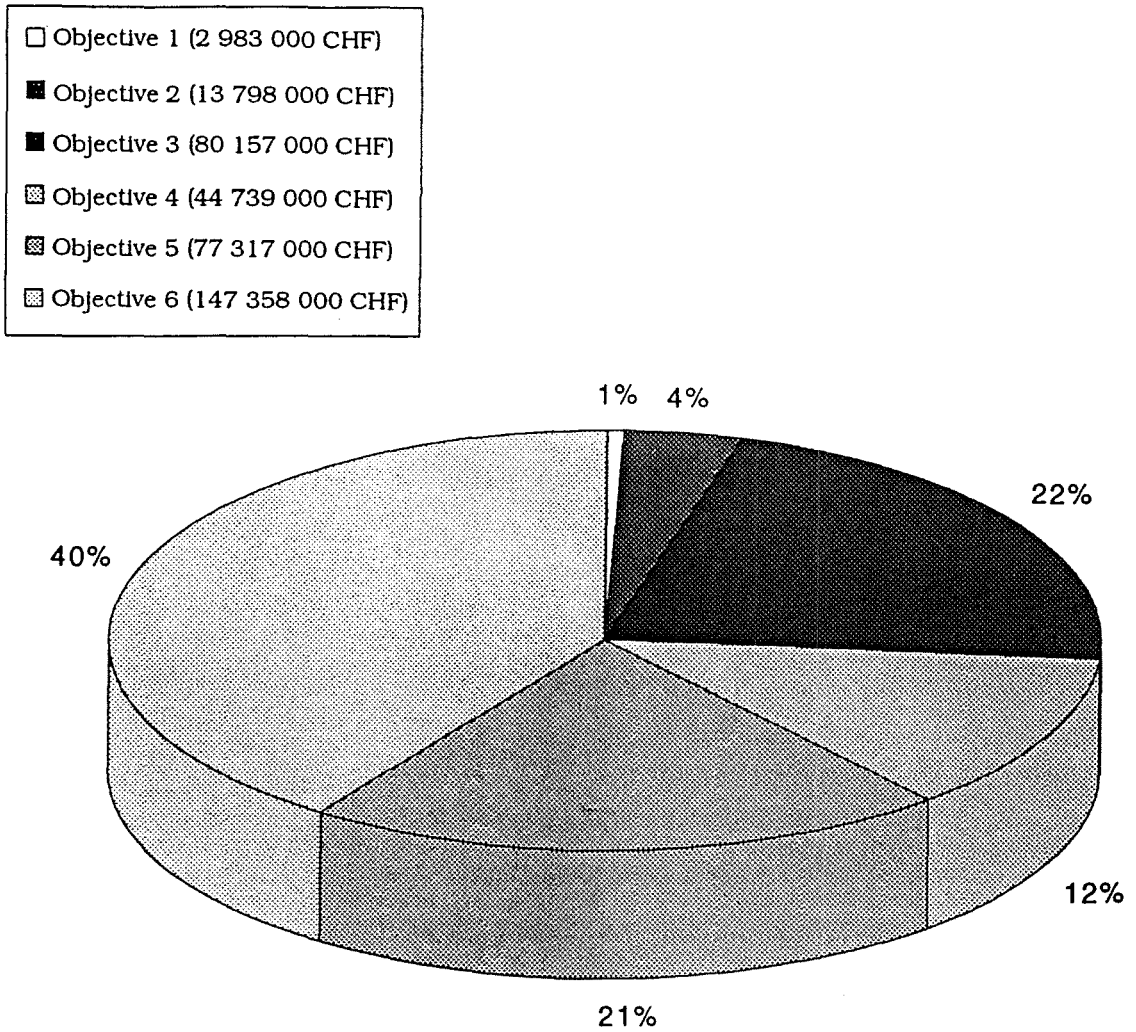
- the additional resources required in order that the Union can implement the Strategic Plan;
- the manifest need to have the corresponding extra-budgetary funds at the Union's disposal quickly.

17 Before the meetings of the Councils in 1995, it would therefore be necessary:

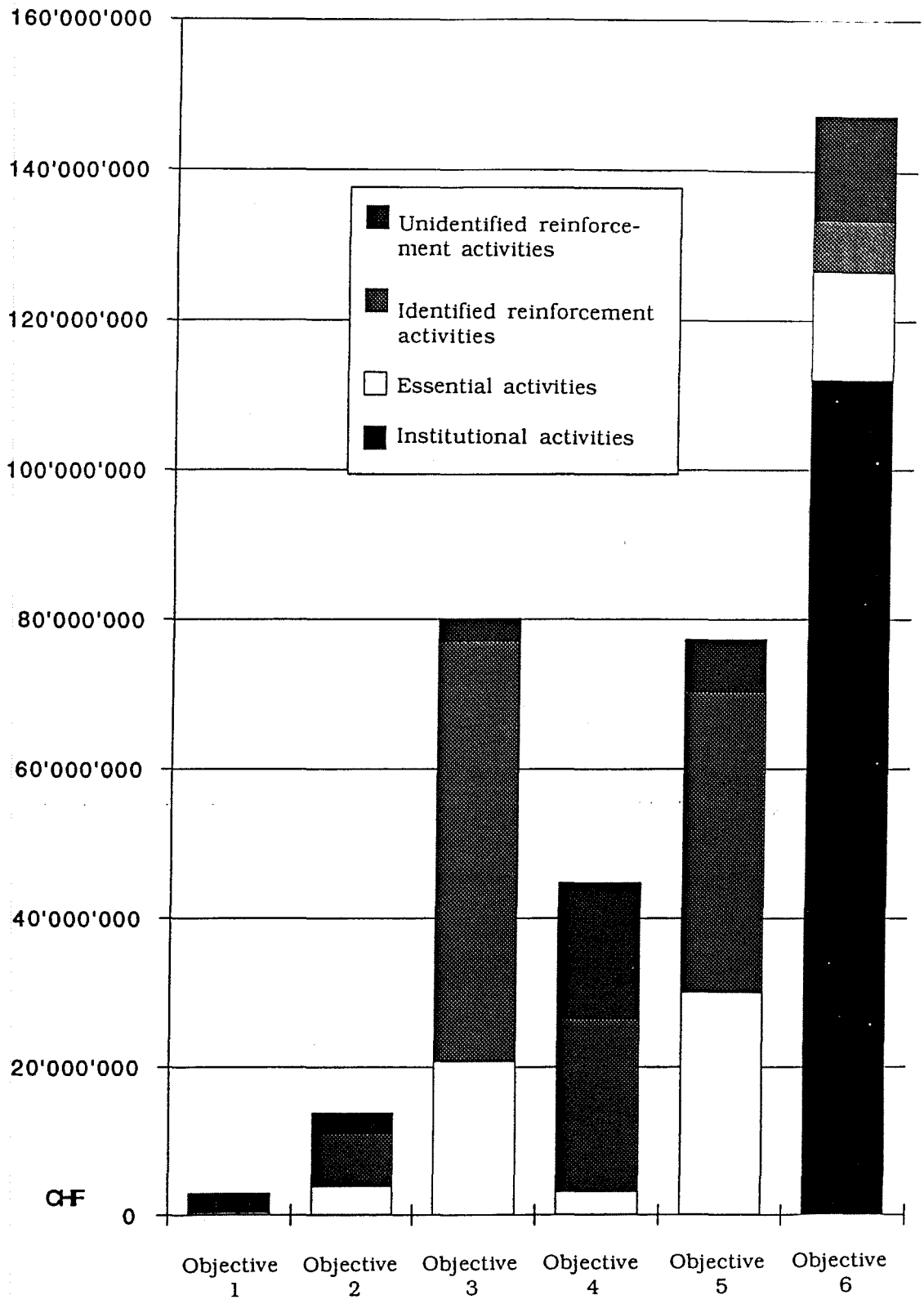
- to draw up the Operational Plan with appropriate details for all the activities of the Strategic Plan;

- to prepare detailed estimates of the costs of each programme/project/activity;
- to carry out a consultation of member countries in which they would be asked to state their priorities on the basis of the quantified programmes and their willingness to finance, by means of extra-budgetary funds, the reinforcement activities they have indicated as having priority;
- to initiate urgently the in-depth study on ways and means of extra-budgetary financing already provided for in the Strategic Plan (Programme 6.3).

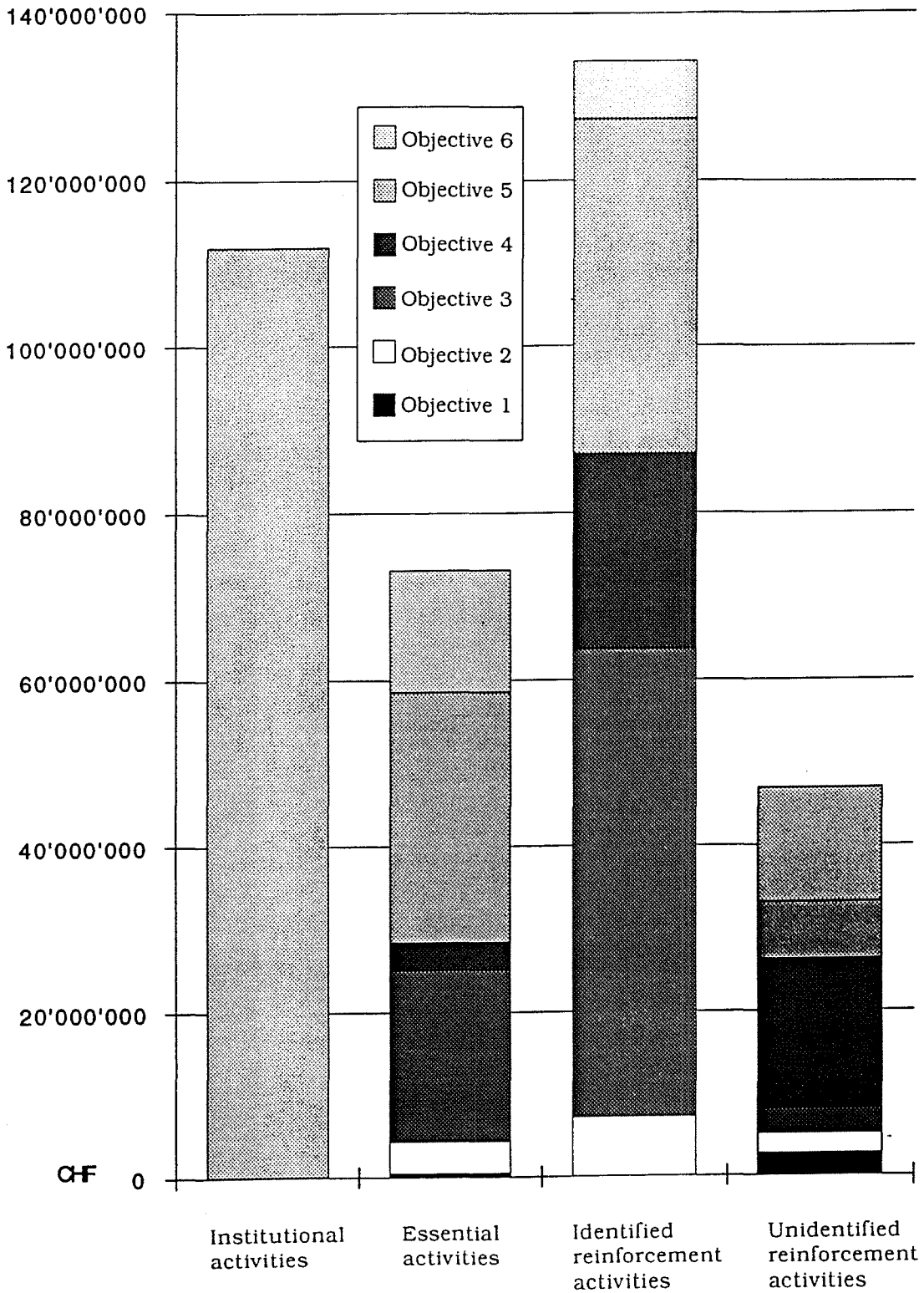
FINANCIAL PLAN 1995–1999
Costs by objective



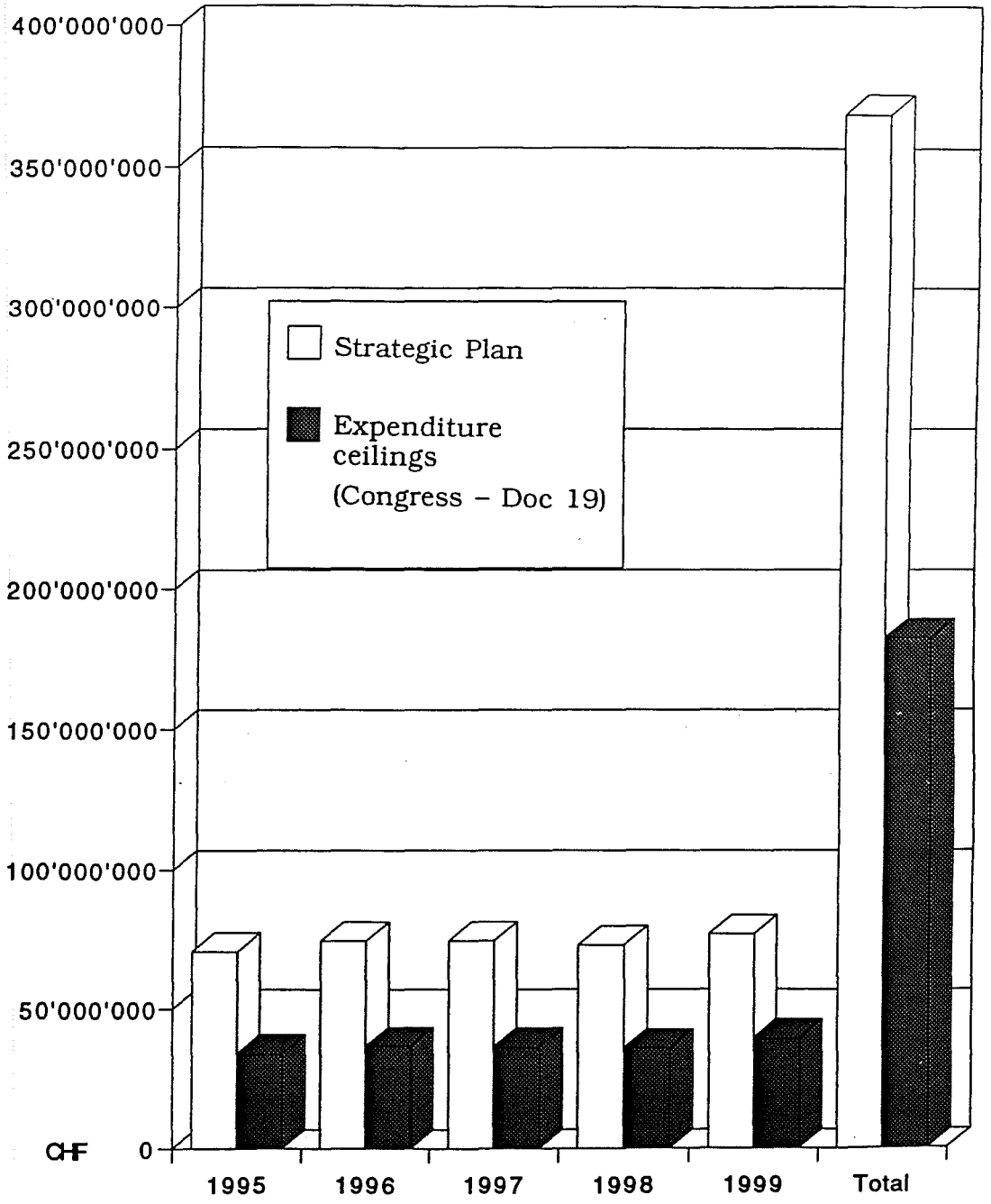
FINANCIAL PLAN 1995–1999
Costs by objective and activity



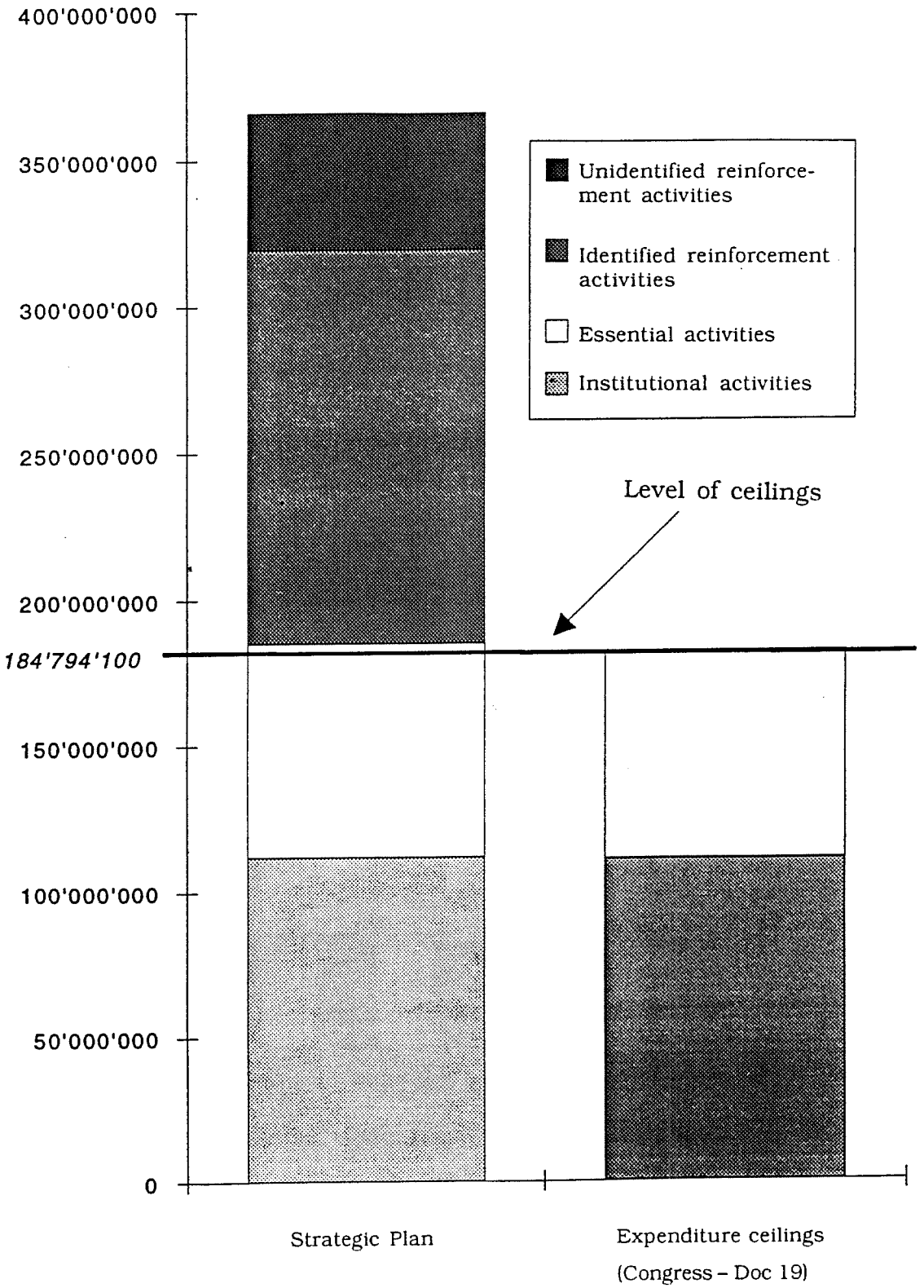
FINANCIAL PLAN 1995–1999
Costs by activity and objective



FINANCIAL PLAN 1995–1999
Comparison with the ceilings (by year)



Comparison between the costs of the Strategic Plan and the expenditure ceilings (1995–1999)



Congress – Doc 74/Annex 3

Glossary

In view of the specific nature of the terms used and the many definitions of them applied, depending on the various contexts, it seems worthwhile to provide below the definitions that have been adopted in connection with the preparation of the Union's medium-term plans.

Mission

The mission of an organization is its overall purpose or "raison d'être". In this context an organization will not normally have occasion to change the nature of its mission, but will sometimes have to update its content.

Objective

An objective defines a state or situation that the organization wishes to achieve. An organization normally sets itself from three to ten objectives, the content of which may vary from time to time in order to reflect significant changes in the organization's environment or internal structure.

Example: Improve the quality of the postal services.

Target

The target defines the precise state to be achieved by an objective by a given date. Several targets may punctuate the progress made towards achieving an objective. Each target is evaluated by means of quantitative and qualitative measurements.

Example: Delivery of 90 percent of international items in Europe within a maximum of three days from 1997.

Programme

A programme encompasses a group of separate projects whose implementation supports the achievement of an objective. Several programmes may coexist within the framework of one and the same objective.

Example: All multilateral projects in the quality of service field.

Project

A project comprises a number of specific activities that must be coordinated to optimize the coherence of their respective results. Several projects normally coexist within one and the same programme.

Example: Conduct operational audits of international sorting centres on the basis of international procedures.

Activity

An activity is a specific task forming part of a project. The sum total of the activities and their respective results ensures the finalization of a project.

Example: Prepare, transmit and analyze a questionnaire on the effectiveness of operational audits.

Strategic planning process

The series of tasks involved in devising, developing, implementing, monitoring and subsequently revising a strategic plan. As guarantors of the coherence of the various plans adopted by the organization, the strategic planning process and its specific methodology apply equally to the strategic plan itself and to the operational plan, the organizational plan, the financial plan and the cash-flow plan. The strategic planning process is ongoing.

Strategic plan

The strategic plan defines the organization's objectives on the basis of its mission, incorporating the characteristic parameters of the operating environment. It identifies problems and opportunities, examines alternative courses of action, and on this basis develops a target (or preferential) scenario consisting of a number of programmes and projects. The strategic pan normally covers a period of four to six years and is updated every year.

Operational plan

The operational plan formally describes the tasks and implementation responsibilities resulting from the programmes established by the strategic plan. The operational plan normally covers a period of 12 to 24 months and is updated quarterly.

Organizational plan

The organizational plan defines the number, nature, method of operation and responsibilities of the bodies charged with monitoring and controlling the progressive implementation of the strategic plan. The organizational plan also specifies the type of organization to be adopted by the structures responsible for executing the projects, in order to optimize their effectiveness.

Financial plan

The financial plan quantifies the resources required for implementing the strategic plan. It identifies and balances sources of finance. The financial plan generally covers a period of three to five years and is revised annually. The financial plan incorporates a cash-flow plan which is revised quarterly.

Issue

An issue is a specific internal or external parameter which characterizes the operating environment and which an organization must take into account when preparing its strategic plan. An issue is considered as being able to produce an impact on the implementation of the strategic plan. As a rule, an organization has little or no means of controlling or directing issues.

Example 1: Growing number of private courier firms operating internationally.

Example 2: Technological developments bringing abut lower operating costs for electronic mail.

Programme budget

The programme budget is a quantitative tool supporting the strategic plan. It is a formal document describing in detail all the components of each of the programmes, projects and activities identified and selected for the strategic plan. In this context, it becomes the reference document against which performance analysis is conducted. The programme budget covers a period of one to two years and is updated at the same time as the medium-term plans. The programme budget is distinct from the operational plan to the extent that it is not concerned with implementation responsibilities.

Programme structure

The programme structure is the classification framework reflecting the programmes, projects and activities identified by the strategic plan. It forms the general framework used for analytically charging all the resources consumed in implementing the programmes, projects and activities. The programme structure cannot be changed during a financial period, otherwise any comparative analysis of the results obtained from one period to another would be falsified

Performance measure

The performance measure applies equally to the objective, the target, the programme, the project and the activity. It consists of a number of quantitative and qualitative parameters established at the start of implementation of the programme, project, etc.

Example: Number of international sorting centres audited, quality of service defined by the percentage of items satisfying established standards.

Performance analysis

Performance analysis consists in assessing the progress of a programme, project or activity against pre-established performance measures, taking into account the time and resources allocated to that programme, project, etc.

Variance analysis

Variance analysis explains, and to some extent justifies, the differences revealed by performance analysis between actual performance and the operational plan. Variance analysis also makes it possible to anticipate, by projection, the future impact of an identified variance on the project or activity itself, or on connected projects and activities.

Congress – Doc 74/Add 1

Strategic Plan for 1995–1999

Addendum

Memorandum by the Secretary-General

I. Introduction

1 In accordance with Executive Council decision (decision CE 6/1994), the International Bureau prepared an estimate of the financial effects of the strategic plan which are set out in Congress – Doc 74/Annex 2 down to the level of objectives. This addendum is designed to provide a more detailed analysis of costs down to programme level, with provisional allocation of programme implementation among the permanent bodies of the Union.

2 Annex 1 contains a table of the objectives and programmes of the Strategic Plan, with a provisional indication of the permanent body of the Union likely to be responsible for their implementation.

3 Annex 2 sets out the approximate costs for each programme, broken down by type of activity in accordance with the classification of activities described in paragraph 3 of the draft financial plan (Congress – Doc 74/Annex 2).

II. Assumptions

4 The provisional allocation of programmes (annex 1) is based on the results of work session No 5 of the Strategic Planning Forum in which the Chairmen and Vice-Chairmen of the EC and the CCPS participated together with the Chairmen of the Committees of these bodies and the Management of the International Bureau.

5 It should be noted that indirect costs (or management costs) have been included only in the estimate of costs for category II reinforcement activities. If similar management costs were necessary for implementation of category I reinforcement activities, they would total 35 million Swiss francs.

III. Conclusion

6 Congress is asked to note the provisional allocation of responsibilities and the estimated costs for strategic plan programmes set out in the annexes to this document. As explained in the draft financial plan (Congress – Doc 74/Annex 2) the estimated costs will form the basis for a programme budget to be submitted to the Council of Administration and the Postal Operations Council. For this purpose these initial estimates will be considerably refined on the basis of specific operational plans for each programme, project and activity. These operational plans will

specify the nature, content and duration of each activity, and the resources to be allocated over the required period.

Seoul, 1 September 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 74/Add 1/Annex 1

Title	Bodies
Objective 1 **Ensure application of the principle of a single postal territory**	
Programme 1.1 Facilitate freedom of transit for international postal items.	CA/IB
Programme 1.2 Study the influence of developments in the legal and regulatory environment on the manner in which member countries fulfil their obligations relating to the single postal territory principle.	CA/IB
Programme 1.3 Study and analyze significant trends in the technological and marketing fields insofar as those trends might affect the obligations of member countries in regard to the single postal territory concept, and take all necessary measures for this analysis to reinforce the single postal territory principle.	CA/IB
Programme 1.4 Study the relationships between the General Agreement on Trade in Services (GATS) and other similar agreements concluded within the framework of NAFTA, the EU, APEC, etc, and the notion of free circulation of postal items contained in the Acts of the Union.	CA/IB
Objective 2 **Establish equitable and market-sensitive remuneration arrangements between administrations**	
Programme 2.1 Establish equitable and market-sensitive terminal dues and transit charges arrangements.	CA/POC/IB
Programme 2.2 Establish equitable and market-sensitive arrangements for payment of parcel-post inward land rates and transit charges.	CA/POC/IB
Programme 2.3 Design models for equitable and market-sensitive EMS reimbursement arrangements between administrations.	CA/POC/IB
Programme 2.4 Improve inter-administration remuneration arrangements for the postal financial services.	CA/POC/IB
Programme 2.5 Improve inter-administration remuneration arrangements for the other value-added services (IBRS, for example), in accordance with possible Congress decisions.	CA/POC/IB

Title	Bodies
Programme 2.6 Develop and improve inter-administration reimbursement arrangements for surface and air conveyance costs.	CA/POC/IB
Programme 2.7 Improve statistical systems for measuring mail flows between countries to better support terminal dues, transit charges and other payments, and to support better cost analyses.	CA/POC/IB
Programme 2.8 Modernize accounting methods, particularly through computerized means.	CA/POC/IB
Objective 3 **Help member countries to improve operations and quality of service**	
Programme 3.1 Define and update service quality policies and standards.	POC/IB
Programme 3.2 Develop and improve the traffic monitoring programme, including office of exchange audits.	POC/IB
Programme 3.3 Continue the study of the international postal network.	POC/IB
Programme 3.4 Promote the qualitatively equitable handling of national and international postal items and set up suitable monitoring systems.	POC/IB
Programme 3.5 Design and set up a track and trace system for individual items and mails such as EMS items, postal parcels, registered mail and insured items, express items, mailbags and containers.	POC/IB
Programme 3.6 Develop EDI activities.	POC/IB
Programme 3.7 Improve and simplify customs procedures to optimize the free flow of mail and the quality of service, identify customs-related problems and request the cooperation of postal administrations in this field.	POC/IB
Programme 3.8 Improve the security of mail at all stages of handling and at airports and seaports in particular.	POC/IB
Programme 3.9 Formulate policies, guidelines and procedures of universal scope for protection of the environment, to be implemented in postal services.	POC/IB
Programme 3.10 Help postal administrations to improve the operation of EMS and electronic mail services as well as other high-speed and/or time-certain delivery services.	POC/IB

Title	Bodies
Objective 4 **Facilitate the identification of customer needs for international postal services and the adoption of appropriate responses**	
Programme 4.1 Provide support to administrations in planning and undertaking market research and analysis and using information drawn from market research studies.	POC/IB
Programme 4.2 Develop a centralized and accessible market information system.	POC/IB
Programme 4.3 Facilitate the adoption and implementation of service policies and practices in response to customer needs.	POC/IB
Programme 4.4 Encourage/promote the adoption of customer relations programmes based on best existing practices.	POC/IB
Programme 4.5 Contribute to the development of philately.	POC/IB
Programme 4.6 Organize relations with other parties that speak for postal customers.	POC/IB
Objective 5 **Strengthen and modernize postal structures and operating methods**	
Programme 5.1 Promote increased autonomy and management independence and provide effective assistance to administrations wishing it, taking into account the effects identified as part of an analysis of developments in the legal and regulatory environment (Programme 1.2).	POC/IB
Programme 5.2 Promote the most efficient modern management techniques in the areas of finance, medium- and long-range planning, and operational control.	POC/IB
Programme 5.3 Encourage and help postal administrations to carry out research and development activities and to adopt appropriate technologies.	POC/IB
Programme 5.4 Promote and develop the most efficient technical assistance systems.	POC/IB
Programme 5.5 Use postal development as a means of modernizing postal structures and increasing their competitiveness.	POC/IB
Programme 5.6 Contribute to compliance with and the effective application of the provisions laid down in the Acts.	CA/POC/IB

Title	Bodies
Objective 6 **Improve the operating processes of the UPU bodies**	
Programme 6.1 Conduct strategic planning and programme budgeting.	CA/POC/IB
Programme 6.2 Monitor implementation of Congress decisions, more particularly those contained in the Seoul Postal Strategy.	CA/POC/IB
Programme 6.3 Conduct an in-depth analysis of the Union's various financing options.	CA/POC/IB
Programme 6.4 Pursue the study on improving the management of the Union's work and continue to streamline organizational structures and decision-making processes.	CA/POC/IB
Programme 6.5 Carry out, in accordance with the provisions of the Acts, the management functions of the International Bureau.	IB
Programme 6.6 Carry out the administrative management functions inherent in the International Bureau, in particular: – administrative management of staff; – Union accounting and budgetary management.	IB
Programme 6.7 Manage technical cooperation.	IB
Programme 6.8 Provide the support needed to carry out Union activities to which the International Bureau contributes, in particular: – informatics support; – logistical support, consisting of, among other things: • production of documents (word processing, desktop publishing, reproduction); • language services (translation, interpretation); • documentation (library, archives, printed matter); • communications (mail, telecommunications); • maintenance of building and equipment.	IB
Programme 6.9 Provide secretariat services for Union meetings.	IB
Programme 6.10 Improve the management of the International Bureau to make it more effective and to increase its contribution.	IB

Title	Bodies
Programme 6.11 Continue optimizing activities under implementation of the regional technical cooperation objectives and programmes.	POC/IB
Programme 6.12 Design the UPU information master plan and lay down detailed rules and methods for input and processing of information.	
Programme 6.13 Improve the system of IB human resources management.	IB
Programme 6.14 Develop legal activities in support of the various programmes.	IB
Programme 6.15 Introduce an internal audit system in the International Bureau in coordination with the work of the external auditor.	IB
Programme 6.16 Optimize cooperation relations with United Nations system organizations, particularly the specialized agencies, and with other governmental and non-governmental organizations.	CA/POC/IB
Programme 6.17 Strengthen dialogue and coordination with the Restricted Unions.	CA/POC/IB
Programme 6.18 Develop internal and external information activities as well as activities for promoting the UPU.	CA/POC/IB
Programme 6.19 Improve the substance and format of publications.	IB

Congress – Doc 74/Add 1/Annex 2

Cost of activities (1995–1999)					
(by programme and by activity)					
Objective 1	Total activities	*Essential activities*	*Institutional activities*	*Reinforcement activities I*	*Reinforcement activities II*
	CHF 000	*CHF 000*	*CHF 000*	*CHF 000*	*CHF 000*
Programme 1.1	1 112.0				*1 112.0*
Programme 1.2	1 112.0				*1 112.0*
Programme 1.3	412.0	*412.0*			
Programme 1.4	345.9				*345.9*
Sundry	0.9	*0.9*			
Objective 1	2 982.7	*412.9*	*0.0*	*0.0*	*2 569.8*
Objective 2					
Programme 2.1	1 174.5	*654.5*		*520.0*	
Programme 2.2	411.5	*411.5*			
Programme 2.3	654.0	*654.0*			
Programme 2.4	325.0	*325.0*			
Programme 2.5	528.0	*528.0*			
Programme 2.6	216.5	*216.5*			
Programme 2.7	4 319.1	*485.5*		*3 373.7*	*459.9*
Programme 2.8	6 160.0	*666.5*		*3 368.5*	*2 125.0*
Sundry	9.4	*9.4*			
Objective 2	13 798.0	*3 950.9*	*0.0*	*7 262.2*	*2 584.9*

Objective 3	Total activities CHF 000	*Essential activities CHF 000*	*Institutional activities CHF 000*	*Reinforcement activities I CHF 000*	*Reinforcement activities II CHF 000*
Programme 3.1	2 887.7	*1 796.0*		*400.0*	*691.7*
Programme 3.2	17 773.5	*7 833.0*		*9 199.0*	*741.5*
Programme 3.3	1 429.0	*1 213.0*		*216.0*	
Programme 3.4	740.9				*740.9*
Programme 3.5	7 734.0			*7 734.0*	
Programme 3.6	34 297.5	*6 535.5*		*27 762.0*	
Programme 3.7	1 066.0	*1 066.0*			
Programme 3.8	9 576.0	*1 530.0*		*8 046.0*	
Programme 3.9	1 062.9	*670.0*		*47.0*	*345.9*
Programme 3.10	3 539.4	*108.0*		*2 971.5*	*459.9*
Sundry	49.6	*49.6*			
Objective 3	80 156.5	*20 801.1*	*0.0*	*56 375.5*	*2 979.9*
Objective 4					
Programme 4.1	9 609.0	*1 766.0*		*7 843.0*	
Programme 4.2	2 174.8				*2 174.8*
Programme 4.3	20 060.7			*7 593.0*	*12 467.7*
Programme 4.4	10 977.5	*481.0*		*7 455.5*	*3 041.0*
Programme 4.5	1 469.0	*984.2*		*484.8*	
Programme 4.6	440.4				*440.4*
Sundry	7.6	*7.6*			
Objective 4	44 738.9	*3 238.8*	*0.0*	*23 376.3*	*18 123.8*
Objective 5					
Programme 5.1	18 404.7	*3 900.1*		*13 417.2*	*1 087.4*
Programme 5.2	17 317.3	*3 900.1*		*13 417.2*	
Programme 5.3	4 642.1	*3 900.6*			*741.5*
Programme 5.4	17 317.6	*3 900.6*		*13 417.0*	
Programme 5.5	15 095.8	*10 583.7*			*4 512.1*
Programme 5.6	4 473.9	*3 900.6*			*573.3*
Sundry	65.3	*65.3*			
Objective 5	77 316.7	*30 151.0*	*0.0*	*40 251.4*	*6 914.3*

Objective 6	Total activities CHF 000		*Essential activities CHF 000*	*Institutional activities CHF 000*	*Reinforcement activities I CHF 000*	*Reinforcement activities II CHF 000*
Programme 6.1	4 869.9		*2 093.0*		*1 294.5*	*1 482.4*
Programme 6.2	1 482.4					*1 482.4*
Programme 6.3	296.5			*296.5*		
Programme 6.4	3 100.2					*3 100.2*
Programme 6.5	11 704.2			*11 704.2*		
Programme 6.6	25 326.1			*25 326.1*		
Programme 6.7	6 451.0			*6 451.0*		*0.0*
Programme 6.8	59 556.0		*390.0*	*55 310.2*	*3 855.8*	*0.0*
Programme 6.9	10 862.7		*1 969.5*	*8 893.2*		*0.0*
Programme 6.10	1 068.8			*621.5*		*447.3*
Programme 6.11	1 139.0					*1 139.0*
Programme 6.12	1 551.9				*210.0*	*1 341.9*
Programme 6.13	1 831.3				*250.0*	*1 581.3*
Programme 6.14	4 813.4			*2 144.5*	*939.5*	*1 729.4*
Programme 6.15	475.0			*475.0*		
Programme 6.16	995.1		*253.6*			*741.5*
Programme 6.17	1 435.7			*744.0*		*691.7*
Programme 6.18	5 105.0		*5 105.0*			
Programme 6.19	3 155.0		*3 130.0*		*25.0*	
Other activities and sundry	2 138.3		*1 762.2*		*376.1*	
Objective 6	147 357.6		*14 703.3*	*111 966.2*	*6 950.9*	*13 737.2*
Objectives 1–6	366 350.3		*73 258.0*	*111 966.2*	*134 216.3*	*46 909.8*
Step increases	2 500.3					
TOTAL GENERAL	368 850.6					

Congress – Doc 75a

Comprehensive report on the work of the Electronic Transmission Standards Group (ETSG)

Executive Council and Consultative Council for Postal Studies report

I. Introduction

1 This document is a report on the activities of the ETSG since the 1989 Washington Congress. It aims to provide the members of the 1994 Seoul Congress with an overview of the ETSG's achievements over the past five years.

II. Background

2 Prior to the Washington Congress, the UPU's activities in the field of standardization and bar codes were led by several CCPS Working Parties. These activities culminated in the CCPS recommendations put to the 1989 Congress in Congress – Doc 67. Doc 67 explained the importance of a standardized numbering and coding system as well as the benefits of bar codes. Doc 67 was adopted by the 1989 Congress.

3 The 1989 Congress took several other decisions relating to EDI issues, such as recommendation C 36 on the use of EDIFACT. Furthermore, the Washington General Action Plan recognized the need to introduce the use of telematics for the tracking of mail. Moreover, the ETSG's aim meets the objectives of the Washington General Action Plan whereby all actions must be based above all on the following two essential principles; namely, meeting the needs of customers and improving the quality of service. The introduction of EDI is a powerful tool towards improved postal operations and procedures and ultimately leads its users to greater quality of service.

4 Prior to the 1989 Congress, the 1988 CCPS had already established the Electronic Transmission Standards Group which held its first meeting in 1989. The ETSG was created as a response to the need for standards recognized by the UPU. The duties and methods of the ETSG, a joint EC–CCPS Group for work on telematics, were set out in resolution C 10/1990 and the 1990 CCPS ratified the conversion of the ETSG into the first joint EC–CCPS Group. Furthermore, the ETSG also became responsible for the tasks previously allocated to CCPS Committee 4 – study 742 and study 743 on coding and telematics.

5 The ETSG, chaired by Great Britain, was deliberately created from a limited number of countries in order to make it easier to meet, work and take decisions in a quick and flexible manner, as requested by the Executive Council and the CCPS. ETSG members are Canada, France, Germany, Great Britain, Ireland, Japan, Netherlands, Sweden, United States of America. Official ETSG observers are Australia, Denmark, Finland, New Zealand, Portugal, Switzerland, IPC (UNIPOST) and PUASP. More recently, Korea (Rep) and China (People's Rep) have also requested and been granted observer status. Belgium was also an initial member whose input on customs issues was particularly valuable. Although principally made up of relatively technologically advanced countries, ETSG members and official observers represent a balanced geographic spectrum of the UPU. Since the establishment of the ETSG, the International Bureau of the UPU has provided the necessary administrative support.

III. Standardization

6 Standards provide the fundamental structure necessary in an EDI environment. Electronic Data Interchange, EDI, requires a whole system of standards to cover all aspects of constructing and communicating business transactions. The ETSG has focussed many of its activities to the essential issue of standardization in the field of telematics, as the necessary cornerstone towards the implementation of postal EDI links. Once it had been established, the ETSG agreed to concentrate on the following major questions; namely, the definition of a statement of user requirements for international data transmission; the definition of measures to be taken to introduce international data transmission; the compatibility of bar codes and printing standards.

User requirements

7 The ETSG agreed that in order to bring telematic developments to the UPU, it should avoid the mistake of simply adopting computerized versions of existing mail procedures. The ETSG decided to start by specifying precisely what type of information should be exchanged by EDI means.

8 In order to carry out this activity with even greater efficiency and expertise, the ETSG sought the assistance of external consultants with previous experience of international EDI projects. ETSG members provided the necessary funds to finance the use of GMO, a firm of external consultants.

9 Small sub-groups were also created to focus on the definition of specific user requirements such as accounting, Customs and to initiate discussions on EDI links with IATA.

10 As a result, in 1991 the ETSG was able to produce the "Statement of User Requirements for International Letters, Parcels and EMS Services". This comprehensive document analyzed the principal operational information flows which are necessary for the exchange of international mail. This Statement of User Requirements was approved by the EC and the CCPS and UPU members were strongly encouraged to use this baseline document as a non-technical standard which should be referred to in all international postal EDI initiatives, as it forms the basis for the development of messages.

Standards procedure

11 The ETSG also recognized the need for a formal procedure for the establishment of standards. Consequently, in 1992 a procedure was devised by the ETSG under the leadership of the International Bureau and submitted to the 1992 CCPS.

12 Candidate standards must be processed through the different stages of the agreed procedure in order to ensure a uniform approach in the implementation of UPU standards.

13 To date, message and bar code standards at varying levels of development have already been granted appropriate status through the UPU procedure.

Standard messages

14 Work on the definition of common EDI message standards was started in 1991 by a small sub-group of the ETSG. However, this small group of postal experts was reconstituted in 1992 to include representatives of all current EDI initiatives and it became the ETSG Coding and Messaging Group. The Group comprises Canada, Great Britain, Netherlands, Sweden and the United States of America. France represents the CAPE project. Finland also participates at present as a special observer. IPC (UNIPOST) provides specialist technical support. The EDI Development Unit also gives technical and secretariat support.

15 The Coding and Messaging Group is a permanent Working Group, under the responsibility of the ETSG, authorized to define and develop common coding and EDIFACT message standards

required to support EDI initiatives within the postal world based on the User Requirements already defined by the ETSG.

16 To date, the ETSG Coding and Messaging Group has achieved the following results concerning the development of common EDI standard messages for use by all postal administrations wishing to participate in international postal EDI:

- The development of codes and messages in EDIFACT format for two sets of messages to be used in the exchange of international mail. These EDI messages – PREDES, PRECON, RESDES and RESCON – concern the exchange of mail receptacles (trays, bags and containers) used for all mail categories including letters, parcels and EMS. They allow the pre-advice of dispatches and consignments between offices of exchange and airmail units and corresponding responses by the receiving administration. They are the electronic equivalents to the AV 7 and C 12. These messages allow for more effective measurement of quality of service as well as measurement of operational performance. Version 1 of PREDES, RESDES, PRECON and RESCON have been granted status 1 according to the Standards Procedure and they are fully documented in the ETSG Message Development Guide.
- The PRECON message is used for the pre-advice of consignments. A consignment is made up of groups of dispatches of a particular mail category, using a common transport at a specific time. PRECON contains data on date and time, transport information such as flight number, and the weight and total number of receptacles in the whole consignment. The message is sent ahead of the mail, as the equivalent of an AV 7, from offices of exchange and airmail units in the country of origin to OEs or AMUs in the country of destination. It allows the automatic checking-in of mail by the receiving administration.
- The PREDES message is used for the pre-advice of dispatches. It contains data on date and time, total number of receptacles and their individual identifier and weight, as well as origin and destination locations. The message is sent ahead of the mail, as the equivalent of a C12, from the office of exchange in the country of origin to the office of exchange in the country of destination. It also provides planning information for the receiving administration.
- The RESCON and RESDES messages are responses to the PRECON and PREDES respectively. They are both triggered automatically by the scanning of bar-coded bag labels upon receipt. RESCON provides confirmation of consignment receipt or exceptions. RESDES provides confirmation of receptacle receipt or exceptions. The data contained in RESCON enables the sending administration to check the movement of its mail, as well as carrier performance, by comparing the time of departure from origin location to the time when the mail is reported as received at its destination.
- The above messages have already been tested by four administrations and are now being exchanged for the pre-advice of live letter mail by France, Germany, Great Britain and Ireland in the context of the CAPE project. Furthermore, PREDES is also being exchanged between Canada, Finland, France and Sweden as part of the IPTIM project.
- The CARDIT message for the exchange of information between postal administrations and carriers has been developed and documented. CARDIT has been granted status 0 and is available for testing by interested parties.
- Further work has been carried out at item level to develop PREDES version 2. This message has been given status 0 according to the Standards Procedure. Sweden and Finland plan to test it in exchanges in 1994.
- Work is currently going ahead concerning messages for item-based tracking. These messages are in the final stages of production.

Bar code standards

17 Furthermore, standardization activities have also been focussed on the issue of bar codes. Until 1988, the UPU had one bar code standard. Recommendation CCEP 1/1988 provided a

standard for a 13-character bar code using Code 39 for the identification of mail receptacles and items.

18 The ETSG submitted an amendment to this recommendation in 1990 which then became recommendation CCEP 1/1988/Rev 1990. This represents a UPU bar code standard for a 13-character static bar code using Code 39 for receptacles and items.

19 The ETSG Coding and Messaging has carried out further work on bar code standardization and results can be summarized as follows:

- recommendation CCEP 1/1988/Rev 1990: 13-character static bar code, symbology 39 for receptacles and items;
- proposal for a 29-character dynamic bar code with symbology 128 for receptacles. Granted status 1 and approved by 1993 CCPS. In use by several administrations involved in live EDI exchanges;
- proposal for the option to use the 13-character static bar code with symbology 128. This proposal is being examined by the ETSG Coding and Messaging Group;
- administrations participating in the live CAPE EDI Project have been demonstrating that the use of the standard 13-character bar code is compatible with that of the standard 29-character bar code.

20 The ETSG Coding and Messaging Group has carried out several other activities since its creation. A coding structure has been defined for offices of exchange; a comprehensive Message Development Guide has been published containing the necessary information of existing messages, data models and data elements; standardized definitions have been agreed for mail classes, categories, etc. All these elements are essential to the implementation of EDI.

21 The ETSG has effectively laid the solid foundations necessary in the field of standardization in order to provide important reference tools for all administrations wishing to participate in EDI activities. At each stage of this standardization process, the ETSG has sought and obtained the approval of the CCPS or the Executive Council.

IV. EDI initiatives

22 There are currently two EDI initiatives based on the standardization work carried out by the ETSG in a live operational environment.

23 In the context of the IPTIM Project, the postal administrations of Canada, Finland, France and Sweden are now operational, sending pre-advice information electronically to each other for international mail dispatches.

24 In the context of the CAPE Project, the postal administrations of France, Germany, Great Britain and Ireland are interconnected through a national gateway system allowing them to exchange operational data on consignment and dispatches of airmail. Furthermore, these countries are linked to a central quality management information system allowing the automatic monitoring of international quality of service. Denmark and Portugal will be operational in 1994.

25 Both CAPE and IPTIM participants use the messages, codes and bar code standards defined by the ETSG and will provide important feedback on their experience of postal EDI.

V. Management issues

26 The ETSG has also focussed its attention on the management issues surrounding the introduction of EDI in the international postal community, having recognized the need for a common and coordinated approach. The ETSG also wished to address the importance of speeding up the use of EDI by all postal administrations and particularly by developing countries.

27 In 1992, the ETSG submitted the first UPU EDI Business Plan to the Executive Council, having already submitted its outline to the 1992 CCPS. This extensive document aimed to provide valuable background material as well as steps needed to be taken in order to develop and expand the use of Electronic Data Interchange (EDI) by postal administrations at all technological levels. The UPU EDI Business Plan, and its subsequent update presented to the 1992 CCPS, effectively contained detailed information concerning telematics activities within the UPU and the ETSG's objectives for the future.

28 In a further effort to communicate the need for a coordinated approach to the introduction of EDI, the ETSG produced a video in French and in English. This video entitled "EDI within the UPU" was first shown at the 1991 CCPS. Copies were distributed to all UPU members.

29 Having identified the need for a more permanent management structure, the ETSG sought the advice of external consultants in 1991 and again in 1992 to assist in the definition of an appropriate management strategy. With the wider support of the UPU and financial assistance from the UPU budget, the ETSG carried out an extensive study on the various management options available to the UPU. The ETSG submitted its proposal to the 1992 Executive Council and received approval to go ahead on the basis of the report produced by Arthur D Little Consultants.

30 Arthur D Little recommended the establishment of an EDI Unit within the UPU. This Unit would in the first instance be staffed with two highly qualified full-time managers with the appropriate administrative support from the International Bureau.

31 The creation of a specialized EDI Development Unit represented a major new concept within the UPU's history and was the result of thorough examinations and preparation on the ETSG's part. Having identified the need to invest in full-time, expert resources in order to progress postal EDI particularly for the benefit of developing countries, the ETSG worked in close collaboration with the International Bureau and in early 1993, two posts were filled externally. In early 1993, the International Bureau's EDI Development Unit was in place with the Head of EDI Development, a Technical Liaison Manager, data analysts and support staff.

32 The establishment of a specialized EDI Unit at the International Bureau has proved a major milestone in the activities of the ETSG. A permanent structure is now in place to assist the UPU towards as wide an implementation of telematics as possible. Since its establishment, the EDI Unit has made considerable progress towards the development of telematic services. The EDI Unit will present a separate report on its activities since its creation and on its plans for taking the UPU into a post-Congress future.

VI. Conclusions

33 The ETSG has continued to focus its activities on progressing standardization issues for the benefit of all users, actual and potential. It continues to represent an essential opportunity for user input into the development of services to match the requirements of postal administrations.

34 The ETSG Coding and Messaging Group has achieved a considerable amount of work and still has many important tasks to complete.

35 Undoubtedly, the establishment of a specialized EDI Unit at the International Bureau raises the possibility of re-examining relationships and roles within the UPU concerning the field of

telematics responsibilities. It remains for Congress to assess the activities of the joint EC–CCPS Group created in 1988 to deal with telematics issues in light of more recent developments and to provide guidance on how to proceed in the best interests of all UPU members.

36 The 1994 Congress is invited to note the activities and achievements of the Electronic Transmission Standards Group:

- work on the standardization of messages, codes and bar codes has led to the definition of standard messages and bar codes;
- essential baseline documents, such as the Statement of User Requirements and the Message Development Guide, have been produced to support EDI developments worldwide;
- the exchange of live EDI messages is currently taking part between a number of UPU member administrations;
- a management strategy was defined and led to the implementation of the first specialized Unit at the International bureau to spearhead EDI developments for the benefit of all UPU members.

Berne, 27 April 1994

For the Executive Council:

T E LEAVEY

Chairman

For the Consultative Council for Postal Studies:

B P BOUTENKO

Chairman

Congress – Doc 75b

UPU activities in the field of EDI 1995–1999

Executive Council report

Introduction

1 Telematics are becoming a critical facilitating factor in postal operations and postal marketing activities. The major investments made by the postal sector's competitors in the technologies of telecommunications and information processing are clear indicators of the strategic significance of these technologies and their contribution towards controlling, improving and expanding the business operations of all the players in the postal market.

2 The 1989 Washington Congress stressed the importance of Information Technology and Information Systems to the postal business. Specific objectives were defined in the Washington General Action Plan, for example:

- Strengthen and develop technical cooperation. Set up an integrated network for exchange of information by telematics (Objective F.3 and Action F.3.1).
- Modernize operational systems and develop telematics applications (Objective C.3 and Action C.3.2).

3 The UPU has, through the work of the Electronic Transmission Standards Group (ETSG) since 1989 and through the International Bureau's EDI Development Unit since early 1993, been active in creating the appropriate structures to help postal administrations achieve these objectives. By focussing the activities of the newly created EDI Development Unit on Postal Telematics and instructing it to take on an active role in evaluating, implementing and making these new technologies available to all interested postal administrations, the UPU has indicated its responsiveness to the initiatives and directions a great deal of its member postal administrations wish to take.

4 The initial success of the UPU Telematics Project, first presented to the Executive Council in 1993, brought out the need to consolidate and expand that initiative. By the 1994 UPU Seoul Congress, this Telematics Project will be well into its second year. Since its inception in February 1993, its strategic importance as the information network of all postal administrations has become increasingly evident. This is demonstrated by the wide recognition of its value by a large majority of member countries and by its contribution towards reducing the technological gap between postal administrations and their competitors on a global level.

5 It is essential to realize that the principle of cooperation, through the UPU, in the technical domain represents a significant strategic advantage for postal administrations both on an individual as well as on a collective basis. This cooperation already exists within the postal world in the areas associated with the traditional/core business. It should be fostered in the technological areas as well. Common products and centralized management in specific areas will not only lead to sizeable economies of scales, but will also allow postal administrations to focus on new strategic commercial opportunities.

6 With the UPU acting as a natural global supplier of Post-to-Post telematic products and services, significant advances can be made in:

- improving means of communications between postal administrations;
- enhancing the quality of service of the core business on the global level;
- facilitating the creation of new products and expanding existing ones.

7 A clear distinction, therefore, must be made between centrally provided Post-to-Post telematics products and services (applications, know-how, network services, etc), which can be provided by the UPU to all postal administrations on an equal basis, and Post-to-Customer products and services, covering both traditional physical delivery activities and new telematic services, which are clearly matters for the postal administrations themselves to deal with on a national, regional, and/or international level. Since UPU activity in the telematics field is confined to making services available between postal administrations, its telematics products and services must not be seen as commercial products. It is understood that these services, whose primary objective is to allow postal administrations to improve their own business operation, must be provided at cost.

8 The successful implementation and continued operation of the UPU telematics project will depend on a number of requirements:

- agreement on the project objectives;
- provision of financing to cover the costs of development, implementation and ongoing support of the project;
- establishment of an appropriate structure to manage the activities in the most efficient manner and ensure the long term validity of the project.

9 The broad objectives of the project were approved by the Executive Council and the CCPS in 1993. They were described in detail in the annex to circular letter No 4750(EDI)1761 of 7 October 1993 sent by the International Bureau to all postal administrations. The purpose of this document is to present to Congress an overview of achievements to date and of plans for the project covering the period 1995–1999, as well as an estimate of the project costs and revenue during the same period.

10 Lastly, this document also contains a number of recommendations on financing needed to cover those costs and on a possible structure to manage, operate and ensure the long term viability of these products and services, thus meeting the global needs of UPU members in the postal telematics area.

II. Preparing the future

11 The EDI Development Unit concept, and later its creation, is the direct result of the work performed by the ETSG and the International Bureau, with the assistance received through two studies conducted by outside consultants.[1] As the result of the ETSG recommendations, the Executive Council, at its 1992 session, decided to create an EDI Unit within the International Bureau designed to facilitate the development and implementation of systems allowing the electronic exchange of information between postal administrations (CE 1992 – Doc 10 and CE 1992 – PV 5). In February 1993, the EDI Development Unit was established within the International Bureau.

12 The main merit of this initiative is that it has allowed the UPU to evaluate, at low cost, the feasibility of other recommendations made in the ETSG Business Plan 1992–1995 concerning the provision of telematics products and services to UPU members.

[1] GMO Management Consulting AG (CE/CCEP 1991 – GNTE/ – Docs 2a, 2b, 2c and 2d) and Arthur D Little (CE/CCEP 1992 – GNTE/10 – Doc 3 and CE 1992/C 6 – Doc 5/Annex 2).

13 That these recommendations are feasible has now been proven and demonstrated. The support shown by postal administrations willing to adhere to the Global Telematics Service concept and to subscribe to the UPU products and services proposed are also encouraging factors. When associated with the intrinsic merits of the UPU initiative, the above factors should lead the UPU to consider the appropriate activities and structure that will manage, operate and ensure the long term viability of these products and services.

III. Achievements to date

14 Since the establishment of the EDI Development Unit, the International Bureau has focussed its efforts on satisfying both the operational requirements and the standards definition needs of the postal administrations.

15 At the same time as the creation of the EDI Development Unit, the Japanese Ministry of Post and Telecommunications wished, through a contribution of funds to the UPU, to encourage the development and improvement of a common EMS Tracking and Tracing System. On 13 May 1993, the UPU, represented by the Director-General of the International Bureau, and the Japanese Ministry of Posts and Telecommunications entered into a Memorandum of Understanding according to which the Japanese Ministry of Posts and Telecommunications made a voluntary financial contribution to the UPU for the development and improvement of the EMS system and related services.

16 A circular letter (No 4750 (EDI) 1414) was issued by the International Bureau on 3 June 1993 advising member countries of the UPU's project aiming at developing postal applications and providing them free of charge to interested postal administrations. The International Bureau received replies from 82 countries indicating their interest in acquiring these applications.

17 A "UPU Postal Applications and Network Services – Service Announcement" document dated 30 September 1993 was attached to a circular letter (reference No 4750(EDI)1761) issued by the International Bureau on 7 October 1993. The document outlined the UPU objectives and its intended short-term deliverables. The 43 replies to this fresh inquiry, added to the 82 replies already received, brought to over 100 the number of member countries wishing to access or acquire the established and the future products and services (status as of January 1994). These products and services are as follows:

a International postal systems

Postal information technology applications supporting international mail dispatching and reception as well as constituting tracking and tracing facilities for selected postal services such as EMS, postal parcels and registered mail.

b *POST*Net*

The UPU's Global Postal Telecommunications Network, called *POST*Net* providing connections between postal administrations and allowing, through its associated services, the exchange of electronic messages between postal administrations.

c Value Added Services

*POST*Mail.* This covers electronic mail services between postal administrations, the International Bureau, Restricted Unions, security agencies, airlines, Customs and other business partners.

*POST*Star.* These are EDI Translation and Mailbox Services for the transmission of messages connected with postal operations and tracking and tracing (EMS, postal parcels and registered mail) between postal administrations. The EDI services consist of translation

software, message transfer services and validation of EDI message structure, format and syntax.

*POST*Info.* This consists of central and distributed Data Base Services providing tracking and tracing information, statistical information (eg quality of services), circular letters and news bulletins and general information (eg security procedures, prohibited articles, address lists, etc).

18 In the course of 1993, in addition to the agreement with the Ministry of Posts and Telecommunications of Japan, the UPU, represented by the Director-General of the International Bureau, signed a number of joint venture/cooperation agreements with strategic partners in order to expedite implementation of the project and to give all UPU members the benefit of major technical advantages. By subscribing to these agreements, the strategic partners, including both postal administrations and outside companies, demonstrated their willingness to support the telematics project. At January 1994, these agreements were as follows:

a at the meeting of the Coordination Committee of the Union's bodies and in the presence of the EC and CCPS Chairmen, a joint venture agreement was signed with the Société internationale de télécommunications aéronautiques (the Airlines Worldwide Telecommunications and Information Services) (SITA). The Agreement allowed the UPU to create a Network, called *POST*Net*, using the telecommunications infrastructure of the world's largest private network;

b during the plenary meeting of the CCPS in 1993, a cooperation agreement was signed with the Deutsche Bundespost POSTDIENST (DBP), under the terms of which the DBP granted the UPU unrestricted and free use of the personal computer-based applications developed by the DBP for its international mail operations;

c on 28 October 1993, a cooperation agreement was signed with two companies, DETECON and CDA Datentechnik. The purpose of that agreement is to provide technical assistance to the UPU for the development of the UPU applications and providing support and training to the user postal administrations.

19 To facilitate implementation and management of the postal applications and value added services, an adapted technical platform was installed at the International Bureau in the second half of 1993. These central systems, consisting of two Tandem servers, will make it possible to manage all electronic messages exchanged between postal administrations as well as the central and distributed data bases. They will also be used to develop and test postal applications.

20 Moreover, at the 1993 CCPS session, the Director-General of the International Bureau exchanged with the Secretary-General of SITA electronic messages inaugurating the POST*Net network. These messages were the first electronic mail items issued through POST*Mail outside the International Bureau. From now on, postal administrations can use the UPU network to access, through POST*Mail, all the SITA electronic mail customers, representing over 14 800 connections in 496 companies, covering the air transport sector, Customs, security agencies and others.

21 On 15 December 1993, the Postal Bureau of the Japanese Ministry of Posts and Telecommunications was the first postal administration to connect to *POST*Net* and exchange electronic mail with the International Bureau via *POST*Mail*.

22 Other connections to the network are under way and it is expected that, by the Seoul Congress, 30 postal administrations will have access to the *POST*Net* network and to the *POST*Mail* electronic mail service. As regards postal applications, it is planned that they will be deployed and test run in 5 countries by Congress.

IV. Mission Statement relating to EDI activities in the UPU

23 In the area of postal information technology and telematics, the UPU mission should aim at facilitating the development and provision of world class telematic products and services and to further develop and exploit these products and services for the benefit, and on behalf, of the postal administrations of all its member countries. The aim is to allow postal administrations to consolidate their existing markets and adapt them to the new business environment. To fulfil its mission in the postal information technology and telematics fields, the UPU must:

a *facilitate the supply* of information technology related products and services for all its members and assist, through the implementation of the postal telematics infrastructure, in ensuring the competitiveness of all postal administrations in the global market for the benefit of their customers;

b *provide the highest quality* in its services and secure optimal organization in its operation at all times;

c *ensure fair access* to these products and services for all postal administrations, especially those of the developing countries;

d *promote cooperation* between postal administrations in order to provide integrated postal information systems and services on a global basis;

e *involve postal administrations*, and their Restricted Unions, whenever possible, in the provision and support of the telematics-related products and services under the UPU's global umbrella.

V. 1995–1999 EDI Business Plan highlights

24 The 1995–1999 EDI Business Plan is based upon the Mission Statement for EDI development within the UPU and the strategic objectives of the UPU telematics project, as stated in the Introduction. The Business Plan focusses on the further development over the next five years of the following existing products and services:

- *POST*Net* (Global Postal Telecommunications Network)
- *POST*Mail* (X.400-based Message Handling System)
- *POST*Star* (EDI Message Management and File Transfer services)
- *POST*Info* (Postal Information Systems and related data bases)
- International Postal Systems (Mail Management Applications)
- Support services (including central purchasing agreements, training services, help desk, product support and technical standards support).

25 The key operational objectives of the EDI Development Unit's 1995–1999 Business Plan are:

a provide organizational tools for postal administrations allowing them, through stronger links with the UPU, to safeguard their own market share for strategic international products such as EMS. This can be achieved by implementing global and homogeneous monitoring and control facilities, such as mail movement track and trace systems. Developed and installed in a number of postal administrations during 1994, these systems will be improved and enhanced during the 1995–1999 period and their deployment expanded to all interested postal administrations;

b consolidate the existing products and services. This should be achieved by enhancing their performance, adapting their costs, and increasing their deployment;

c actively participate in the creation of links between Postal Information Systems, while maintaining the UPU's own strategic flexibility and independence. This can be achieved by

integrating national postal information systems as key elements of the UPU's Information Systems structure;

d help postal administrations build up and maintain a global identity for Postal Telematics towards their customers. This can be achieved by branding the telematics services and providing a common logo for all postal information services;

e develop proposals for new projects, including X.500 directory services, EDI services for postal banking, and interlinking of postal administrations' commercial electronic mail products.

VI. Organizational aspects

EDI Advisory Board

26 In order to give the UPU the most effective means to achieve these objectives, it is recommended that the Postal Operations Council be given the overall responsibility for EDI activities within the new UPU structure. It is further recommended that an EDI Advisory Board be established under its authority, from which the EDI Development Unit should receive its missions and strategic and business objectives and to which the EDI Development Unit should report regularly on the basis of the procedures in force at the International Bureau.

27 The EDI Advisory Board, which would consist of representatives of member countries and in whose work the International Bureau would take part, should have the responsibility for carrying out the following broad objectives:

a establish the policies and guidelines for activities in the area of EDI in line with the principles and objectives approved by the Postal Operations Council;

b secure the necessary funds allowing continued activities in the area of EDI, including mandatory funding by all postal administrations participating in the telematics project and voluntary funding of development activities and special projects;

c establish financial procedures for EDI activities to be submitted to the Postal Operations Council.

EDI Development Unit

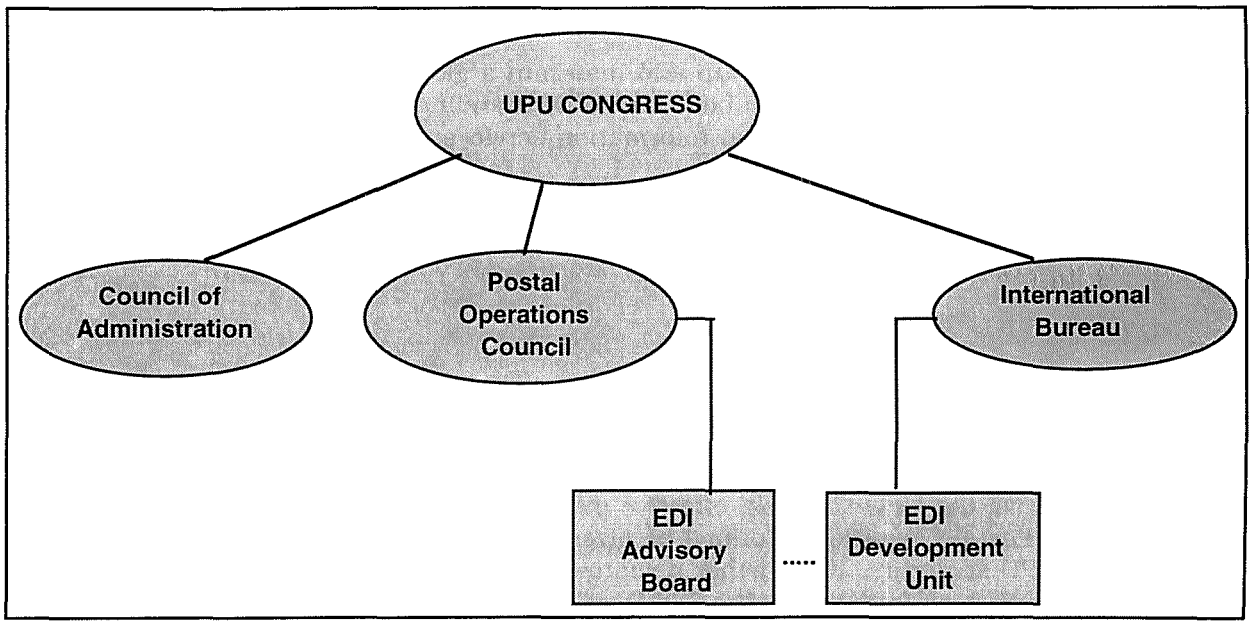
28 In turn, the EDI Development Unit, as a business unit under the authority of the Director-General of the International Bureau, would be responsible for:

a operating according to the principles and objectives approved by the Postal Operations Council;

b reporting regularly to the EDI Advisory Board on its results and performance, on the basis of procedures in force at the International Bureau;

c preparing EDI Advisory Board meetings.

29 The following diagram indicates the positioning of the EDI Advisory Board and of the EDI Development Unit relative to that of the other UPU bodies:



VII. Legal aspects

30 An agreement between the International Bureau and participating postal administrations will be signed, covering the technical, operational and financial aspects of the services provided by the UPU and including the following annexes:

a an Applications Software Licence (for postal administrations using the international postal systems applications);

b Network Services (for postal administrations using the *POST*Net* Services);

c Value Added Services (for postal administrations using the *POST*Mail*, *POST*Star*, and *POST*Info* Services);

d Support services covering the optional technical and operational support services;

e an Interchange Agreement establishing the rules for EDI message interchange (for postal administrations using the *POST*Star* EDI Message Management Services).

VIII. Staffing aspects

31 As a business unit under the authority of the Director-General of the International Bureau, the proposed management and staffing structure of the EDI Development Unit should be based on International Bureau Staff Regulations. The following basic functional units have been identified:

Function	Present staff strength (beginning of 1994)		Required staff strength	
	P Grade	G Grade	P Grade	G Grade
Unit management	1		1	1
Technical standards support	1	1	1	1
Applications development and support		1	1	2
Systems and Network Services	1	1	1	6
Business operations and control	1	1	1	2
TOTAL	4	4	5	12

32 A brief description of each function is given below:

Unit management

33 This function includes the Head of the EDI Development Unit, responsible for overall management of the Unit and a post of secretary assigned to the Unit.

Technical standards support

34 This function will provide functional, operational and technical assistance for standardization work and technical support for postal administrations developing their own EDI applications.

Applications development and support

35 This function consists of management and deployment of the UPU's International Postal Systems. The main activities will consist of consolidating postal administrations' technical requirements, developing and adapting the various components of the application(s), providing support service for the integration and/or adaptation of UPU applications, and coordinating applications help-desk, training and support facilities.

Systems and network services

36 This function will be responsible for coordinating the implementation and expansion of the UPU's Network (*POST*Net*) and Value Added Services (*POST*Mail, POST*Star* and *POST*Info*). It will also support the user postal administrations and coordinate network and services help-desk, training and support facilities. The staff earmarked for this function includes four needed to ensure after hours help-desk and support, taking into account time zone differences and the uninterrupted operation of the network and systems.

Business operations and control

37 This function will coordinate the various activities of the EDI Development Unit with the postal administrations and with external organizations and suppliers. It will be responsible for financial management and planning for the Unit, for managing agreements with the postal administrations, strategic partners and suppliers, as well as for coordinating EDI production services.

38 The intention with respect to personnel is to maintain a relatively flexible management and staffing structure, keeping permanent staff to a strict minimum and using, as required, external contractors, short-term assignments from postal administrations and temporary employees for specific tasks and for peak periods.

39 Accordingly, it is estimated that the staff required from 1995 to meet operational needs will be 17 persons, provided that funds are available. As the deployment, training and support activities for all the UPU products and services will be well under way, this figure represents the minimum necessary to be able to meet postal administrations' needs. It is, of course, difficult to forecast exact staff needs after 1996, mainly because of possible changes in objectives assigned to the Unit by the EDI Advisory Board and postal administrations' needs.

IX. Financial aspects

40 All activities undertaken within the scope of this project are conceived, within the 1995–1999 period, as operating in the interest of a closed community, ie the postal administrations. To that effect, the expectation of that community, which is limited in terms of volume, should be primarily the coherence of the services offered and the economies of scales that can be achieved.

41 The following table illustrates the expected expenses and the necessary income for each year of the five-year period.

	1995	1996	1997	1998	1999
	Sfr	Sfr	Sfr	Sfr	Sfr
Expenses	5 342 000	5 429 000	5 551 000	5 724 000	6 104 000
Income	5 411 000	5 507 000	5 580 000	5 784 000	6 118 000

42 Although income appears to exceed expenses in some years, this excess should be considered as a buffer partially compensating the uncertainties of the Plan. Should income actually exceed expenses in any given year, the net difference could either:

a lower the cost of the UPU products and services to postal administrations, particularly to those of developing countries, or

b be dedicated to the development of new products and services for the benefit of participating postal administrations, in accordance with Postal Operations Council guidelines, or

c form a reserve to cover unforeseen expenditure (replacement of equipment, etc).

Expenses

43 It is anticipated that the annual running costs will be 5.34 million Swiss francs in 1995.

The following table shows the expenses per category for each year of the five-year period.

Expenses by category	1995	1996	1997	1998	1999
	Sfr	Sfr	Sfr	Sfr	Sfr
Operational costs	426 000	468 000	481 000	494 000	508 000
Investments/purchases	915 000	729 000	685 000	685 000	685 000
External services	1 394 000	1 460 000	1 529 000	1 601 000	1 678 000
Administrative costs	2 564 000	2 728 000	2 811 000	2 897 000	2 985 000
Miscellaneous costs	43 000	44 000	46 000	47 000	248 000
Total	5 342 000	5 429 000	5 551 000	5 724 000	6 104 000

44 The operational costs cover the operational expenses of the *POST*Net* network and its associated services, offered by the UPU to postal administrations. Investments and purchases concern the purchase of information technology and telecommunications equipment and the software for the systems installed. External services cover the costs of technical consultants and subcontractors recruited for specific tasks, particularly the development of new applications. Administrative costs refers to direct and indirect staff costs, missions, purchase of technical publications and training. Miscellaneous costs cover office equipment, insurance and other expenditure.

Income

45 Financing for EDI development activities, for the 1995-1999 period, is projected to come from the following sources:

a income from charging fees based on the cost of UPU products and services offered to postal administrations. The costs concerned are those for paying SITA and other suppliers' bills. It is expected that operational income from fees paid in exchange for products and services will start being recorded from 1 January 1995. For this purpose, a schedule of fees to be charged will be established and provided to all postal administrations wishing to participate in the UPU telematics project before the Seoul Congress. Centralized billing procedures

will also be established aimed at providing consistent, simple and unified charging for the products and services provided to postal administrations.

b a fixed amount from the UPU regular budget allocated to EDI development activities. On the assumption that some of the EDI development activities will be co-financed out of the UPU regular budget and that the basis established in that respect in the 1993 and 1994 budgets will be maintained, the contribution of the UPU's regular budget will be one million francs in 1995 and will increase annually in line with the inflation rate applicable to the budget.

c mandatory contributions for all participating postal administrations, on the basis of principles approved by the Postal Operations Council. In order to make up for the expected budgetary shortfalls, these contributions could be based, for instance, on contributions in force at the UPU or on some other basis which could be studied and introduced by the Postal Operations Council. Estimated at 2.80 million Swiss francs in the first year of operation of the Plan, it is expected that these contributions will decrease each year as other income increases.

d voluntary contributions for EDI development and special projects.

46 The table below shows expected income for EDI development activities.

Category of income	1995	1996	1997	1998	1999
	Sfr	Sfr	Sfr	Sfr	Sfr
Income from services	1 611 000	1 927 000	2 319 000	2 792 000	3 342 000
UPU regular budget	1 000 000	1 030 000	1 061 000	1 092 000	1 126 000
Contributions	2 800 000	2 550 000	2 200 000	1 900 000	1 650 000
Total	5 411 000	5 507 000	5 580 000	5 784 000	6 118 000

47 Total expected annual income, combining fees charged for against the supply of services, co-financing out of the UPU regular budget and contributions paid by postal administrations, should amount to 5.41 million Swiss francs in 1995.

X. Conclusions

48 The Executive Council proposes to Congress that it endorse its conclusions, and in particular that it:

i adopts resolution 010 establishing, within the Postal Operations Council and under its authority, an EDI Advisory Board composed of representatives of member countries of the Union and in whose work the International Bureau will participate. This EDI Advisory Board will be responsible for carrying out the following broad objectives and activities (see paragraphs 26 and 27):

  a establish the policies and guidelines for activities in the area of EDI in line with the principles and objectives approved by the Postal Operations Council,

  b secure the necessary funds allowing continued activities in the area of EDI, including mandatory funding by all postal administrations participating in the telematics project and voluntary funding of development activities and special projects,

  c establish financial procedures for EDI activities to be submitted to the Postal Operations Council;

ii adopt the principle of maintaining the EDI Development Unit as a business unit under the authority of the Director General of the International Bureau, and responsible for (see paragraph 28):

a conducting the telematics project by operating in an effective and flexible manner and according to the principles and objectives approved by the Postal Operations Council,

b reporting regularly to the EDI Advisory Board its results and performance on the basis of procedures in force at the International Bureau,

c preparing EDI Advisory Board meetings;

iii approve the principle of financing the UPU EDI development activities from several sources (see paragraphs 45 to 47):

a a contribution, in order to co-finance EDI activities, taken from the regular budget, of a sum equivalent to at least one million Swiss francs a year, increasing annually in line with the inflation rate applicable to the budget, until other income covers expenses,

b income from fees calculated on the basis of the costs of the products and services provided by the UPU, according to a schedule provided to all postal administrations wishing to participate in the telematics project,

c mandatory contributions paid by postal administrations in order to make up budgetary shortfalls, the methods and amounts of which contributions will be set by the Postal Operations Council,

d voluntary contributions for EDI development and special projects;

iv approve the broad lines of the mission statement relating to EDI activities in the UPU (chapter IV) and the 1995–1999 EDI Business Plan (chapter V), including the legal aspects (chapter VII), the staffing aspects (chapter VIII) and the financial aspects (chapter IX);

v encourage the postal administrations of member countries and the Restricted Unions to participate in the telematics project and to make voluntary contributions to it;

vi instruct the Postal Operations Council to take the initiatives it deems necessary to ensure the efficient operation of the telematics project.

Berne, 18 February 1994

For the Executive Council:

T E LEAVEY

Chairman

Congress – Doc 75b/Add 1

UPU activities in the field of EDI 1995–1999

Memorandum by the Secretary-General

The document in annex 1 hereto will be submitted to the constituent meeting of the new Postal Operations Council (POC), creation of which is proposed to Congress.

At the request of the Project Management Team of the Electronic Transmissions Standards Group (ETSG), it is being submitted to Committee 6 as Add 1 to Congress – Doc 75b "UPU activities in the field of EDI 1995–1999" and is designed to provide supplementary information on arrangements for organizing work related to UPU EDI activities.

Berne, 8 August 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 75b/Add 1/Annex 1
(CEP 1994 (Seoul) – Doc 5/Annex 2)

Establishment of a Telematics Development Committee, EDI Advisory Board and Technical Standards Board

Document by the Project Management Team (PMT) of the Electronic Transmissions Standards Group (ETSG)

I. Introduction

1 The 1994 EC approved the ETSG recommendation that a new body should be established, under the authority of the POC and within its structure, to guide UPU EDI activities during the period following the Seoul Congress. The EC recommendation, contained in Congress – Doc 75b and in Congress resolution 010, is submitted for approval at the Seoul Congress. The new body will take over from the ETSG which has led EDI activities since the Washington Congress.

2 The purpose of this document is to define in more detail the scope of responsibilities for the new body, as well as its relationship to the various other UPU bodies.

3 As the ETSG is not due to meet again before the 1994 Seoul Congress, the ETSG's Project Management Team (PMT) was asked to draw up and agree draft terms of reference for the new body. Its recommendations, given below, are submitted for approval to the constituent meeting of the POC.

II. EDI activities within the UPU

Postal Operations Council (POC)

4 Considering the recommendations on the restructuring of the work of the Union that are being presented to Congress, it is proposed that a distinct Committee (Telematics Development Committee) within the POC be the decision-making authority as well as the forum for the exchange of information with respect to postal EDI activities. That Committee will be the postal administration user representative body responsible for approving strategies, objectives and specific programmes to be adopted by the POC.

5 The POC will direct the International Bureau to execute the decisions approved by the POC plenary or the Telematics Development Committee.

6 The POC will issue recommendations/directives to be followed by administrations in the area of EDI.

7 As necessary, the POC will inform the Council of Administration of decisions taken in the area of EDI and, for questions within its domain of responsibility, will seek the approval of the Council of Administration.

POC Telematics Development Committee

8 The POC will be responsible for approving the overall EDI strategy, objectives and budget recommended to it by the Telematics Development Committee.

9 The Telematics Development Committee will report to the yearly meeting of the Postal Operations Council. Its responsibilities will be the following:

a to approve the broad EDI strategy to be conducted during the period between Congresses, following the guidelines set down by Congress;

b to undertake the following:

- defining activities to be carried out in order to promote and secure the coherent implementation and development of postal EDI;
- identifying sources of financing needed to allow successful completion of activities;
- establishing financial policies and procedures allowing efficient conduct of EDI activities as well as affordable access to EDI activities for all administrations;
- establishing broad staffing levels and policies to be implemented by the International Bureau in order to carry out EDI activities;

c to approve procedures for the proposal, development, evaluation, testing and adoption of technical standards to be followed by administrations, in harmony with procedures adopted by the Council of Administration;

d to approve a work programme and priorities for the next 12 months;

e to approve the budget needed to successfully complete the work programme;

f to approve specific funds allocated to cover budgeted expenses;

g to report to the POC plenary on progress of work, expenditure and income over the previous 12 months.

10 Each year the Telematics Development Committee will review and approve the proposals for EDI activities and upon recommendation from the International Bureau will agree priorities for the next 12 months. The Telematics Development Committee will monitor expenditure and income with the help of financial statements submitted to it by the International Bureau before each of its meetings.

11 The Telematics Development Committee responsible for EDI activities will be established according to POC principles.

International Bureau

12 The International Bureau will be responsible for the execution of the decisions taken by the POC or the Telematics Development Committee.

13 The International Bureau, through its EDI Development Unit, will be responsible for proposing and consolidating operational strategies and alternatives related to specific objectives and programmes for approval by the Telematics Development Committee, including:

- defining in the form of an annual business plan the work programme and priorities to be conducted on a yearly basis;
- submitting budget and resource requirements, including sources of financing, needed in order to successfully complete the work programme;
- managing execution of the work programme and budget approved by the POC;

- preparing reports on progress of work, expenditure and income over the previous 12 months;
- providing secretariat functions and assistance to the Committee.

EDI Advisory Board

14 Taking into account the need for timely action and the rapid evolution of this activity, the Telematics Development Committee will establish within its structure an EDI Advisory Board to represent the Committee and to guide its activities between POC sessions, except in the area of technical standards. The EDI Advisory Board will have full powers to carry out the work of the Committee between its yearly meetings.

15 The following guidelines will apply to the Telematics Development Committee's EDI Advisory Board.

16 The Committee will be responsible for appointing a maximum of eight administrations which will be members of the EDI Advisory Board.

17 The International Bureau will participate in the work of the EDI Advisory Board. It will also provide secretariat functions.

18 The EDI Advisory Board will consist of administrations from developing and developed countries who are committed to the development of EDI within the postal community. Members of the EDI Advisory Board will be senior executives appointed on the basis of their qualifications in international postal operations and information technologies.

19 Administration members of the EDI Advisory Board will be full members of the Telematics Development Committee. The Chairman of the Committee will be the Chairman of the EDI Advisory Board.

20 The length of term for members of the EDI Advisory Board will be set by the Committee.

21 All members of the EDI Advisory Board will have some understanding of EDI and the benefits it will bring to the postal community, in order to be effective representatives on the Board.

22 The EDI Advisory Board will meet, in principle, at least twice between Committee meetings to review progress of work and plan new activities, in keeping with the strategies and objectives approved by the POC or the Committee.

23 Reports of all EDI Advisory Board meetings will be submitted to the Telematics Development Committee and through the Committee to the POC. Therefore, as a general principle, there will not be permanent observers at EDI Advisory Board meetings. The EDI Advisory Board may, however, invite observers as it deems necessary.

Technical Standards Board

24 Taking into account the need for the development and maintenance of uniform standards related to postal EDI activities, the Telematics Development Committee will establish within its structure a Technical Standards Board to carry out standards activities in accordance with the procedures approved by the Committee and to represent it in this area between POC sessions.

25 The following guidelines will apply to the Committee's Technical Standards Board.

26 The Committee will be responsible for appointing at least five administrations which will be members of the Technical Standards Board.

27 The International Bureau will participate in the work of the Technical Standards Board. It will also provide secretariat functions.

28 The Technical Standards Board will consist of administrations from developing and developed countries which are committed to the development of EDI standards within the postal community. Members of the Technical Standards Board will be experts appointed on the basis of their qualifications in international postal operations and information technologies.

29 Administration members of the Technical Standards Board will be members of the Telematics Development Committee. The Chairman of the Committee will appoint the Chairman of the Technical Standards Board.

30 The length of term for members of the Technical Standards Board will be set by the Committee.

31 Reports of all Technical Standards Board meetings will be submitted to the Telematics Development Committee and through the Committee to the POC. In order to ensure the widest possible participation of all interested parties, and to achieve the fullest possible acceptance of resulting standards, qualified observers will be encouraged to attend meetings and to offer proposals.

32 The Technical Standards Board will be delegated authority to confer level "O" (new standard proposal) and level "1" (draft standard) status to proposed standards and to recommend level "2" (approved standard) status to the Telematics Development Committee. This will be done in accordance with the procedures approved by the Telematics Development Committee. Documents relating to proposals for technical standards will be distributed in a timely fashion before meetings to all administrations that have expressed a desire to the Telematics Development Committee to receive such documents, in order to ensure the widest possible consultation.

33 The Technical Standards Board will meet at least twice between Committee meetings to review progress of standards work and undertake new standards activities, in keeping with the strategies and objectives approved by the POC or the Committee. The Technical Standards Board may establish Working Groups as necessary to develop specific proposals for technical standards in the area of EDI.

34 Whenever it is appropriate, particularly if technical standards are developed that will have an impact on organizations outside the postal community, the Telematics Development Committee, through the POC, will report to the Council of Administration.

III. Implementation of POC decisions

35 The following timetable is proposed, recognizing the need to allow the UPU EDI activities to proceed without delay:

August–September 1994	Congress approves EC recommendation
	Constituent meeting of Postal Operations Council
	– POC establishes Telematics Development Committee
	– POC approves terms of reference for EDI Advisory Board
	– POC Telematics Development Committee designates members of EDI Advisory Board to enable Board to start without delay

November 1994	First meeting of the EDI Advisory Board
January 1995	Second meeting of EDI Advisory Board prior to Postal Operations Council extraordinary session
	First meeting of Telematics Development Committee
	– Telematics Development Committee establishes Technical Standards Board

IV. Conclusions

36 The Postal Operations Council is invited to:

- take note of the decisions of Congress with respect to Congress – Doc 75b and Congress resolution 010;
- establish a distinct POC Telematics Development Committee to deal with postal EDI activities (paragaphs 4 to 11);
- approve the establishment of an EDI Advisory Board which will represent the Telematics Development Committee and carry out its work between its yearly meetings (paragraphs 14 to 23), as well as the establishment of a Technical Standards Board, which will represent the Telematics Development Committee in this area and carry out its standards work between its yearly meetings (paragraphs 24 to 34);
- take note of the timetable for implementation (paragraph 35).

Congress – Doc 76

BASIC AIRMAIL CONVEYANCE RATE

Report by the Executive Council

I. Introduction

1 In resolution C 73, the Washington Congress instructed the Executive Council:

- to gather, on the eve of Congress, the most significant financial information obtained from IATA and ICAO to enable it to propose, if need be, an updating of the basic airmail conveyance rate (in accordance with a method to be developed);
- to present to the next Congress, in any case, a report on its activities and, if appropriate, proposals for amending the Acts of the Union.

2 Having reconstituted the IATA–UPU Contact Committee[1] at its 12 December 1989 session, the Executive Council placed the question of the basic rate on that Committee's work programme.

3 It should be pointed out, however, that, at its 1991 session, the Executive Council was presented with a fresh request from IATA to increase the basic airmail conveyance rate following the rise in fuel prices during the Gulf Crisis.

4 It was then that, bearing in mind resolution C 73, the Executive Council decided to assign development of a method for updating the basic rate to a small Working Party ("Rates" WP) of the Contact Committee.

5 Consisting on the postal side of the administrations of Great Britain (Chairman), Hungary (Rep), Indonesia, Japan and the International Bureau and, on the airline side, of Air France, Japan Airlines and IATA, the "Rates" WP held four meetings, the reports of which were brought to the attention of the Executive Council.

II. Direction of the work

A. Montreal meeting on 28 and 29 July 1993

6 At this meeting[2], held with the participation of the International Civil Aviation Organization (ICAO) and the International Air Transport Association (IATA), the "Rates" WP was able to produce a model "formula" (A), called the Montreal formula (annex 1) based on elements taken from the 1990 ICAO "Financial Statistics" (annex 1/attachment 1).

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[1] The postal delegation on the Contact Committee consisted of the following countries: Ethiopia, Great Britain (Chairman), Hungary (Rep), Indonesia, Japan, New Zealand, Sweden, United States of America and Venezuela.

[2] The administrations of Hungary (Rep) and Indonesia were not represented at this meeting.

7 The basic rate *0.588 SDR* obtained with this formula was understood to be "all-in" and guaranteed priority and service quality. A hypothesis was also envisaged under which the basic rate could be changed annually using the formula and the latest ICAO statistics.

8 The "Rates" WP had then recognized the need for a commercial approach to setting the basic rate in view of market trends in conveyance costs, their effects on postal rates and a change more often than every five years between successive Congresses or longer, as was the case at present. It also considered that a simple, fair solution should be found for postal administrations and airlines.

B. IATA–UPU Contact Committee meeting on 9 February 1994

9 At the 9 February 1994 meeting of the IATA–UPU Contact Committee, Indonesia submitted an alternative "formula" (B) (annex 2) to "formula" (A), also based on the 1990 ICAO "Financial Statistics" (annex 1/attachment 1). This alternative formula is based on the average operating expense broken down according to the volume of traffic performed by the "mail" service and excluding "passenger" services and expenses on "ticketing, sale and promotion". The basic rate obtained using this formula was *0.476 SDR*.

10 It was pointed out, however, that the components of formula (B) were not homogenous as the "average operating expense" component (0.626 SDR) was obtained from an arithmetic calculation of the *unweighted* unit costs whereas all the other components (passenger services, ticketing, sale and promotion, other non-operating expenses, taxes) were based on *weighted* unit costs.

11 The discussions then covered the following points:

The "formulas"

11.1 The Contact Committee suggested that "formula" (A) (annex 3) should be accepted in principle, and that its components should be based on the new improved ICAO statistical data (annex 3/attachment 1, column 3). The basic rate for 1992 (simulated year) using this "formula" (A) is *0.555 SDR*. IATA accepted this formula in principle. Using the variant, "formula" (B), and on the basis of the unweighted averages (annex 3/attachment 1, column 2), the simulated basic airmail conveyance rate for the same year of 1992 is *0.508 SDR* (annex 3).

The components

11.2 Initially, formula (B) completely excluded the "ticketing, sale and promotion" component because, the Post derived no benefit from it, while IATA insisted on its retention (annex 2).

11.3 On this point, IATA and some administrations of Contact Committee member countries considered that the postal services did, in fact, benefit from the services provided by the airlines (eg: information and assistance, documentation concerning mail, etc) and it was accordingly appropriate to include that component in the formula.

11.4 After IATA had given additional explanations, the supporters of variant (B) asked for this component to be shared among the "passenger", "freight", "mail" and "non-scheduled" services in proportion to the volume of traffic performed by each of them, for example, according to the statistics for 1992 (simulated year), as follows[1]:

[1] Cf note on annex 3.

1	Scheduled services	
	"Passenger"	62.8 %
	"Freight"	33.4 %
	"Mail"	1.8 %
2	Non-scheduled services	2.0 %
3	Total	100.0 %

The profit margin

11.5 IATA proposed a profit margin of 15 percent instead of the 10 percent initially set in "formula" A (annex 1).

11.6 The Contact Committee finally kept the 10 percent rate to be proposed to Committee 6. However, IATA made acceptance of this rate dependent on keeping in the "formula" the "ticketing, sale and promotion" component at the percentage proposed by ICAO.

11.7 The Contact Committee finally decided to leave it to Committee 6 to take a final decision on the retention or adjustment of this component.

ICAO statistics

11.8 The statistics in column 1 (annex 3/attachment 1) provided by ICAO to date were based on less reliable data (simple estimates) than those in the other two columns (2 and 3).

11.9 The Contact Committee therefore suggested not using the data in column 1 for calculating the basic rate.

11.10 The statistics in columns 2 and 3 had the same degree of reliability. However, the weighted averages in column 3 were closer to airmail conveyance costs. That is why the Contact Committee considered that the latter statistics should be used to calculate the basic rate.

Comparison between the Montreal "formula" (A) and variant (B) put forward by Indonesia

11.11 Comparison of "formula" (A) and variant (B) (annex 3) reveals the following:

11.11.1 "Formula" (A)

- Components A, B, C, D and F are taken from the "Financial Statistics" *Weighted averages.*
- In component C, the figure of 0.073 SDR/t-km corresponds to a deduction of 62.8 percent from the "ticketing, sale and promotion" component. This percentage corresponds to the breakdown of the traffic volume of scheduled services performed by "Passengers". In other words, 37.2 percent of this component is attributable to mail.

11.11.2 "Formula" (B)

- Components A, B, C_1, D and F are taken from the same "Financial Statistics" *Unweighted averages.*
- In component C_1, the figure of 0.1118 SDR/t-km represents the percentage of costs relating to the "ticketing, sale and promotion" component not attributable to mail. The remainder of the costs relating to this component, ie 1.8 percent, is attributable to mail. This percentage corresponds to the proportion of traffic volume performed by mail (cf annex 3 – Percentage distribution of 1992 traffic).

11.11.3 In both "formulas", components A, B, C or C_1, D, E and F vary each year in relation to airline revenue and expenditure as supplied by ICAO which draws them up in the form of "Financial Statistics" at the UPU's request.

Application of the formula

11.12 The Contact Committee considered it was useful to set an upper or lower limit beyond which the rate derived from the formula would undergo a change. Setting a limit would make it possible to avoid unnecessary expense and wasted time in amending the rate for a minor variation. IATA proposed a cumulative limit of 3 percent. For instance, if the variation was 2 percent the first year, it would not be taken into account, but it would be added (or subtracted if the variation was downward) in calculating the next year's variation.

11.13 In the end, the Contact Committee decided to postpone a final decision on this topic to a later date.

Priority and quality of service

11.14 IATA and the UPU would have to agree on a definition in this connection at a later date.

Basic airmail conveyance rate stemming from the formula to be adopted and entered in the Convention

11.15 Certain postal members of the IATA–UPU Contact Committee had suggested that the basic airmail conveyance rate stemming from the formula to be adopted should be regarded as a guideline rate and that administrations could negotiate lower rates if they so wished. It was acknowledged that, while the rate was set for settling accounts between postal administrations, it was also widely used between administrations and air carriers.

C. Discussions in the Executive Council

12 Discussions in the Executive Council focussed on the Montreal "formula" (A) and variant (B).

12.1 The discussions revealed that, for the majority of Contact Committee members, the Post's contribution under the component "ticketing, sale and promotion" should be the one proposed in formula A (cf annex 1), because airmail benefited from that component (services rendered by airlines in the form of information about schedules, documentation, storage at airports, sundry operating expenses, etc).

12.2 Proponents of variant (B) considered that the appropriate contribution for the Post to that component should be in proportion to the volume of traffic performed per t-km by mail, ie 1.8 percent of the operating expenses (cf note to annex 1) . In their view, any other percentage could result in a completely unjustified increase in the basic rate thereby fostering remailing to the detriment of the customers of the Post.

12.3 In this connection, the observer for ICAO noted that the portion of the operating expenses corresponding to this component in "formula" (A) charged to "mail" was reasonable and should be accepted.

13 After lengthy discussions, the Executive Council finally decided to submit two proposals to Congress:

a the so-called Montreal model "formula" (A);

b variant (B) proposed by Indonesia.

14 Whichever model was chosen by Congress:

- the resulting basic rate would be applied for the first time from the entry into force of the Seoul Acts;
- this rate would be updated annually on the basis of calculations made by the International Bureau from the "Financial Statistics prepared by ICAO";
- once the rate came into effect, it would be changed only if the cumulative annual variations (up or down) of airline average operating expenses relating to mail exceeded 3 percent;
- the methods of application of the formula are as set out in the note to annex 3.

15 On the assumption that Congress will approve a "formula" for calculating the basic airmail conveyance rate on the basis of one of the proposed models, three proposed amendments are submitted to it (proposals 20. 52.1, 25. RE 5201.1 and 25. RE 5201.2) (articles 52 of the Convention and RE 5201 of its Detailed Regulations).

III. Conclusions

16 It is proposed to Congress that it:

i take note of the work done and, as necessary, give its views on this subject;

ii decide on whether to adopt a "formula" for updating the basic airmail conveyance rate, based on the weighted average or unweighted averages of the "international airline financial statistics" prepared annually by ICAO (cf simulation for 1992 – annex 3/attachment 1);

iii decide accordingly on the components of such a "formula" (annex 3);

iv decide on the level of the percentage chargeable to mail for the "ticketing, sale and promotion" component (cf C and C_1 – annex 3);

v decide on the application of the selected "formula", particularly on the maximum or minimum threshold beyond which the rate obtained from the formula would undergo a change (cf paragraph 11.12 above);

vi approve proposals 20. 52.1 and 25. RE 5201.1 or 25. RE 5201.2 stemming therefrom (annexes 4, 5 or 6).

Berne, 31 March 1994

For the Executive Council:

T E LEAVEY

Chairman

Congress – Doc 76/Annex 1

Montreal formula (A)

Recommended model formula for calculation of the basic airmail conveyance rate based on the "International Airline Financial Statistics" published by ICAO for 1990 available in December 1991 ("Rates" WP meeting on 28 and 29 July 1993)

		SDR (T-km)
A =	Average operation expense	0.682
B =	Less passenger services	– 0.078
C =	Less percentage of ticketing, sale and promotion (62.6 percent* for ticketing, etc (*0.122* per t-km)). This percentage to be based on passenger percentage of traffic volume[1]	– 0.076
D =	Plus balance – Revenue and expenses of non-operating items	0.006
	Total	0.534
E =	Plus 10 percent for profit	0.053
	Total	0.587
F =	Plus income taxes	0.001
	Basic rate per t-km that would have applied from January 1993	*0.588*
	Current basic rate	0.568
	Increase	3.52 %
	Priority for airmail guaranteed within these rates.	

NB: The methods of applying the formula are as follows:

i statistics compiled in year A,
ii published in December of year B,
iii rate recalculated in year C,
iv new rate comes into force in year D.

[1] Percentage distributions of the 1990 traffic

Scheduled services:

Passenger	62.6 % *
Freight	32.9 %
Mail	1.7 %
Non-scheduled services	2.8 %
Total	100.0 %

Congress – Doc 76/Annex 1/Attachment 1

Average revenue and expense per tonne-kilometre performed

Scheduled international airlines included in sample – 1990

Number of airlines in sample: 57

	Weighted averages		
	United States cents	SDR	UPU gold francs
Operating revenue			
Scheduled services			
Passenger	111.88	0.825	2.524
Freight	33.12	0.244	0.747
Mail	71.97	0.530	1.624
Non-scheduled services	150.39	1.108	3.393
Average operating revenue	92.45	0.681	2.086
Operating expenses			
Flight operations	22.65	0.167	0.511
Maintenance and overhaul	11.06	0.082	0.250
Depreciation and amortization	6.79	0.050	0.153
Station and other ground expenses	16.25	0.120	0.367
Passenger services	10.64	*0.078*	0.240
Ticketing, sale and promotion	16.60	*0.122*	0.375
General and administrative	5.70	0.042	0.129
Other operating expenses	2.78	0.020	0.063
Average operating expense	92.47	*0.682*	2.086
Operating result	(0.02)	(0.000)	(0.000)
Non-operating items			
Retirement of property and equipment	1.73	0.013	0.039
Interest	(2.10)	(0.015)	(0.047)
Payments from public funds	0.08	0.001	0.002
Affiliated companies	0.13	0.001	0.003
Other non-operating items	(0.70)	(0.005)	(0.016)
Non-operating items (balance)	(0.84)	*(0.006)*	(0.019)
Profit or loss ( ) before income taxes	(0.86)	(0.006)	(0.019)
Income taxes	(0.20)	*(0.001)*	(0.005)
Profit or loss ( ) after income taxes	(1.06)	(0.008)	(0.024)

NB: For weighing method, see introduction.

Percentage distributions of the 1990 traffic

Scheduled services:

Passenger	62.6 %
Freight	32.9 %
Mail	1.7 %
Non-scheduled services	2.8 %
Total	100.0 %

Congress – Doc 76/Annex 2

Indonesia's formula (B)

Recommended model formula for calculation of the basic airmail conveyance rate based on the "International Airline Financial Statistics" published by ICAO for 1990 (cf Congress – Doc 76/ Annex 1/Attachment 1) available in December 1991

			SDR (T-km)
A =	Average operating expense		0.626 [1]
B =	Less cost of passenger services		– 0.078
C =	Less percentage of ticketing, sale and promotion		– 0.122
D =	Plus balance – Revenue and expenses of non-operating items		0.006
		Total	0.432
E =	Plus 10 % for profit		0.043
		Total	0.475
F =	Plus income taxes		0.001
	Basic rate per t-km that would have applied from January 1993		*0.476*

[1] Total operating expenses 96 333 000 000 USD

Total operating expenses for mail = 0.017 x 96 333 000 000 USD
= 1 637 661 000 USD

Average operating expenses for mail* per t-km
= 1 637 661 000 USD : 1 929 000 000
= 0.849 USD
= 0.849 SDR : 1.35675 = 0.626 SDR

NB: The methods of applying the formula are as follows:

i statistics compiled in year A,
ii published in December of year B,
iii rate recalculated in year C,
iv new rate comes into force in year D.

Percentage distributions of the 1990 traffic

Scheduled services:

Passenger	62.6 %
Freight	32.9 %
Mail	1.7 %
Non-scheduled services	2.8 %
Total	100.0 %

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* Including cost of passenger services, ticketing, sale and promotion.

Congress – Doc 76/Annex 3

Comparative table between the Montreal "formula" "A" model and variant "B" proposed by Indonesia, calculated on the basis of the ICAO international airlines financial statistics for 1992[1] (weighted averages and unweighted averages, converted into SDR)

		Calculations proposed		
		By the IATA–UPU Contact Committee (improved *weighted averages*)		By Indonesia (*unweighted* averages)
		Montreal Formula (A) (see annex 3/attachment 1, column 3)		*Variant (B)* (see annex 3/attachment 1, column 2)
		SDR/T-km		SDR/T-km
A	= Average operating expense	0.642		0.6305
B	= Cost of passenger services	– 0.074		– 0.0728
C	= *62.8 percent* of ticketing, sale and promotion cost* (0.117 SDR/$16.54)	*– 0.073*		
C_1	= *98.2 percent** of ticketing, sale and promotion cost* (0.1138 SDR/$16.04)			*– 0.1118*
D	= Balance of non-operating items	+ 0.017		+ 0.0160
		0.512		0.4619
E	= + 10 percent for profit	0.051		0.0462
		0.563		0.5081
F	= Income taxes ***	– 0.008		– 0.0005
Total		0.555		0.5076
T	= Airmail conveyance rate	*0.555*	rounded up to	*0.508*

NB: The methods of applying the formula are as follows:

i statistics compiled in year A,
ii published in December of year B,
iii rate recalculated in year C,
iv new rate comes into force in year D.

Percentage distributions of the 1990 traffic

Scheduled services:

Passenger	62.8	%*
Freight	33.4	%
Mail	1.8	%**
Non-scheduled services	2.0	%
Total	100.0	%

*** The 1992 result for this item is positive, ie it is revenue and therefore should be subtracted from the cost.

[1] The figures from annex 3/attachment 1, expressed in American cents in the 1992 ICAO statistics, have been converted into SDR at the rate of 1 SDR = $1.40838 for the basic rate simulation.

Congress – Doc 76/Annex 3/Attachment 1

Average revenue and expense per tonne-kilometre performed

Scheduled international airlines included in sample – 1992

Number of airlines in sample: 67

	1 Weighted averages	2 *Unweighted* averages	3 *Improved weighted* averages
	United States cents	United States cents	United States cents
Operating revenue			
Scheduled services			
Passenger	109.89	105.12	103.04
Freight	33.58	30.26	30.62
Mail	63.08	54.06	54.04
Non-scheduled services	55.63	97.35	126.96
Average operating revenue	91.95	87.48	87.82
Operating expenses			
Flight operations	21.42	20.89	21.08
Maintenance and overhaul	8.90	9.09	9.09
Depreciation and amortization	7.13	6.36	6.04
Station and other ground expenses	16.31	15.73	16.31
Passenger services	10.86	10.25	10.49
Ticketing, sale and promotion	17.03	16.04	16.54
General and administrative	7.09	6.56	6.60
Other operating expenses	4.29	3.88	4.30
Average operating expense	93.03	88.80	90.44
Operating result	– 1.08	– 1.32	– 2.61
Non-operating items			
Retirement of property and equipment	0.34	0.25	0.15
Interest	– 4.17	– 3.00	– 2.90
Payments from public funds	0.11	0.05	0.04
Affiliated companies	0.33	0.33	0.29
Other non-operating items	0.98	0.12	0.06
Non-operating items (balance)	– 2.41	– 2.25	– 2.35
Profit or loss (–) before income taxes	– 3.49	– 3.57	– 4.96
Income taxes	0.20	0.68	1.15
Profit or loss (–) after income taxes	– 3.29	– 2.88	– 3.82

1992: 1 SDR = 1.40838 USD

Column 1: Data weighted by the *estimated* airmail traffic of foreign origin only (the old formula)
Column 2: Data as it was reported to ICAO by Governments
Column 3: Data weighted by the *actual* international airmail traffic reported to ICAO by Governments

Congress – Doc 76/Annex 4

Convention (Airmail) – Proposal

Article 52

Basic rates and calculation of air conveyance dues

EXECUTIVE COUNCIL **20. 52.1**

Paragraph 1. Amend as follows:

1 The basic rate applicable to the settlement of accounts between administrations in respect of air conveyance shall be approved by the Executive Council. It shall be calculated by the International Bureau according to the formula specified in the Detailed Regulations.

2 (No change.)

Reasons. – Consequences of the work carried out by the "Rates" Working Party of the IATA–UPU Contact Committee in accordance with resolution C 73 of the 1989 Washington Congress.

Congress – Doc 76/Annex 5

(Montreal "Formula" (A))

Convention, Detailed Regulations (Airmail) – Proposal

Article RE 5201

Calculation of air conveyance dues for closed mails

EXECUTIVE COUNCIL **25. RE 5201.1/Rev 1**

Amend the title of this article as follows:

Formula for calculating the basic rate and calculation of air conveyance dues for closed mails

Add before 1 the following new text and renumber accordingly:

1 The maximum basic rate applicable in respect of air conveyance shall be calculated according to the formula below, the elements of which shall be taken from the International Airline Financial Statistics prepared by ICAO. This rate shall be rounded to the nearest thousandth of an SDR per kilogramme of gross weight and per kilometre; it shall apply proportionally to fractions of a kilogramme.

T = (A – B – C + D + E + F) where

T = Basic rate per t-km.
(Priority for airmail is guaranteed within this rate.)

A = Weighted average operating expense per t-km performed.

B = Cost of passenger services per t-km.

C = Percentage of the cost of ticketing, sales and promotion (based on the number of passengers in relation to traffic volume.

D = Expenses of non-operating items per t-km performed.

E = 10 percent of (A – B – C + D) as profit.

F = Income taxes per t-km performed.

Reasons. – Consequence of proposal 20. 52.1.

Congress – Doc 76/Annex 6

("Formula" (B) by Indonesia)

Convention, Detailed Regulations (Airmail) – Proposal

Article RE 5201

Calculation of air conveyance dues for closed mails

EXECUTIVE COUNCIL **25. RE 5201.2**

Amend the title of this article as follows:

Formula for calculating the basic rate and calculation of air conveyance dues for closed mails

Add before 1 the following new text and renumber accordingly:

1 The maximum basic rate applicable in respect of air conveyance shall be calculated according to the formula below, the elements of which shall be taken from the International Airline Financial Statistics prepared by ICAO. This rate shall be rounded to the nearest thousandth of an SDR per kilogramme of gross weight and per kilometre; it shall apply proportionally to fractions of a kilogramme.

$T = (A - B - C_1 + D + E + F)$ where

T = Basic rate per t-km.
(Priority for airmail is guaranteed within this rate.)

A = Unweighted average operating expense per t-km performed.

B = Cost of passenger services per t-km.

C_1 = Percentage of the cost of ticketing, sales and promotion (in proportion to traffic volume per t-km performed by mail).

D = Expenses of non-operating items per t-km performed.

E = 10 percent of $(A - B - C_1 + D)$ as profit.

F = Income taxes per t-km performed.

Reasons. – Consequence of proposal 20. 52.1.

Congress – Doc 76/Add 1

Basic airmail conveyance rate

Paper by IATA

1 In connection with the work done by the IATA–UPU Contact Committee on the basic airmail conveyance rate (Congress – Doc 76), IATA expressed the wish, in a letter dated 2 June 1994 (Congress – Doc 76/Add 1/Annex 1), to present a paper on this subject at the 30 August 1994 meeting of Congress Committee 4.

2 In view of the advantages to the member countries of Committee 4 of having the text of IATA's paper at their disposal before the start of Congress, at IATA's request and with the agreement of the Committee Chairman, the paper by IATA is attached hereto (Congress – Doc 76/Add 1/Annex 2).

Berne, 14 July 1994

A C BOTTO DE BARROS
Secretary-General

Congress – Doc 76/Add 1/Annex 1

International Air Transport Association (IATA) Geneva, 2 June 1994

Mr A C Botto de Barros
Director-General
Universal Postal Union
3000 BERNE 15
Switzerland

Basic airmail conveyance rate

Dear Mr Botto de Barros

You will be aware that at the IATA–UPU Contact Committee meeting on 9 February 1994, the modified Montreal formula for the calculation of the basic airmail conveyance rate had been agreed, but with reservations from Indonesia and Japan. At the Executive Council meeting the following week, Indonesia introduced new proposals for the calculation, which had not been discussed with IATA. As we understand the situation, agreement could not be reached at the Council meeting on either of the proposals. The Executive Council finally decided to refer both sets of proposals to Congress for resolution.

The airlines are very unhappy with these developments. We have contributed willingly and conscientiously to the joint discussions with the UPU and ICAO in the search for a formula; even though this inevitably would not meet the ideal objectives of either side but at least would be eventually acceptable. As we pointed out at the Contact Committee, we were appalled that last minute proposals should be put forward by Indonesia and Japan after such lengthy debate to achieve a consensus. At the time and in view of the fact that we had not had the opportunity to study the new proposals and prepare a considered reply, we indicated our total opposition to them. You can imagine our concern therefore, when we discovered that a further set of Indonesian proposals had been presented to the Executive Council, again without our knowledge or ability to comment.

As the Chairman of Congress Committee 4 has kindly consented to IATA making a presentation at the basic rate session on 29 August, we would ask for your agreement to present a paper in advance, which would be sent to all members of the Union along with other Congress documents. This will enable delegates to read IATA's views in advance of Congress; and assist the interpreters as we will highlight the issues of that paper in our presentation. Provided that you agree, we request advice on the latest date the UPU would need the paper for translation and distribution.

We would stress that, in addition to the formula, there are three particular provisions attached to the basic rate which still need agreement:

1 *Priority* – The question of any form of guarantee of priority, as currently shown in the formulae, has not been agreed. At present both sides have dissimilar ideas on priority. It is vital that a definition of priority be agreed and advised to delegates before Congress.

2 *Free return of empty mailbags* – We note that there is no mention of this provision in Congress – Doc 76. We do not accept that the proposed formulae include per se this provision. This, we had already stated at the February IATA–UPU Contact Committee meeting.

3 *Taxes/charges* – We would stress our understanding that the basic rate covers only the air conveyance between postal airport dispatch point of origin and postal airport destination acceptance point, exclusive of all taxes and other charges. Such costs, if imposed, must be paid in addition to the basic rate.

We would ask that the above points be made known to all interested parties. The airlines, nevertheless, hope that in Seoul an agreement can be reached which will be acceptable to both sides and thus end a dispute which has plagued us for more than a decade.

Yours sincerely,

(signed) K J PLATT

Co-Chairman, IATA–UPU Contact Committee

cc: Mr T E Leavey
Chairman of the Executive Council
Universal Postal Union

Mr K T Fisher
Director of International Affairs
Royal Mail International

Congress – Doc 76/Add 1/Annex 2

Basic airmail conveyance rate

Paper by IATA

I. Introduction

In its submission to the Washington Congress in 1989, IATA pointed out that despite considerable negotiation between the UPU and IATA over a period of nine years, on rate structures, rate formulae, rate levels and some agreed potential solutions, agreement from Committee 6, the Executive Council and Congress had never been attained. The basic rate and its structure had not changed since the Rio de Janeiro Congress in 1979 and still was only reviewed every five years.

The observer from ICAO drew the attention of Congress to ICAO's conviction that a rational system founded on an economic basis could be defined, with the cooperation of the UPU and IATA. IATA for its part indicated its willingness to discuss a new cost formula with ICAO and the UPU, provided the UPU once again accepted a cost basis (which they had previously rejected), and kept to that commitment.

In any event, Congress decided to leave the rate unchanged, ie for another five years. The mutual impasse continued.

II. Events since Washington

Congress – Doc 76 outlines the debate between the UPU and IATA, with cooperation from ICAO, on the rate issue since Washington. In May 1991, the IATA–UPU Contact Committee approved the establishment of a joint Working Party (Rates WP), which was endorsed by the Executive Council, to study inter alia:

a a method of updating the basic rate in cooperation with ICAO;

b the economic justification of that rate.

From the start of the joint discussions, the emphasis was therefore on the rationale of the rate structure rather than the level of the rate that resulted. That in itself was a major advance, since so much of the dispute between the two sides had been caused by emotional responses to suggested rate levels.

The UPU stressed, early in the Rates WP negotiations, how essential it was that a basic rate structure be fixed, preferably acceptable to IATA, as a large number of administrations still relied on the resulting rate for settlement with airlines. The proposed rate structure should achieve an equitable settlement between two parties, including a fair reimbursement of airline costs (ie those applicable to mail) and contribution to overheads and profit, while protecting service quality in the carriage of airmail.

ICAO has submitted in past presentations to the UPU that the total cost of services used should be shared by all users. Airmail benefits from the investments and promotions of airlines to develop passenger/freight services and frequencies, because it eventually uses them. Airmail could never exist separately at the marginal cost claimed by some as the cost basis for the airmail rate. Such

costing is only applicable to fill-up or standby products whereas airmail requires a form of priority status.

Given ICAO's traditional provision of airline operating cost statistics to the UPU, its expertise in their analysis and its willingness to help broker an equitable solution, IATA proposed that the three parties pool their resources to find such a solution.

III. The Montreal formula (A)

Out of the tripartite discussions last year came the Montreal formula (A), which with some modification after joint meetings earlier this year, is explained in Congress – Doc 76/Annexes 1 and 3.

From IATA's point of view, there is economic rationale behind this formula, and so, with some reservations which still have to be resolved, it has IATA's agreement in principle:

1 The improved weighted average: given the objective of computing an average unit cost for international airmail traffic, IATA accepted ICAO's argument that the data reported to ICAO by Contracting States on unit costs of individual carriers weighted by their international airmail traffic provides a better basis of the approximation of average airmail unit cost and are more statistically correct than averages which do not take account of a cost versus airmail alone composition.

2 Operating expenses – passenger services and ticketing/sales and promotion: first a definition of their content is necessary:

a passenger services = pay/allowances of cabin crew; passenger services staff; passenger meals and accommodation and all other expenses incurred from passenger carriage;

b ticketing/sales and promotion = pay/allowances of passenger ticketing/sales and reservations staff; commissions; advertising and sales promotion and documentation *plus* pay/allowances of cargo waybill, sales and reservations staff; cargo commission; cargo advertising and sales promotion and cargo documentation. From this analysis, it can be seen that while passenger services are purely passenger related, ticketing, sales and reservations cover both passenger and cargo including airmail.

Given the ICAO argument that airline users should pay a proportion of total costs, at first glance, postal administrations should pay accordingly.

However, a number of airlines do not charge their cargo divisions with exclusively passenger costs. Therefore, there is a logic in subtracting such costs from the proposed airmail formula. However, ticketing/sales and promotion is another matter. Not only does this category cover a proportion of cargo costs, but also the UPU requires some form of priority over cargo products. IATA therefore feels it logical that postal administrations should pay a proportion of ticketing, sales and promotion equivalent to the percentage of non-passenger traffic of the total traffic in return for this privilege.

The majority of postal delegates to the IATA–UPU Contact Committee accepted this argument, ie while passenger service costs in total were deductible in the formula, a proportion of ticketing sales and promotion equivalent to the percentage of non-passenger traffic should remain within the total cost applicable to airmail.

3 Annual review: it has long been IATA's contention that a review of the basic rate only every five years at Congress was outdated in a fast-moving commercial aviation world. The Montreal formula provides for an annual review, albeit on three-year-old cost statistics, which brings airmail more into line with passenger and cargo tariffs, which are reviewed at least annually, and nowadays much more frequently. With its link to actual cost data, the rate may vary up or down, dependent on the changing cost pressures of the real business world.

4 Application of the formula: IATA proposed that there should be a cumulative limit of 3 percent before there was an amendment to the existing rate. For instance, if the variation was 2 percent in a particular year, this would not change the rate, but it would be added or subtracted in calculating the next year's variation.

This would preclude the expense in time and resource in amending the rate for little benefit to either side. No decision has yet been taken on this point and IATA recommends its acceptance in the interest of all.

5 Priority and quality of service: the explanation of the Montreal formula in Congress – Doc 76/Annex 1 includes the phrase "Priority for airmail guaranteed within these rates". Under paragraph 11.14 of the Congress document there is the statement that "IATA and the UPU would have to agree on a definition in this connection at a later date".

IATA regards agreement on this definition as crucial to its acceptance of the Montreal formula and will do all in its power to gain such an agreement and ensure its circulation before the debate at Congress.

6 Free return of empty mailbags: at the IATA–UPU Contact Committee in February 1994, IATA stressed that in its view this provision, as outlined in the 1992 IATA–UPU agreement was not automatically included in the Montreal formula. IATA understands that the UPU has not reached a definitive answer to this dilemma but a solution must be found.

7 Taxes/charges: IATA stresses its understanding that the basic rate covers only the air conveyance between the postal dispatch office of the origin airport and the postal acceptance office of the destination airport, exclusive of all taxes and other charges. Such costs, if imposed, must be paid in addition to the basic rate.

IV. The alternative formula (B)

At the IATA–UPU Contact Committee in February 1994 an alternative formula (B) was submitted. After the debate on this proposal at that meeting and at Committee 6, IATA understands a revised proposal was submitted to the relevant Executive Council meeting. This formula is explained in Congress – Doc 76/Annexes 2 and 3. A copy of the revised proposal alternative B has been passed to IATA; however, IATA did not have the opportunity to make any comment on its content or justification prior to the Executive Council discussions.

IATA's views, including those made at the Contact Committee, are as follows:

1 Contact Committee February 1994: IATA was forced to respond spontaneously to the alternative formula (B) proposal, due to the fact that IATA had not been given the opportunity to study the proposal prior to the commencement of definitive discussions.

Firstly, the components of the alternative formula were based on a mixture of "unweighted" and "weighted" unit costs. This created false conclusions, which had to be rectified before any realistic review could be made.

Secondly, the proponents of alternative formula (B) centred on the difference in yield per t-km from freight and mail, as disclosed in the ICAO statistics. IATA has tried to point out to the UPU on numerous occasions, the dangers of this comparison. The volume of freight traffic is well over thirty times that of mail and is made up of a variety of categories ranging from "small package shipments" paying in excess of mail rates (due to the minimum charge rule) to "Express"; "Special Cargo"; "Volumetric Shipments"; "Weight Breakpoint Discounts"; "Specific Commodities"; "High Density Shipments" and "Bulk Deferred Cargo". Mail for its part consists of "Closed Airmails" and "Surface Airlift" with rates for large customers sometimes discounted or imposed by government dictate. Any comparison between the respective averages is totally meaningless. The only

valid comparison is between similar volumes of freight and mail taking into account the requirement for mail priority.

2 The proposals to the Executive Council: there are two basic differences between the alternative formula (B) and the Montreal formula (A):

a use of the ICAO "Unweighted" unit cost statistics;

b a considerable reduction in the proportion of ticketing, sales and promotion charged to airmail.

IATA has indicated in its comments on the Montreal formula (A), why it considers the use of the "Improved Weighted" averages has a logical and statistical validity over the "Unweighted" figures. IATA is not interested in scoring points but merely in accepting the most valid indicative statistics, as advised by the neutral specialists of ICAO.

IATA has also earlier in this paper stated its views on the charges for ticketing, sales and promotion. It cannot accept the alternative formula proposal to charge only a small percentage of these costs linked purely to the volume of airmail carried. The proposal has no economic or commercial logic. The proponents of the alternative formula claimed that acceptance of any higher percentage could result in an increased rate thereby fostering remail. At the Washington Congress, IATA drew the attention of the UPU delegates to their own statements and papers on the spectre of remail. Any success achieved by the remailers was due to a variety of reasons, eg terminal dues; quality of service; customer benefits; high quality marketing; etc. No reference was made to the reasoning behind the basic rates level.

V. Conclusion

IATA agreed to take part in the Rates WP in an effort to solve a dispute which has plagued IATA and the UPU for more than a decade. Based on the arguments put forward above, IATA feels that it cannot support the methodology used in alternative formula (B). On the other hand, IATA strongly feels that the Montreal formula (A) resulted from a spirit of compromise and goodwill and is based on explicit economic logic providing equitable settlement to both parties.

With the reservations previously mentioned, IATA therefore commends the Montreal formula (A) to Congress.

Congress – Doc 77

Universal rate. Revision of land and sea rates for postal parcels

Report by the Executive Council

I. Introduction – The universal rate

1 By resolution C 17/1989, the Washington Congress instructed the Executive Council:

- to conduct a study on the possibility of introducing a universal rate combining a rate per parcel and a rate per kg of gross weight of the mail on the basis of two elements: fixed costs and variable costs;
- to submit, where appropriate, proposals resulting from these studies to the next Congress.

2 In compliance with this mandate, the reporting country for Working Party WP 7/1 (Morocco) carried out two consultations with Union member countries[1] to collect information about international parcel-post traffic and obtain their views about adopting a universal rate for these rates.

3 Eighty-eight administrations took part in these consultations, which revealed majorities in favour of adopting the universal rate for outward and inward land rates (89 percent and 82 percent respectively), transit land rates (74 percent) and sea rates (62 percent). However, although in favour, ten administrations noted that the cost is unaffected by the weight under 6.68 kg for outward parcels and 5 kg for inward ones.

4 Bearing in mind those conclusions, the 1993 Executive Council adopted the principle of the universal rate, the consequence of which is the discontinuation of the weight steps used hitherto in article 47 of the Postal Parcels Agreement (article 33 of the recast text).

II. Outward and inward land rates

5 Washington Congress resolution C 18/1989 had instructed the Executive Council to examine the amount of the guideline rates applicable to the outward and inward land rates in article 47 of the Agreement (article 33 of the recast text). Taking into account its decision on the universal rate, the EC continued its mandate under resolution C 17/1989.

6 However, it expressed some anxiety about the fixed and variable rates calculated by the reporting country on the basis of the information gathered on international traffic for the outward and inward rates, the consequence of which would have been "universal" rates sometimes exceeding those in article 47 of the Agreement (article 33 of the recast text) by 200 percent, favouring heavy parcels at the expense of light ones.

7 Consequently, a theoretical revenue was calculated. This was based on the weighting established by the reporting country according to the distribution by weight of inward parcels and on the rates in article 47 (article 33 of the recast text) increased by 8.25 percent, the overall rate of

[1] Circular letters Nos 3421(B)1085 of 5 February 1991 and 3430(B)2069 of 22 December 1992.

increase noted by the International Bureau for the period 1988–1993 for the inward land rates of 188 administrations (member countries and territories). This revenue (annex 1) served as a target in calculating new fixed and variable rates.

8 In an effort to find a solution reflecting the situation of the majority of administrations, account has been taken of the fact that the target rate per kg should apply to any weight of parcels in a mail since, as 10 administrations had noted, variable costs only have an impact upwards of 6.68 kg for outward parcels and 5 kg for inward ones.

9 However, "universal" rates up to 30 kg calculated on the basis of the new fixed and variable rates referred to above (annexes 1 and 2) showed certain anomalies in that, for parcels of 2, 4, 6 and 7 kg, they would entail loss of revenue for the administrations. It therefore seemed essential to find new fixed and variable rates which, when combined, would give rates that:

- would, as far as possible, be higher than the present rates, to avoid lower revenue for administrations for parcels of a given weight;
- would produce theoretical revenue as close as possible to 453.20 SDR with a view to applying the increase of 8.25 percent adopted by the Parcel Post Committee;
- would not represent an excessive increase for parcels over 20 kg, since the adoption of the principle of the universal rate implies the discontinuation of the degressive scale used hitherto for parcels over 15 kg.

10 Optimum rates of 2.85 SDR (fixed) and 0.28 SDR (variable) were thus identified which give a theoretical value very slightly higher than that sought, while limiting to two the number of universal rates lower than those in article 47 of the Agreement (article 33 of the recast text) (annex 3).

11 The Executive Council approved these rates, bearing in mind that they merely represented a rate update and would therefore be the best suited to the situation of the Post in the competitive parcels market (proposal 30. 33.1).

12 As a consequence of the adoption of the principle of the universal rate, the EC also approved the abolition of remuneration calculated either per parcel or per kg of the gross weight of the mail laid down in article 54 of the Agreement, paragraphs 2 and 3 (article 36 of the recast text), since administrations are entitled to set the remuneration for the exchange of postal parcels on a bilateral basis, according to the provisions of the Framework Agreement on a new range of parcel-post products and services endorsed by the 1993 EC (proposals 30. 33.1, 30. 36.2, 35. RE 3601.1 and 35. RE 3603.1).

III. Revision of transit land rates and sea rates

13 Resolution C 18 of the 1989 Washington Congress instructed the Executive Council to adjust the transit land rates and the transit sea rates laid down in articles 48 and 49 of the Agreement (articles 34 and 35 of the recast text) in the event of the revision of the letter-post transit charges.

14 The 1990 Executive Council agreed to the use of the "comparative parcel-post/letter-post method"[1] in order to adjust the transit land rates and the transit sea rates in the event of a revision of the letter-post transit charges.

15 Moreover, following its study on adjustment of the "comparative parcel-post/letter-post method" and weight steps in the postal parcel scales, the 1992 Executive Council concluded that the method concerned was not to be called into question and that transit land rates and transit

[1] See Congress – Doc 13 of the 1969 Tokyo Congress, and also part IV, 2, a and b, of the Annotated Code (volume 3).

sea rates should be set according to distance steps identical to those for letter-post transit charges.

Transit land rates

16 Bearing in mind the conclusions of the studies conducted in 1992 and 1993 on transit and the universal rate, the International Bureau calculated, according to the "comparative method", a scale of new transit land rates based on the letter-post distance steps. The method used for calculating these new land rates is shown in annex 4. The Executive Council approved the scale shown in proposal 30. 34.1.

17 If Congress were to adopt the principle of the universal rate for transit land rates, thus abandoning the weight steps applied hitherto, article II of the Final Protocol of the 1989 Washington Agreement (Exceptional transit land rates), which is based on those weight steps, would be called into question. The Executive Council approved draft recommendation 33. 0.1/Rev 1 inviting administrations to reconsider the reservation made in article II of the Protocol to the Agreement (article IX of the recast text).

18 The adoption of the scale based on letter-post distance steps will make it possible to calculate a remuneration which is a more realistic reflection of postal parcel conveyance. Accordingly, the EC approved proposal 35. RE 3401.1 which seeks the abandonment of the concept of average weighted distance laid down in article 48, paragraph 2, of the Agreement (article RE 3401 of the recast text).

Study on postal parcels sent in transit à découvert. Remuneration of the intermediate administration

19 A study conducted in 1992 showed that administrations wished to retain the transit à découvert system, and particularly, remuneration for the extra work caused by parcels received in transit à découvert.

20 The 1993 Executive Council adopted the principle of this remuneration while instructing WP 7/1 to continue its consideration of this matter, taking account of the adoption by the EC of the principle of the universal rate and also of the great difference between the unit rates proposed by the International Bureau and the single rate of 0.33 SDR payable on air parcels in transit à découvert.

21 Pointing out that the above-mentioned single rate of 0.33 SDR had never been revised since its adoption by the 1984 Hamburg Congress, the International Bureau proposed that the desired remuneration should consist of a single rate of 0.75 SDR, the lowest median value identified in the study.

22 The new single rate would be applicable to all parcels received in transit à découvert. When a land route was involved, it would be added to the rate corresponding to the weight of the parcel for the distance traversed in the transit country. As regards parcels in transit à découvert without a land route, the single rate proposed would replace that of 0.33 SDR laid down in article 48, paragraph 5, (article 34 of the recast text) for air parcels and, for surface parcels, the transit land rate laid down in paragraphs 2 and 3 of that article.

23 Aware of the need to maintain the competitive edge of the postal service, the Working Party came out in favour of a single rate of 0.40 SDR. The Executive Council subsequently approved proposals 30. 34.2 and 35. RE 3401.2 which take account of this amendment.

24 The Executive Council also confirmed that proposal 35. RE 3401.2 of the Detailed Regulations of the recast Agreement envisages the collection by the transit administration of the single rate per parcel for mails entering and leaving by the same port or airport when the services

of that administration were involved regardless of whether that involvement was planned or was caused by the absence of a direct transfer between airlines.

Sea rates

25 With respect to sea rates, the 1992 Executive Council, following the study on adjustment of the parcel-post/letter-post comparative method and distance steps in postal parcel scales, took note of the conclusion that the 50 percent increase in the basic scales would make it possible to delete article IV of the Final Protocol of the Agreement (article X of the recast text).

26 In view of that conclusion, and of the conclusions of the studies conducted in 1992 and 1993 on transit and the universal rate, the International Bureau, using the "comparative method", calculated two new sea-rate scales (basic rates and basic rates increased by 50 percent). The method of calculation is given in annex 4.

27 The 1994 Executive Council did not adopt the suggestion that sea rates should be increased by 50 percent in order to avoid causing excessive rises in them.

28 The 1994 Executive Council therefore approved the sea-rate scale which is the subject of proposal 30. 35.1.

IV. Postal Parcels Agreement, article 25. Liability of postal administrations. Indemnities

29 The adoption of the universal rate principle necessarily results in the abandonment of the weight-scales on which land and sea rates, and particularly the indemnities provided for ordinary lost, stolen or damaged parcels have been based. Proposal 30. 25.7 sets out maximum indemnities in the form of a fixed and a variable rate, which produce new amounts of indemnities which are as close as possible to the present ones.

V. Revision of land and sea rates after the Seoul Congress

30 The Executive Council approved draft resolution 30. 0.3 on the revision of land and sea rates to be implemented by the competent body elected by the Seoul Congress.

Washington, 20 June 1994

T E LEAVEY

Chairman of the EC

Congress – Doc 77/Annex 1

Calculation of guideline inward rates per parcel and per kg

I. Basis for calculation on 100 parcels

According to the study conducted by Morocco, the reporting country, the breakdown of parcel traffic by weight step is as follows[1]:

Weight steps	*Percentage of traffic*
0 – 1 kg	9.87
1 – 3 kg	28.71
3 – 5 kg	17.69
5 –10 kg	31.29
10 – 15 kg	7.27
15 – 20 kg	5.16
	100.00

II. Calculation of theoretical revenue

The following calculation of theoretical revenue for 100 parcels takes account of the rates (article 47 of the Agreement) increased by 8.25 percent[2]

Number of parcels	*Rates (SDR)*	*Amounts (SDR)*
9.87	2.83	27.93
28.71	3.54	101.63
17.69	4.24	75.01
31.29	5.30	165.84
7.27	6.37	46.31
5.16	7.07	36.48
		453.20

Thus, this revenue is 453.20 SDR for a sample of 100 parcels which is representative of the composition of world traffic by weight step.

[1] Information provided by 26 administrations for the period 1986–1990.

[2] Median rate of increase registered by the International Bureau for the period 1988–1993.

III. Calculation of the rate per parcel and of the rate per kg

a The average parcel weight of 6.04 kg[1] is used for this calculation

If X = rate per parcel

Y = rate per kg

The following equation system can be written:

$100 X + 100 (Y \times 6.04) = 453.20$ SDR

$X = 6.93 Y^2$

b The solution of the above equation system makes it possible to find the value of X and Y:

X = 2.42 SDR (rate per parcel)

Y = 0.35 SDR (rate per kg)

[1] Value found by Morocco's study.

[2] Coefficient found by Morocco's study, obtained by dividing the value of the inward rate per parcel (4.23) by the inward rate per kg (0.61). (Cf CE 1992/C 7 – Doc 3a, paragraph 39, subparagraph v.)

Congress – Doc 77/Annex 2

Universal inward rates calculated on the basis of the fixed and variable rates – Comparison with present rates (article 47)

Weight (kg)	Fixed rate SDR	Variable rate SDR	Universal rate SDR	Rate article 47 SDR	Increase %
1	2.42	0.35	**2.77**	2.61	**6**
2	2.42	0.70	3.12	**3.27**	**-5**
3	2.42	1.05	**3.47**	3.27	**6**
4	2.42	1.40	3.82	**3.92**	**-3**
5	2.42	1.75	**4.17**	3.92	**6**
6	2.42	2.10	4.52	**4.90**	**-8**
7	2.42	2.45	4.87	**4.90**	**-1**
8	2.42	2.80	**5.22**	4.90	**7**
9	2.42	3.15	**5.57**	4.90	**14**
10	2.42	3.50	**5.92**	4.90	**21**
11	2.42	3.85	**6.27**	5.88	**7**
12	2.42	4.20	**6.62**	5.88	**13**
13	2.42	4.55	**6.97**	5.88	**19**
14	2.42	4.90	**7.32**	5.88	**24**
15	2.42	5.25	**7.67**	5.88	**30**
16	2.42	5.60	**8.02**	6.53	**23**
17	2.42	5.95	**8.37**	6.53	**28**
18	2.42	6.30	**8.72**	6.53	**34**
19	2.42	6.65	**9.07**	6.53	**39**
20	2.42	7.00	**9.42**	6.53	**44**
21	2.42	7.35	**9.77**	7.18	**36**
22	2.42	7.70	**10.12**	7.18	**41**
23	2.42	8.05	**10.47**	7.18	**46**
24	2.42	8.40	**10.82**	7.18	**51**
25	2.42	8.75	**11.17**	7.18	**56**
26	2.42	9.10	**11.52**	7.83	**47**
27	2.42	9.45	**11.87**	7.83	**52**
28	2.42	9.80	**12.22**	7.83	**56**
29	2.42	10.15	**12.57**	7.83	**61**
30	2.42	10.50	**12.92**	7.83	**65**

Comparison based on a sample of 100 parcels:

- Theoretical revenue targeted (brought forward from annex 1): *453.20 SDR.*
- Theoretical revenue calculated on the basis of the figures in the above table (2.42 SDR per parcel – 0.35 SDR per kg):

	242.00 SDR	(100 times the fixed rate of 2.42)
+	*211.40 SDR*	(100 times the average parcel weight of 6.04 kg with a variable rate of 0.35 SDR per kg, ie 100 x 6.04 x 0.35)
	453.40 SDR	

Difference compared with the targeted theoretical revenue: + 0.04 percent.

Congress –Doc 77/Annex 3

Universal inward rates calculated on the basis of the fixed and variable rates – Comparison with present rates (article 47)

Weight (kg)	Fixed rate SDR	Variable rate SDR	Universal rate SDR	Rate article 47 SDR	Increase %
1	2.85	0.28	**3.13**	2.61	**20**
2	2.85	0.56	**3.41**	3.27	**4**
3	2.85	0.84	**3.69**	3.27	**13**
4	2.85	1.12	**3.97**	3.92	**1**
5	2.85	1.40	**4.25**	3.92	**8**
6	2.85	1.68	4.53	**4.90**	**-8**
7	2.85	1.96	4.81	**4.90**	**-2**
8	2.85	2.24	**5.09**	4.90	**4**
9	2.85	2.52	**5.37**	4.90	**10**
10	2.85	2.80	**5.65**	4.90	**15**
11	2.85	3.08	**5.93**	5.88	**1**
12	2.85	3.36	**6.21**	5.88	**6**
13	2.85	3.64	**6.49**	5.88	**10**
14	2.85	3.92	**6.77**	5.88	**15**
15	2.85	4.20	**7.05**	5.88	**20**
16	2.85	4.48	**7.33**	6.53	**12**
17	2.85	4.76	**7.61**	6.53	**17**
18	2.85	5.04	**7.89**	6.53	**21**
19	2.85	5.32	**8.17**	6.53	**25**
20	2.85	5.60	**8.45**	6.53	**29**
21	2.85	5.88	**8.73**	7.18	**22**
22	2.85	6.16	**9.01**	7.18	**25**
23	2.85	6.44	**9.29**	7.18	**29**
24	2.85	6.72	**9.57**	7.18	**33**
25	2.85	7.00	**9.85**	7.18	**37**
26	2.85	7.28	**10.13**	7.83	**29**
27	2.85	7.56	**10.41**	7.83	**33**
28	2.85	7.84	**10.69**	7.83	**37**
29	2.85	8.12	**10.97**	7.83	**40**
30	2.85	8.40	**11.25**	7.83	**44**

Comparison based on a sample of 100 parcels:

- Theoretical revenue targeted (brought forward from annex 1): *453.20 SDR.*
- Theoretical revenue calculated on the basis of the figures in the above table (2.85 SDR per parcel – 0.28 SDR per kg):

	285.00 SDR	(100 times the fixed rate of 2.85)
+	*169.12 SDR*	(100 times the average parcel weight of 6.04 kg with a variable rate of 0.28 SDR per kg, ie 100 x 6.04 x 0.28)
	454.12 SDR	

Difference compared with the targeted theoretical revenue: + 0.20 percent.

Congress – Doc 77/Annex 4

Method used for calculating the rate per parcel and the rate per kg ("universal rate") for transit land rates and sea rates

1 Following the study it had been instructed to conduct by the 1989 Washington Congress (resolution C 17), the 1993 EC adopted the principle of the "universal rate" for calculating land and sea rates. This "universal rate" is a combination of two rates: a rate per parcel (to take account of fixed charges) and a rate per kg (to take account of variable charges). It seemed that, in this way, this rate would take greater account of the real costs than the present calculation methods laid down in articles 47, 48, 49 and 54 of the Postal Parcels Agreement (Washington 1989) (articles 33 to 36 of the recast Agreement).

2 The adoption of this principle necessarily entails amendments in the procedure used hitherto to set transit land rates and sea rates. Consequently, it seems advisable to indicate the method used by the International Bureau to set the two rates presented in proposals 30. 34.1 and 30. 35.1[1] relating to the revised transit land rates and sea rates pursuant to resolution C 18/1989 "Revision of land and sea rates".

3 The 1990 EC adopted the "comparative postal-parcels/letter-post method" used since the 1969 Tokyo Congress as the method for calculating land rates and sea rates.[2] This method seeks to set the amount of these rates by reference to letter-post transit charges which are determined after an economic study conducted during the year preceding each Congress.

4 Circular letter No 3390(B)1506 of 21 July 1993 asked administrations to provide the elements needed for calculating the new scales for letter-post transit charges. These elements fall into three categories:

- "postal charges", which cover purely postal operations and which, compared with the elements relating to conveyance, are fixed costs;
- "land conveyance costs"; and
- "sea conveyance costs", calculated on the basis of the prices actually paid for the conveyance of the mail.

5 The work accomplished made it possible to determine, for postal parcels, the rate per parcel and the rate per kg of gross weight of the mail whether transit is by land or sea.

Rate per parcel

6 Calculation of letter-post transit charges (see Congress – Doc 57) made it possible to isolate world postal costs for land and sea transit. The values obtained were 0.215 SDR and 0.212 SDR per kg respectively.

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[1] The amounts shown in these documents are presented according to the distance-step scales used for letter-post transit charges as a consequence of the opinion expressed by three-quarters of the 55 administrations which replied to the consultation on a possible adjustment of the "comparative method" conducted under cover of circular letter No 3390(B)2657 of 7 October 1991 and of the position adopted by the 1992 EC.

[2] See Congress – Doc 13 of the 1969 Tokyo Congress, pp 483 to 486, as well as part IV, 2, b, of the Annotated Code, volume 3 (Postal Parcels Agreement, Washington 1989).

7 To obtain a rate per parcel, as envisaged in the study on the universal rate, the average weight of a parcel must be known. The value used for this purpose was 6.04 kg, the value identified by the reporting country of Working Party WP 7/1, in its survey conducted with administrations in 1991 and 1992.[1]

Land transit

8 The value of 0.215 SDR per kg was multiplied by 6.04 (average weight in kg), the result being rounded up according to the usual practice to produce a rate per parcel of 1.30 SDR as given in proposal 30. 34.1.

Sea transit

9 The value of 0.212 SDR per kg was multiplied by 6.04 (average weight in kg) to give a rate of 1.2805 SDR per parcel.

10 The value adopted per parcel (0.85 SDR) was obtained by a reduction of one third made pursuant to article 50 of the Agreement (article 35.4 of the recast text). Hence, the 50 percent increase in the sea rates in article 49 (article 35.4 of the recast text) produces the calculated rate of 1.2805 SDR per parcel, the maximum permitted.

Rate by kg of gross weight of mail

11 When the scales of the letter-post transit charges were calculated, the rates per kg of gross weight of the mail relating to the land and sea transit distance steps were set. These amounts are the total of the variable transport costs on the basis of weight and distance plus the postal charges. If the latter are not taken into account, 0.215 SDR for land transit and 0.212 SDR for sea transit, the result is the rate per kg of gross weight of the mail for each distance step.

Land transit

12 The "rates per kg of gross weight" are therefore obtained, for each distance step, by deduction of 0.215 SDR (postal charges) from the transit charges (see column 4 in the following table, the whole of which is included in proposal 30. 34.1).

Distance steps	Transit charges (letter post)	Postal charges (letter post)	*Rate[2] per kg of gross weight (col 2 – col 3)*
(1)	(2)	(3)	(4)
	SDR	SDR	SDR
Up to 50 km	0.24	0.215	0.02
From 50 to 100 km	0.27	0.215	0.05
From 100 to 200 km	0.30	0.215	0.08
From 200 to 300 km	0.33	0.215	0.12
From 300 to 400 km	0.36	0.215	0.15
From 400 to 500 km	0.39	0.215	0.18
etc			

[1] See document CE 1992/C 7 – Doc 3a.

[2] After rounding up or down to the nearest hundredth.

Sea transit

13 The same procedure was followed for setting the rates per kg for sea transit. These rates also had to be adjusted in order to comply with the following two rules:

- one deriving from the practice adopted since the 1974 Lausanne Congress, according to which these amounts should be increased by 10 percent since, for equal weight, a parcel-post item occupies a volume some 50 percent greater than that of a letter-post item;
- the other in application of the above-mentioned provisions of article 50 of the Agreement, according to which these rates must be reduced by one third.

Distance steps	Transit charges (letter post)	Postal charges (letter post)	Rate per kg of gross weight (col 2 – col 3)	*Rates per kg of gross weight adjusted*
(1)	(2)	(3)	(4)	(column 4 with 10 percent increase then a reduction of one third)
	SDR	SDR	SDR	SDR
Up to 50 n.m.	0.30	0.212	0.09	0.07
From 50 to 100 n.m.	0.33	0.212	0.11	0.08
From 100 to 500 n.m.	0.36	0.212	0.15	0.11
From 500 to 750 n.m.	0.39	0.212	0.18	0.13
From 750 to 1000 n.m.	0.40	0.212	0.19	0.14
From 1000 to 1500 n.m.	0.42	0.212	0.21	0.15
etc				

Congress – Doc 78

The Post and the environment

Report by the Executive Council

I. Introduction

1 The United Nations Conference on the Environment and Development (UNCED), known as the "Earth Summit", which was held in Rio de Janeiro (Brazil) in June 1992, made a major contribution to raising man's awareness of the extent to which this private, public or commercial activities affect the environment and the quality of everyday life. The "Earth Summit" stressed the fundamental role that all the organizations in the United Nations system, including the Universal Postal Union (UPU), were to play in environmental protection. Postal administrations, which handle all kinds of disposable products every day, have perceived a unique opportunity here and the responsibility of being the first to put into practice and to promote the message calling for conservation of the earth's natural resources.

2 As a result, during its 1992 session at the suggestion of the Chairman of the Executive Council (EC), the Consultative Council for Postal Studies (CCPS) approved the launching of an urgent study on the Post and the environment before the 21st Universal Postal Congress.

3 The CCPS assigned conduct of the study to the United States of America. The study was divided into two sub-studies: the first, entitled "Technical issues and pollution prevention policy", was led by the United States of America and the second, entitled "Establishment of a rational policy for procuring non-polluting postal materials" was led by Sweden. The results of the two sub-studies were presented at the "Post and environment" symposium held during the annual session of the CCPS in 1993.

II. Action taken by the UPU

The symposium, the first organized on the topic of the Post and the environment, was held at UPU headquarters in Berne on 12 October 1993. It was attended by the Chairmen of the EC and CCPS, more than 90 participants representing 47 postal administrations and three Restricted Unions, as well as the six UPU Regional Advisers. A wide range of interesting subjects were covered:

- Establishment of a rational policy for procuring non-polluting postal materials – Paper by Sweden (CCEP 1993 – ENVIR – Docs 2 and Add 1);
- Procurement and use of recycled paper in postal administrations – Paper by Germany (CCEP 1993 – ENVIR – Doc 3);
- Pioneering role of the Austrian Post in environmental protection – Paper by Austria (CCEP 1993 – ENVIR – Doc 4);
- Technical issues and pollution prevention policy – Paper by the United States of America (CCEP 1993 – ENVIR – Doc 5);

- Initiatives between the Post and the business community – Paper by Canada (CCEP 1993 – ENVIR – Doc 6);
- Increased efforts to improve the environment – Paper by Denmark (CCEP 1993 – ENVIR – Doc 7a).

5 The report of the symposium, as approved by the CCPS, the text of the press release issued at the end of the symposium and all the documents considered by the symposium, and relating to the subjects listed above were sent to all the postal administrations of UPU member countries and to the Restricted Unions under cover of circular letter No 4204(D)1850 of 24 November 1993.

6 The lead country of the symposium prepared, on the basis of the contributions and papers, a list of 25 recommendations structured around five areas:

- Organization and administration;
- Policies and guidelines;
- Operations;
- Marketing and communication;
- Procurement policy.

These recommendations, which constitute an important tool for postal administrations, were sent to member countries by the International Bureau under cover of circular letter No 4204(D)1055 of 18 January 1994.

7 The 1993 CCPS adopted resolution CCEP 1/1993 setting up a Working Party, consisting of Brazil, Great Britain, India, Sweden, and Thailand and chaired by the United States of America, to be responsible for preparing a draft resolution for Congress on a policy and guidelines to govern environmental protection activities in the UPU. The Working Party prepared a draft resolution on UPU environmental protection policy which was approved by the EC at its February 1994 session and which is now being submitted to Congress. This draft resolution is the subject of proposal of a general nature 07.

8 The International Bureau contributed to implementation of the urgent study "Post and environment" by providing logistical support for the reporting countries of the sub-studies and by making the physical arrangements for the symposium. It also cooperated with the Working Party set up by the CCPS. In view of the importance of the environmental issue, the International Bureau is compiling an information and awareness kit for postal administrations in preparation for Congress.

III. Future prospects

9 Executive Council and Consultative Council for Postal Studies members showed great interest in questions of environmental protection by the Post. The problem of the environment is an important issue and all postal administrations should be aware that, in the long run, they will have to use in their daily activities materials and equipment that do not harm the environment.

10 The resolution on UPU environmental protection policy submitted for approval by the Seoul Congress is an undertaking by the UPU that it will contribute to the sustainable development of society. UPU action is to be based on guidelines defined in the draft resolution, including:

- Responsibility to public expectations and otherwise meeting or exceeding all applicable environmental laws and regulations;

- Incorporating environmental considerations, at an early stage and at all levels in postal administrations, as an integral part of the planning, budgeting, and decision-making process;
- Measuring and communicating on postal administrations' progress in protecting the environment through various established methods;
- Working closely with customers, suppliers, utilities, industry, governments, associations, and other interest groups to promote environmentally-sound practices.

11 To implement the CCPS recommendations, a Committee of Experts could be set up in the Postal Operations Council (POC) to formulate action to be taken by the postal administrations of Union member countries.

12 The International Bureau will undertake to collect and distribute to postal administrations information on environmental protection activities; this information will be updated through the operational binder on environment.

IV. Conclusions

13 Congress is invited:

- to take note of the action taken by the CCPS and the International Bureau in the field of environmental protection;
- to adopt proposal 07 consisting of a resolution on UPU environmental protection policy;
- to approve the action to be taken by the Council of Administration (CA), the Postal Operations Council (POC), postal administrations and the International Bureau to contribute to the sustained development of society.

Washington, 22 April 1994

For the Executive Council:

T E LEAVEY

Chairman

Congress – Doc 79/Rev 1

Publication of a new edition of the International List of Post Offices (ILPO)

Executive Council report

I. Introduction

1 The present International List of Post Offices was published in 1977 following a decision made by the 1974 Lausanne Congress.

2 Of the 16 000 copies printed in 1977, 2110 were still in stock at 31 March 1994 and the other 13 890 copies were distributed as follows:

Supplied free of charge to postal administrations	6 911
Sold to postal administrations	5 316
Sold to private individuals	1 619
Damaged or incomplete copies	44
Total	13 890

3 In response to a questionnaire sent out by the International Bureau, a large majority of administrations came out in favour of publishing a new edition of the ILPO and of its computerization.

II. Decision of the 1994 Executive Council

4 In view of the foregoing, the Executive Council decided at its 1994 session to publish a new edition of the International List of Post Offices on paper and on CD/ROM, and to propose to Congress that it provide for the necessary credits within the framework of the 1996–2000 five-year budget ceiling.

III. Financing of the new edition

5 The expenditure committed for the 1977 edition was 630 000 CHF and the receipts from sales to administrations and private individuals amounted to 310 000 CHF.

6 Based on the actual 1977 costs of the ILPO and on a tender submitted by a specialist firm for transcribing the data on CD/ROM and developing retrieval and consultation software, and taking the probable movement of prices into account, the cost of publishing a new edition of the List on paper and on CD/ROM can be estimated at 1 040 000 CHF, not including probable price increases.

7 Bearing in mind the voluntary contributions from Germany (120 000 CHF), the United States of America (10 000 CHF) and Australia (10 000 CHF) earmarked for publishing the new edition of the ILPO, the credit to be provided for within the framework of the 1996–2000 five-year budget ceiling will be 900 000 CHF.

8 A proposal for financing the new edition of the ILPO is given in Congress – Doc 19 (part II, chapter 6, B) and in annex 12 to that document.

9 Work connected with publishing the new edition of the List will have to be spread over 1996 and 1997 so that the new List can be dispatched by the end of 1997 at the latest.

IV. Conclusions

10 Congress is invited to:

- endorse the Executive Council's decision concerning publication of the new edition of the International List of Post Offices both on paper and CD/ROM, and to provide the necessary credits within the framework of the five-year budget ceiling, specifically in the budget for 1996;
- instruct the Council of Administration to ensure that publication of the new edition of the List is spread over the 1996 and 1997 financial years.

Berne, 21 June 1994

For the Executive Council:

T E LEAVEY

Chairman

Congress – Doc 80

Invitation for the 22nd Universal Postal Congress

Memorandum by the Secretary-General

The administration of the People's Republic of China has sent me the following communication, which I distributed in International Bureau circular No 46 of 14 February 1994:

"Further to International Bureau circular 269 of 26 July 1993 concerning the venue of the 22nd Universal Postal Congress, 1999, I wish to inform you that the Chinese government would like very much, and would consider it a great honour, to be able to host the 22nd Universal Postal Congress in China in 1999.

"As the largest developing country in the world, with a rapidly growing economy, China has achieved a number of remarkable successes known to all. A modern infrastructure exists in many of its large cities. During the last few years, China has successfully hosted several major international events. In 1995, the Fourth World Conference on Women will be held at Beijing.

"China was one of the first countries in the world to set up a postal service. In 1996, it will celebrate the 100th anniversary of its modern postal service. As a member of the UPU for 80 years, the Chinese Post is part of the world postal community and its ties of cooperation with the UPU are very close. China wants very much to contribute to the development of the UPU and the international Post. I therefore feel that the time is right for China to be the country to host the 22nd Congress, an event that will be significant in the history of the UPU as it ushers in the next century.

"I should be grateful if you would make our intention known in an appropriate form to all participants of the 21st Universal Postal Congress.

"Thanking you in anticipation of your cooperation and support, I remain

(signed) WU Jichuan
Minister of Posts and Telecommunications"

Berne, 9 June 1994

A C BOTTO DE BARROS
Secretary-General

Congress – Doc 81

Introduction of an international postal code system

Memorandum by the Secretary-General

1 Following CCPS sub-study 741.1 "Sorting and optical reading", which was regarded as completed in 1992, the CCPS instructed Japan, the reporting country, and the International Bureau, to conduct a follow-up study on introducing an international postal code system for representing countries of destination in the postal address. The CCPS took this decision in view of the importance of this matter, especially as regards promoting automatic sorting of international post by advocating more effective use of optical character recognition (OCR) equipment, which is increasingly being used by various postal administrations for mail sorting.

2 After reading the initial report prepared by the reporting country, the 1993 CCPS adopted the attached recommendation (see annex 1).

3 The CCPS Steering Committee, meeting on 7 and 11 February 1994, to which the 1993 CCPS had delegated the task of pursuing its work up to the Seoul Congress, examined the provisional results of the sub-study and decided on its work schedule. The CCPS SC also instructed Japan, as reporting country for sub-study 741.1, to present the final report to the Seoul Congress, together with a proposal concerning the introduction of an international postal code system (see proposal 20. 0.14).

4 The final report of this sub-study and the summary table of replies prepared by the reporting country are reproduced in annexes 2 and 3 of this document.

5 It should be noted that most of the administrations entirely approved the "draft standard" for the international postal code (annex 4) suggested by the reporting country in its initial report on the study and which served as basis for the second consultation, pursuant to the 1993 CCPS recommendation. On the other hand, a small number of developed countries were partly or entirely against the "draft standard" and expressed their disagreement with the proposal, on various grounds.

6 Moreover, the draft report of sub-study 741.1 was distributed by the International Bureau, for consideration and any comments, to the member countries of Working Party 741 (circular letter No 4445–741(D)1425 of 10 June 1994).

7 Following that distribution of the draft report, it was noted that most of the countries questioned were in favour of submitting the results of the sub-study in question to the Seoul Congress and of a draft proposal concerning the introduction of an international postal code system. According to one country, this draft report could serve as the basis for the development of the system concerned.

8 However, another country expressed a major reservation about the introduction of such a system. That country feels that this matter requires detailed study and that Congress should be asked to take note of the progress achieved in this field and to entrust the task of continuing the study in question to the Postal Operations Council.

9 Congress is invited:

- to examine the results of sub-study 741.1 on the introduction of an international postal code system;
- to instruct the POC to take appropriate steps to ensure that whichever standard is judged necessary is defined and promulgated.

Berne, 30 June 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 81/Annex 1

Recommendation concerning sub-study 741.1 "Sorting and optical reading"

The CCPS,

Considering
the conclusions of sub-study 741.1 "Sorting and optical reading" regarding the desirability of a single coding system for international mail taking account of technological developments in the information-processing and communications fields and in the area of optical character recognition (OCR),

Aware
of the need to establish such a system as soon as possible and in a coordinated manner,

Recommends

to postal administrations that they study the best possible method for establishing a postal code for international mail,

Instructs

the International Bureau to gather, to that end, the comments and suggestions of postal administrations on the draft standard attached hereto and to submit to the appropriate bodies of the Union the conclusions resulting from that consultation.

Congress – Doc 81/Annex 2

Final results of sub-study 741.1 on the introduction of an international postal code system

I. Introduction

1 The aim of this document is to provide the final results of the consultation on the introduction of an international postal code system.

2 In response to the questionnaire prepared by the reporting country (Japan) and the International Bureau, which was distributed through UPU circular letter No 4475–741(D)1895 of 14 December 1993, the following 80 administrations have to date expressed their views/comments/suggestions:

Algeria, Argentina, Australia, Austria, Belarus, Belgium, Benin, Botswana, Brazil, Brunei Darussalam, Bulgaria (Rep), Burundi, Chile, Comoros, Costa Rica, Côte d'Ivoire (Rep), Cyprus, Czech Rep, Denmark, Dominican Republic, Egypt, Eritrea, Estonia, Finland, France, Gambia, Germany, Great Britain, Hong Kong, Hungary (Rep), India, Israel, Italy, Japan, Jordan, Kenya, Korea (Rep), Lao People's Dem Rep, Latvia, Lithuania, Luxembourg, Madagascar, Malaysia, Mauritius, Mexico, Monaco, Myanmar, Nauru, Nepal, Netherlands, Niger, Oman, Panama (Rep), Peru, Philippines, Portugal, Macao, Qatar, Romania, Russian Federation, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Slovakia, Slovenia, Sri Lanka, Swaziland, Switzerland, Thailand, the former Yugoslav Republic of Macedonia, Turkey, Turkmenistan, Ukraine, United Arab Emirates, United States of America, Uruguay, Venezuela, Yemen

II. Final analysis of replies

3 The following analysis is drawn from the "Summary table of replies" (annex 3).

General questions

4 (Q 1 – Desirability of an international postal code system)

Twenty administrations are currently using a given code to represent the countries for forwarding mail. Among them, while 7 administrations are using the ISO Alpha-2 code, 10 administrations are using the ISO Alpha-3 code or others. Fifty-nine administrations which are not currently using a given code to represent the countries are considering using such a code.

Comments of the individual administrations:

United States of America

– ISO Alpha-2 code can cause missorting because of its difference from the US standard.

Austria, Denmark, Germany, Portugal, Switzerland

– They already use the road vehicle nationality code.

Method of establishing an international postal code system

5 (Q 2 – Way of establishing a coding system)

Sixty-nine administrations (approximately 86 percent) are in favour of the method of establishing an international postal code system by linking a given code representing the country (area) of destination with the postal routeing numbers (national postal code) currently used in that country.

Comments of the individual administrations:

United States of America

- Country names in capital letters are easily captured by OCR readers.

6 (Q 3 – Type of country code to be used)

Sixty-four administrations (80 percent) agreed to use the ISO Alpha-2 code to represent the country (area). The rest suggest using the ISO Alpha-3 code or other codes.

7 (Q 4 – Mode of writing country (area) code and postal routeing code)

Sixty-seven administrations (approximately 84 percent) felt that the two components should be written on one line.

Comments of the individual administrations:

Czech Rep

- It is preferable to write two components on different lines.

France

- The postal code should consist of country code + area code + the name of the city.

Conditions to be met when the international postal code is printed (or typed)

8 (Q 5.1 – Location of the postal code)

While 59 administrations (approximately 74 percent) felt that the international postal code should be specified in the location of the address (ie in the given lines of the address), five administrations (approximately 6 percent) preferred that it should be located in a specific place on the front of the envelope.

8.1 (Q 5.2 – The lines of the address where the international postal code should be located)

Among the postal administrations which felt that the international postal code should be specified in the location of the address, 56 administrations (approximately 70 percent) agreed that the postal code should be located on the last line of the address.

8.2 (Q 5.3 – The best starting point for insertion of the postal code in the address)

Fifty-five administrations (approximately 69 percent) felt that the code should be lined up with the first letter of the first word of the address on the left.

9 (Q 5.4 – Place of the envelope where the international postal code should be located)

Among the administrations which preferred having the international postal code given in a specific place on the envelope, 30 administrations (approximately 38 percent) felt that the code should be positioned at least 40 mm from the top edge of the envelope (with a tolerance of 2 mm), 15 mm from its righthand edge, 15 mm from its bottom edge, and not more than 140 mm from its right-hand edge (cf article 22 of the UPU Convention).

10 (Q 6 – Spacing between components of the postal code)

Fifty-eight administrations (approximately 73 percent) did not want two elements of the international postal code to touch each other.

11 (Q 7 – Separation by hyphen of the two components)

Forty-six administrations (approximately 58 percent) felt that the country (area) code and the postal routeing numbers should be linked by a hyphen, but 16 administrations considered that the hyphen would not be necessary.

12 (Q 8 – Fonts to be used for printing the international postal code)

Fifty-seven administrations (approximately 71 percent) felt that standard fonts (standard PICA, standard ELITE, courier PICA, courier ELITE, OCR-B, etc) could be used for printing the code.

13 (Q 9 – Colour of ink to be used for printing the postal code)

Fifty-eight administrations (approximately 73 percent) felt that the colour of ink to be used for printing the postal code should be black or blue.

Comments of the individual administrations:

Macao, Czech Rep

- The colours red or orange are preferable.

Conditions to be met when the international postal code is handwritten

14 (Q 10 – Desirability of having pre-printed boxes on the envelope)

a Thirty-five administrations felt that pre-printed boxes on the envelope would be useful for OCR reading of the handwritten postal code.

b Twenty administrations felt that the boxes would not be necessary, but it seemed preferable for some indicators showing where the two elements of the international postal code are to be written to be pre-printed on the envelope.

To sum up, 55 administrations (approximately 69 percent) felt that it would be useful if some indicators (including boxes) were pre-printed on the envelope.

Comments of the individual administrations:

United States of America

- The use of boxes around a code might interfere with the readability of the address by automation.

15 (Q 11 – Location of the pre-printed boxes or indicators)

Forty-nine administrations (approximately 61 percent) felt that pre-printed boxes or indicators should be located at least 40 mm from the top edge of the envelope (with a tolerance of 2 mm), 15 mm from its right-hand edge, 15 mm from its bottom edge, and not more than 140 mm from its right-hand edge (cf article 22 of the UPU Convention).

Comments of the individual administrations:

Qatar

- It is preferable for boxes to be positioned more than 25 mm from the bottom edge.

Estonia

- The indicators should be printed at a minimum distance from the bottom of the envelope.

France

- The boxes should be printed 20 mm from the bottom edge, and 126 mm from the right-hand edge.

16 (Q 12 – Colour of the pre-printed boxes or indicators)

Fifty administrations (approximately 63 percent) considered that the colour of the boxes or indicators should be red or orange.

Comments of the individual administrations:

Brunei Darussalam, Qatar, Portugal, Bulgaria (Rep), Czech Rep

- Black is preferable.

France

- 149 U Pantone is preferable.

17 (Q 13 – Minimum size of the pre-printed boxes)

Fifty administrations (approximately 63 percent) felt that the minimum size of the pre-printed boxes should be as follows:

Width: 5 mm

Height: 7 mm

Spacing: 2 mm.

Comments of the individual administrations:

Czech Rep

- Width 5 mm, height 8 mm, spacing 3 mm.

France

- Width 4.5 mm, height 8 mm, spacing 0.5 mm.

Netherlands

- Width 6 mm, height 9 mm, spacing 0 mm.

Portugal

- Width 4.5 mm, height 8 mm, spacing 2.5 mm.

Ukraine

- Width 5 mm, height 10 mm, spacing 2.5 mm.

Chile

- Width 7 mm, height 9 mm, spacing 3 mm.

III. Conclusion

18 Most of the administrations entirely approved the draft standard for the international postal code (annex 4) suggested by the reporting country in its initial report on the study and which served as a basis for the second consultation in keeping with the 1993 CCPS recommendation. On the other hand, a small number of developed countries were partly or entirely against the draft standard and expressed their disagreement with the proposal on various grounds.

SUMMARY TABLE OF REPLIES

Questions	Yes	No	No opinion	Comments/Observations
Part I: General questions concerning the introduction of a standardized postal coding system for international mail				
1 Does your administration use a code to represent the countries for forwarding mail?	20 (25%)	58 (72.5%)	2 (2.5 %)	**Question 1** – ISO Alpha-2 code can cause missorting (United States of America) – Using road vehicle nationality codes (Austria, Denmark, Germany, Portugal, Switzerland), two of which are identical with the ISO Alpha-2 codes
a If you answered yes to question 1, please indicate which code:				
– ISO Alpha-2 code	7 (8.75%)			
– ISO Alpha-3 code	4 (5%)			
– other (please specify):	6 (7.5%)		3 (3.75 %)	
b If you answered no to question 1:				
– please indicate whether you are considering using a code to represent countries for forwarding mail in future:				
• ISO Alpha-2 code	52 (65%)			
• ISO Alpha-3 code	3 (3.75%)			
• other (please specify):	4 (5%)			
If you do not plan to use such a code in future, please state why not.				

Congress – Doc 81/Annex 3

Questions	Yes	No	No opinion	Comments/Observations
2 Two methods can be considered for the introduction of a standardized coding system for international mail (please indicate the method that suits you best):				
a to link a given code representing the country (area) of destination with the postal routeing numbers currently used in that country (most of the postal administrations that answered the first questionnaire by Japan favoured this method)	69 (86.25%)		9 (11.25%)	**Question 2** – Country names in capital letters are easily captured by OCR readers (United States of America)
b to establish a new coding system independent of the postal routeing numbers used in each country				
If your administration does not agree with either of these methods, please describe another one:		2 (2.5%)		
3 In the draft standard, it is proposed to use the ISO Alpha-2 code to represent the country (area).				
Does your administration agree with this proposal?	64 (80%)	7 (8.75%)	9 (11.25%)	
(Details concerning the ISO Alpha-2 code are given in annexes 2 and 3)				
If you answered no to question 3, please select from among the following possibilities a country code to use instead of the ISO Alpha-2 code: – ISO Alpha-3 country code – international telephone dialling code – other (please specify):				

Questions	Yes	No	No opinion	Comments/Observations
4 If you answered yes to question 3, please answer the following question: The draft standard calls for the international postal code to be written on a single line "JP–10090". However, the writing of the components "JP" and "10090" on a single line is not prescribed in any regulation. Please select the solution that suits you best:				
– both components (country code and postal routeing number) written on the same line (eg JP–10090)	67 (83.75%)		9 (11.25%)	**Question 4** – It is preferable to write two components on different lines (Czech Rep) – Postal code should consist of country code + area code + the name of the city (France)
– both components (same as above) written on different lines (eg JP 10090)	2 (2.5%)			
– other (please specify):			2 (2.5%)	
Part II: Detailed questions about reading the international postal code by means of OCR equipment It is possible that OCR reading of inscriptions on international items will be different, depending on whether the inscription is printed or handwritten. This concerns the location of the components of the international postal code, the need to provide boxes suited to the size of the components and whether the boxes should be indicated or not. If your administration plans to use its OCR equipment only for items with printed components (figures, letters, etc), answer only the questions in section 1.				

Questions	Yes	No	No opinion	Comments/Observations
However, if it plans to use the equipment to read items with printed and handwritten components, answer the questions in both sections.				
Section 1 (When components of the international postal code are printed)				
5.1 If the location of the international postal code is standardized, reading the code by OCR could be effective. Please select the solution best suited to you:				
– specify a location in the address itself (eg on the last and second-last lines of the addressee's address as shown in the draft standard)	59 (73.75%)		16 (20%)	
– indicate a specific place on the front of the envelope (cf article 22 of the UPU Convention)	5 (6.25%)			
– other (please specify):				
5.2 If in your reply to question 5.1, you indicated "specify a location in the address itself", please indicate the most suitable location for the international postal code:				
– the last line of the address	56 (70%)			
– the first line of the address				
– the first and second lines of the address (only for administrations that indicated in their reply to part I, question 4, that the international postal code should be written on two lines)				

Questions	Yes	No	No opinion	Comments/Observations
– on the second and second-last lines of the address (only for administrations that indicated in their reply to part I, question 4, that the international postal code should be written on two lines)	2 (2.5%)			
– other (please specify):			1 (1.25%)	
5.3 If in your reply to question 5.1, you indicated "specify a location in the address itself", please indicate the best starting point for insertion of the international postal code in the addressee's address:				
– on the left, lined up with the first letter of the first word of the address	55 (68.75%)			
– on the left, lined up with the second letter of the first word of the address	3 (3.75%)			
– other (please specify):			1 (1.25%)	
5.4 If in your reply to question 5.1, you marked "indicate a specific place on the front of the envelope", please answer the following question.				
Would you agree to the location of the international postal code meeting the following standards: last line of the addressee's address positioned at least 40 mm from the top edge of the envelope (with a tolerance of 2 mm), 15 mm from its right-hand edge, 15 mm from its bottom edge, and not more than 140 mm from its right-hand edge (cf article 22 of the UPU Convention)?	30 (37.5%)	2 (2.5%)	32 (40%)	

Questions	Yes	No	No opinion	Comments/Observations
If you answered no to question 5.4, please indicate the location you consider suitable for the international postal code:				
6 With regard to the spacing between components of the international postal code, please indicate the solution that suits you best:				
– it is preferable that the elements not touch each other	58 (72.5%)			
– spacing equivalent to half the width of a component	6 (7.5%)			
– other (please specify):			16 (20%)	
7 In the draft standard, it is proposed that a hyphen be inserted between the two components of the international postal code (the country code and the postal routeing number). Please answer the following questions in this regard.				
If in your reply to part I, question 4, you indicated that the two components should be placed on the same line, eg "JP 10090", please indicate the solution that suits you best:				
– the country code and the postal routeing number are linked by a hyphen	46 (57.5%)			
– a hyphen is not necessary	16 (30%)		5 (6.25%)	
– other (please specify):				

Questions	Yes	No	No opinion	Comments/Observations
If in your reply to part I, question 4, you indicated that the two components should be placed on two different lines, eg "JP 10090", please indicate the solution that suits you best:				
– a hyphen should be placed after the country code				
– a hyphen is not necessary				
– other (please specify):				
8 Please indicate the character fonts to be used for printing the components of the international postal code (several answers may be given):				
– standard fonts (standard PICA, standard ELITE, courier PICA, courier ELITE, OCR–B, etc)	57 (79.25%)			
– other (please specify):	3 (3.75%)		20 (25%)	
9 Please indicate the colour of ink to be used for printing the international postal code:				
– black or blue (colours usually used for writing the addressee's address)	58 (72.5%)			
– red or orange (colours not usually used for writing the addressee's address)	8 (10%)			**Question 9** – The colours red or orange would be preferable (Macao, Czech Rep)
– other (please specify):			14 (17.5%)	

Questions	Yes	No	No opinion	Comments/Observations
Section 2 (If a handwritten international postal code is also read by OCR)				
10 The percentage of correct OCR reading would increase if boxes in which to write the international postal code were printed at specific locations on the envelope, and the use of OCR equipment would thus result in substantial savings. As indicated in the draft standard, most of the administrations that answered Japan's initial questionnaire approve having boxes printed on the envelopes. Please indicate the solution best suited to you:				
– boxes are necessary	35 (43.75%)			
– boxes are not necessary, but it seems preferable that there be some indicators showing where elements of the international postal code are to be inserted	20 (25%)			**Question 10** – The use of boxes around a code might interfere with the readability of the address by the automation (United States of America)
– there is no need for either boxes or indicators	7 (8.75%)			
– other (please specify):			18 (22.5%)	

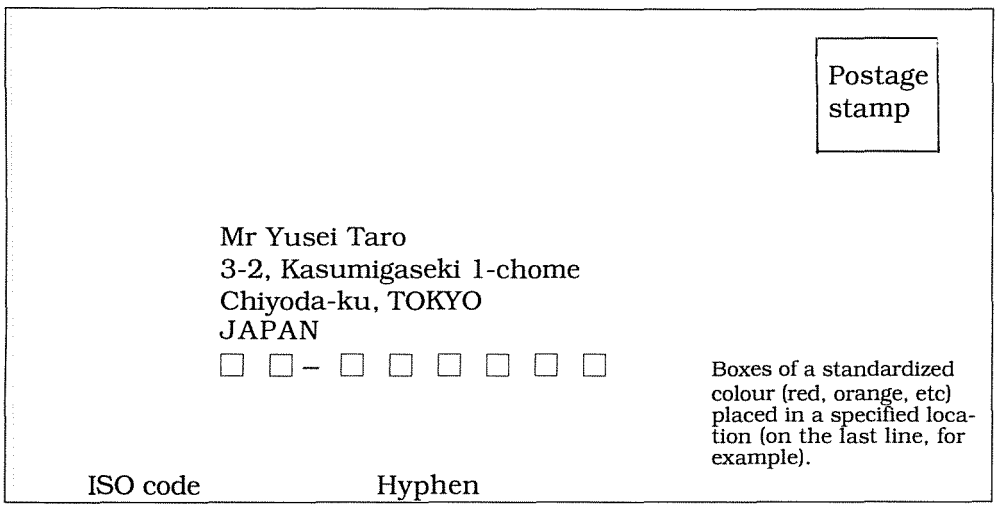
Questions	Yes	No	No opinion	Comments/Observations
11 If in your answer to question 10 you indicated that provision should be made for the boxes or indicators showing where elements of the international postal code are to be located, would you agree to these boxes or indicators being printed in an area at least 40 mm from the top edge of the envelope (with a tolerance of 2 mm), 15 mm from the right-hand edge, 15 mm from the bottom edge, and not more than 140 mm from the right-hand edge (cf article 22 of the UPU Convention)? If you answered no to question 11, please indicate the location you consider appropriate:	49 (61.25%)	6 (7.5%)		**Question 11** – It is preferable for boxes to be positioned more than 25 mm from the bottom edge (Qatar) – The indicators should be printed at a minimal distance form the bottom of the envelope (Estonia) – The boxes should be printed 20 mm from the bottom edge and 126 mm from the right-hand edge (France)
12 Would you agree to red or orange being used as the standardized colour of the boxes or location indicators, since it would contrast with the colour used for writing the international postal code itself? If you answered no to this question, please suggest other solutions:	50 (62.5%)	9 (11.25%)	21 (26.25%)	**Question 12** – The colour black is preferable (Brunei Darussalam, Qatar, Portugal, Bulgaria (Rep), Czech Rep) – 149 U Pantone is preferable (France)

Questions	Yes	No	No opinion	Comments/Observations
13 If boxes are to be printed on the envelopes, would you agree that their minimum sizes should be those indicated hereunder, based on information from a country that has already adopted the system in its domestic service: width of boxes – 5 mm height of boxes – 7 mm spacing between boxes – 2 mm If you answered no to this question, please suggest other solutions:	50 (62.5%)	6 (7.5%)	24 (30%)	**Question 13** – width – 5 mm, height – 8 mm, spacing – 3 mm (Czech Rep) – width – 8 mm, height – 4.5 mm, spacing – 0.5 mm (France) – width – 6 mm, height – 9 mm, spacing – 0 mm (Netherlands) – width – 4.5 mm, height – 8 mm, spacing – 2.5 mm (Portugal) – width – 5 mm, height – 10 mm, spacing – 2.5 mm (Ukraine) – width – 7 mm, height – 9 mm, spacing – 3 mm (Chile)

Congress – Doc 81/Annex 4

Draft standard

Example



Specifications

1 The international postal code should consist of two components, the country code and the domestic postal code.

2 The country code should be represented by the ISO alpha-2 country code, the domestic postal code being that adopted by each administration.

3 The country code and the domestic postal code are linked by a hyphen wherever possible.

4 The international postal code should be written in a given place, for example, in the last line of the addressee's address.

5 If possible, boxes in which the postal code will be written and which will be useful for reading the handwritten code by OCR should be printed on the envelope. The colours of the boxes should be, for example, red or orange, and in any case as different as possible from the colour normally used for writing the address.

Congress – Doc 81/Add 1

Introduction of an international postal code system

Memorandum by Japan, the reporting country for sub-study 741.1

Following a decision by the CCPS Steering Committee at its meeting on 11 February 1994, the draft final report of sub-study 741.1 was distributed by the International Bureau, for study and any comments, to Working Party 741 members.

At 25 August 1994, Japan and the International Bureau had received 12 replies from these administrations which can be summarized as follows:

- Two countries unreservedly approved the initial report.
- One country informed the reporting country that Congress should decide about introducing a single international postal code system.
- One country noted that the finalization, approval and promulgation of a standard international postal code system will be entrusted to the Postal Operations Council and that advocation of the introduction of this particular universal standard is not feasible until comprehensive studies have been conducted to rationalize the various approaches.
- One country approved the initial report but stated that a standardized colour of the boxes printed on envelopes must be examined to avoid OCR errors.
- One country is willing to apply the ISO Alpha-2 country code if this system is widely supported. However, it objects to pre-printed coloured boxes on envelopes.
- One country thought the colour of ink (red or orange) to be used for printing the postal code is not the best.
- One country stated that pre-printed boxes on the envelope do not interfere with OCR readability.
- One country said that the colour (black) of the boxes interfered with OCR readability.
- One country commented that pre-printed boxes are not required for a handwritten address.
- One country thinks that although using the ISO Alpha-2 country code is preferable, pre-printed boxes are not required.
- One country thinks that the Alpha-2 country code could be confused with the provincial codes of some countries and that pre-printed boxes would interfere with OCR readability.
- The lack of replies from other WP 741 member countries could be interpreted as approval of this document.

Seoul, 25 August 1994

The reporting country

Japan

Congress – Doc 82

Request to participate in Congress submitted by the UPU International Bureau Staff Association

Memorandum by the Secretary-General

In a letter dated 9 June 1994, the International Bureau Staff Association has informed me of the following:

"Dear Sir

The Committee of the IB Staff Association asks you to kindly inform the Chairman of Congress and the Chairmen of Committees 2 and 3 that it would like to be represented by two of its members at the plenary meetings and at the meetings of the above-mentioned Committees when questions concerning the staff are considered.

Thanking you in anticipation, I remain,

Yours faithfully,
(signed) C MONTELLIER
Chairman
for the Staff Association"

The request to participate made by the International Bureau Staff Association is submitted to Congress in accordance with previous practice.

Berne, 14 June 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 83

Final report of Committee 2 (Finance)

I. Introduction

1 The Finance Committee held three meetings, on 1, 5 and 8 September 1994, under the chairmanship of Mr H Engelke, Head of the International Policy, Postal Affairs and Postal Bank Section of the Ministry of Posts and Telecommunications of Germany. The Finance Committee was composed of all the member countries represented at Congress.

2 This report gives an account of the recommendations, decisions and resolutions submitted by the Finance Committee for the approval of Congress.

II. Union accounts, 1989–1993

(Congress – Doc 19/Part I)

3 The Committee approved a suggestion by several member countries calling for the Director-General's report on the finances of the Union to be supplemented in future by the inclusion of the audit reports for the five-year period and of a statement of arrears owed at the end of the five-year period.

4 After consideration of part I of the Director-General's report on the finances of the Union, the Committee proposed that Congress:

a approve the accounts of the Union for 1989–1993 by adopting resolution C 37, which appears in Congress – Doc 85.2;

b express its gratitude to the Government of the Swiss Confederation for its generous aid to the Union in connection with its finances by adopting resolution C 38, which appears in Congress – Doc 85.2.

III. Fixing the ceiling of the Union's recurrent expenditure for 1996–2000

(Congress – Doc 19/Part II)

5 The Committee considered the recurrent expenditure ceilings to be set for insertion in article 124, paragraph 1, of the General Regulations for the next financial period 1996–2000. Accepting the method proposed to it, it took as a base figure the Union's total net budgetary expenditure for 1995, as approved by the Executive Council at its February 1994 session, ie 32 165 500 Swiss francs. It then added to this base, for each of the years in question (1996 to 2000), components to cover current tasks (staff costs and general expenditure) and to cover the financial impact of implementing new activities and stepping up special activities.

6 The Committee agreed that the credits needed for the regulation step increases in the same grade for International Bureau staff for 1996 to 2000 should be added to the base used for fixing the ceilings.

7 Regarding the two G posts for distribution of postage stamps, currently financed through savings one delegation raised an objection. Nevertheless, on the overall budget, the Committee agreed to increase the base amount of the budget estimates to finance those posts.

8 The Committee agreed to compensation for inflation since the 1989 Washington Congress to maintain the real value of budget credits allocated to technical assistance. Moreover, it also accepted the proposal to abolish a P 3 post in the International Bureau's Division III to finance a new Regional Adviser's post for the Caribbean.

9 As for general expenditure, the Committee approved the five-year financial plans proposed by the International Bureau for the replacement of furniture and equipment, the upkeep of the UPU building and its installations, and computer equipment.

10 In connection with implementation of the Action Plan to energize the postal financial services on the one hand, and on the other, the continuation of the Quality of Service Programme, the Committee agreed to increase the related credits.

11 The Committee also recognized the need to create a half-post for an internal auditor in compliance with a recommendation by the External Auditor, and agreed that the credits needed for its financing should be included in the ceilings.

12 The Committee approved an increase in the credits allocated to the development of a programme of studies for postal security activities, and inclusion in the ceilings of credits for activities relating to environmental protection and for consultants for implementation of the Postal Operations Council programme of studies. It also approved the financing of travel of representatives of the Joint Strategic Planning Group as well as travel of the additional member countries of the Council of Administration and that of the least developed member countries (LDCs) of the Postal Operations Council.

13 Following the adoption of English as a working language of the International Bureau, the Committee agreed to finance the credits needed for staff, training, etc, for a period of three years, beginning in 1996.

14 Pursuant to a decision by Committee 3 calling for the creation of a French language group, the Committee decided that the credit allocated for the two existing French-language translator posts should be transferred to that group.

15 In view of all of the above decisions, the recurrent expenditure ceilings for the next financial period as proposed by the Committee to Congress for insertion in article 124, paragraph 1, of the General Regulations, were set as follows, in accordance with the breakdown given at annex 1:

35 278 600 Swiss francs for 1996;

35 126 900 Swiss francs for 1997;

35 242 900 Swiss francs for 1998;

35 451 300 Swiss francs for 1999;

35 640 700 Swiss francs for 2000.

16 The United States of America said that it disagreed with the above-mentioned ceilings, preferring ceilings of a lower level.

17 Concerned for maintaining the principle of zero growth in real terms in the Union budget, a number of member countries proposed the draft resolution given at annex 3, which is submitted to the plenary meeting for approval. Moreover, it should be noted that the average annual increase of the ceilings proposed in paragraph 15 above for 1996 to 2000 is 3.90 percent in real terms.

IV. Fixing the ceiling of exceptional and non-recurrent expenditure
(Congress – Doc 19, part II, and Congress – Doc 19/Add 1)

18 The Committee approved publication of the new edition of the International List of Post Offices and proposed to Congress that it authorize the Council of Administration to exceed the limits of annual recurrent expenditure of the Union set in article 124, paragraph 1, of the General Regulations. The total amount of the overrun authorized for that purpose must not exceed 900 000 Swiss francs.

19 The Committee also proposed to Congress that it set the ceiling of expenditure for the next Congress at 3 599 300 Swiss francs in accordance with the details given at annex 2. For that estimate, the length of the next Congress was kept at four weeks, as for the Seoul Congress.

V. Major and unforeseen repairs to the International Bureau building
(Congress – Doc 19, part II)

20 In consideration of the changes in the cost of living in Switzerland since 1974, the Committee decided that notwithstanding article 124, paragraph 1, of the General Regulations, Congress should delegate to the Council of Administration, or in case of extreme urgency, to the Director-General, the power to authorize the prescribed limits to be exceeded to meet the cost of major and unforeseen repairs to the International Bureau building, provided however that the amount of the overrun does not exceed 125 000 Swiss francs per annum. Article 124, paragraph 5, was amended accordingly.

VI. Question of the billing date for contributions
(Congress – Doc 19, part II)

21 To avoid the possibility of cash flow problems, the Committee decided that Congress should authorize the International Bureau to bill, in June each year, the contribution based on the budget of the preceding financial year taking into account the inflation rate set by the Consultative Committee on Administrative Questions of the United Nations common system, it being understood that the bill could be adjusted at the conclusion of the autumn Council of Administration.

VII. Financing the Union's activities
(Congress – Doc 19, part III)

22 The Committee considered part III of the document and decided that Congress should:

- approve the draft resolution "Financing of the Union's priority activities" as shown in Congress – Doc 85.2;
- express its agreement on the broad policy lines relating to financing of the Union's activities, indicated in part III of Congress – Doc 19, taking account of proposal 048 amended by Committee 3;
- instruct the Council of Administration, in cooperation with the Postal Operations Council and the International Bureau, to consider the proposals appearing in part III, chapter 5, of Congress – Doc 19.

Seoul, 8 September 1994

H ENGELKE

Chairman of Committee 2

Congress – Doc 83/Annex 1

Ceiling of the Union's recurrent expenditure to be inserted in article 124, paragraph 1, of the General Regulations

	1996	1997	1998	1999	2000
	Sfr	Sfr	Sfr	Sfr	Sfr
A. Basis for fixing the ceiling of recurrent expenditure for 1996 to 2000					
1 Total net expenditure of the 1995 Union budget approved by the Executive Council in February 1994	32 165 500	32 165 500	32 165 500	32 165 500	32 165 500
B. Expenditure on staff necessary to handle present work					
2 Regulation step increases in the same grade of staff from 1996 to 2000	260 100	515 600	748 600	976 000	1 180 400
3 Additional staff	389 700	346 500	346 500	346 500	346 500
4 Compensation for inflation since the 1989 Washington Congress to maintain the real value of the budgetary credits assigned to technical assistance under proposal 035 (increase of 26%)	472 800	472 800	472 800	472 800	472 800
	1 122 600	1 334 900	1 567 900	1 795 300	1 999 700
C. Other operating costs of the International Bureau					
5 Replacement of furniture and equipment	39 000	39 000	39 000	39 000	39 000
6 Maintenance of UPU building and its installations	141 000	151 000	51 000	221 000	191 000
7 Computer equipment	65 000	0	15 000	30 000	45 000
	245 000	190 000	105 000	290 000	275 000

	1996	1997	1998	1999	2000
	Sfr	Sfr	Sfr	Sfr	Sfr
D. Implementation of new activities and stepping up of special activities					
8 Postal financial services	97 000	97 000	97 000	97 000	97 000
9 Quality of service	760 000	750 000	750 000	652 000	652 000
10 Internal auditor	100 000	100 000	100 000	100 000	100 000
	957 000	947 000	947 000	849 000	849 000
E. Financial effects of other decisions					
11 Postal security	631 500	426 500	426 500	426 500	426 500
12 Travel of Joint Group member countries and of additional CA and POC member countries	91 000	91 000	91 000	91 000	91 000
13 Financial consequences of the adoption of English as an International Bureau working language (staff, training, etc)	232 000	138 000	106 000	0	0
14 Activities to be undertaken on environmental protection and POC consultants	149 000	149 000	149 000	149 000	149 000
	1 103 500	804 500	722 500	666 500	666 500
F. Activities discontinued					
Expenditure to be transferred from the Union budget to the budget of the French Translation Service	(315 000)	(315 000)	(315 000)	(315 000)	(315 000)
Ceilings (1996–2000) of net recurrent expenditure (amounts to be inserted in the General Regulations, article 124, paragraph 1)	35 278 600	35 126 900	35 242 900	35 451 300	35 640 700

Expenditure ceiling for the next Congress (22nd Congress) to be inserted in article 124, paragraph 2, of the General Regulations

Expenditure items taken into consideration for a Congress lasting four weeks	Amounts	
	Sfr	Sfr
Travel of Secretariat		
Travel expenses and insurance	640 700	
Subsistence allowance	1 558 600	
Auxiliary staff	100 000	2 299 300
Technical facilities for simultaneous interpretation		600 000
Communications and transport costs		
Postage	3 000	
Telecommunications	27 000	
Transport	100 000	130 000
Production of documents and computers during Congress		500 000
Sundry costs		
Additional premises	10 000	
Office equipment	5 000	
Hospitality expenses	25 000	
Sundry and unforeseen	30 000	70 000
Total expenditure for the 22nd Congress (amount to be inserted in article 124, paragraph 2, of the General Regulations)		3 599 300

Congress – Doc 83/Annex 3

Resolution

Congress,

Noting
that adherence to the principles of "zero real growth" in the Union's budget has helped maintain strong budgetary discipline and has limited the financial burden on member countries of financing the budget through their unit contribution,

Aware
that there is now a desire among member countries to undertake new postal development activities within the UPU,

Accepts
a degree of flexibility in the establishment of the ceilings which have been approved by Congress,

Requests

the Council of Administration to continue the existing practice of adhering to zero real growth principles in the budget whenever possible,

Urges

the Council of Administration and the Postal Operations Council to explore new avenues for financing the diversification and development of the Union's activities.

Congress – Doc 84

Final report of Committee 9 (Technical Cooperation)

I. Introduction

1 The Technical Cooperation Committee held five meetings under the chairmanship of Mr J C Kasama, Postmaster General, Posts and Telecommunications Corporation Limited, Zambia. The Committee was made up of all member countries represented at Congress. Its proceedings dealt with:

- an introductory memorandum (Congress – Doc 48);
- eight Executive Council reports (Congress – Docs 49 to 51, Docs 52a and 52b; and Docs 53 to 55);
- a joint EC–CCPS report (Congress – Doc 56);
- a report by the Secretary-General (Congress – Doc 56/Add 1).

The Committee also considered six Executive Council proposals (029 to 032; 034 and 035), a joint EC–CCPS proposal (036) and another proposal submitted by Korea (Rep) (033).

2 This final report takes account of the main conclusions emerging from the discussions. The Committee approved the content of the documents in its entirety and adopted all the proposals examined, with some amendments.

II. Technical cooperation policy and activities
(Congress – Doc 49)

3 The first part of the document described international cooperation policies, setting out the main principles of United Nations world development strategy, including the priority sectors selected by the UNDP for its 5th programming cycle (1992–1996), as well as the central role of governments in determining national development objectives. The second part of the document dealt with the results and evaluation of activities for the period 1989–1993 and contained a comparison with the achievements of the previous five-year period (1984–1988).

4 Several speakers expressed satisfaction with the UPU's efforts in the field of technical cooperation and in applying the new concept in that area.

5 Interest focussed in particular on TCDC, training and introducing the EDI system aimed at better integration of world postal networks.

III. Policy guidelines and action plan for 1996–2000
(Congress – Doc 51 and proposal 029)

6 The document dealt with the policy guidelines and action plan for 1996–2000 and was based in particular on the Secretary-General's memorandum on that subject, which had been approved by the Executive Council at its 1993 session, on comments by the EC member countries and other

Union member countries, and on the evaluation of programmes carried out in implementation of the WGAP.

7 The document proposed maintaining the criteria adopted by the Washington Congress for defining the priority countries to receive technical assistance.

8 As regards priority development objectives, the general objectives fixed by the WGAP remained valid. However, those objectives were becoming more precise in terms of the programmes, projects and activities set out in the draft UPU Strategic Plan.

9 Taking stock of the current unfavourable economic climate, the document emphasized the importance of efforts to mobilize additional resources and of the financial contribution of the beneficiary countries themselves. It also referred to the Build–Lease–Transfer (BLT) or hire purchase concept as one of the mechanisms which could facilitate technology transfer.

10 In implementation of technical assistance activities, it was planned that countries receiving aid would contribute between 25 and 50 percent of the costs, depending on their capacities.

11 The document gave rise to a wide-ranging debate during which the following views were expressed:

- the delegations unanimously supported the policy guidelines and programmes proposed for 1996–2000;
- the advantage for the UPU of basing itself on PUASP's technical assistance practices in order to adapt its service response better to the needs of countries requesting aid;
- the UPU should give the countries more help with seeking resources for postal projects. The role of the Regional Advisers, the Restricted Unions, the Postal Development Action Group (PDAG) and the countries themselves in those fields was deemed indispensable;
- suitable assistance in the fields of human resources and philately had to be given to the countries within the framework of the five-year programme for 1996–2000;
- in order to increase the effectiveness of technical assistance, project supervision and evaluation activities would have to be stepped up.

12 After an in-depth exchange of views, the draft resolution submitted as proposal 029 was adopted with a slight amendment.

IV. Increased UPU presence in the field with regard to technical assistance

(Congress – Doc 54 and proposal 034)

13 The aim of the document was to report to Committee 9 and Congress on the results of the assessment of UPU presence in the field carried out by the Regional Advisers since January 1991.

14 Since work under the 5th UNDP programming cycle (1992–1996) had had to begin in 1991, the Regional Advisers' work programmes had been concerned in particular with analyzing the operation of the services and negotiating technical assistance projects identified on the basis of that analysis.

15 The Regional Advisers had, moreover, contributed to implementing the new technical assistance concept which covered the provision of aid in the form of multi-year integrated projects (MIPs), flanked by development contracts concluded between the UPU and the beneficiary countries.

16 Other tasks assigned to the Regional Advisers included seeking resources from aid donors and fund lenders, implementing the WGAP, representing the UPU at regional technical meetings

and intensified cooperation with the Restricted Unions, particularly on defining and preparing intercountry programmes and projects.

17 The results of the assessment on the operation of the system in question were deemed to be positive since a high percentage (89 percent) of the countries participating in the International Bureau survey indicated that the presence of a Regional Adviser offered them the opportunity to discuss their problems with a sufficiently competent and easily accessible partner. The work of the Regional Advisers in connection with raising the awareness of national authorities with regard to the postal sector, analyzing the operation of the postal services and preparing and implementing assistance projects, including MIPs, was particularly appreciated by the countries concerned.

18 A number of suggestions were made by the countries taking part in the survey for improving the present system to make it more advantageous from the cost-benefit point of view.

19 During the discussion in Committee 9, the opinions expressed by a large number of speakers appeared to be in overall agreement with the survey results described above.

20 The idea that the Regional Advisers should help postal administrations in certain operational fields such as mail circulation, on-the-job training and drawing up the postal development plan was favourably received.

21 The Regional Advisers should play a meaningful role in the implementation of the Seoul Postal Strategy and the UPU Strategic Plan.

22 The idea of strengthening the Regional Advisers' offices by assigning volunteers, associate experts and task forces was supported.

23 The system of increased UPU presence in the field must be continuously evaluated in order to enhance its effectiveness.

24 In view of developments in Europe in recent years, a substantial number of delegations supported the idea of the creation of a Regional Adviser post for the Central and Eastern European countries (proposal 034).

25 A number of delegations pointed out that the workload of the Regional Adviser for the Latin American and Caribbean countries was very heavy. Moreover, in view of the special needs of the Caribbean countries and territories, it was suggested that a Regional Adviser post be created for that subregion.

26 The Committee decided to create two Regional Adviser posts, one for the Central and European countries and the other for the Caribbean subregion. For the second post, an existing P 3 post at the International Bureau would be converted into a Regional Adviser post.

27 The Committee approved Congress – Doc 54 and proposal 034 with appropriate amendments concerning the creation of a Regional Adviser post for the Caribbean.

V. Financing of technical assistance

(Congress – Doc 55 and proposal 035)

28 The document dealt with ways of financing the Strategic Plan and the regional technical assistance programmes discussed in Congress – Doc 51/Rev 1.

29 The resources needed to help countries implement the priority objectives, the regional objectives and the activities relating to the Regional Advisers for the period 1996–2000 amounted

to 64.3 million Swiss francs. The main concern was to find ways of funding such a big programme since the UPU's traditional technical assistance resources did not suffice.

30 Approaches to the UNDP authorities in order to find funding for the country and regional programmes would have to be continued. Motivation and efforts to that end on the part of the countries involved were essential.

31 Approaches by the Postal Development Action Group (PDAG) and use of the Build-Lease-Transfer (BLT) mechanism were envisaged for the purpose of resource mobilization and technology transfer, respectively.

32 With regard to the Union budget, adjustment of the amount decided at Washington (1 817 200 CHF per year) to the increase in the cost of living since 1989 was proposed. The amount for 1996 would thus be set at 2 290 000 CHF per year, and an annual adjustment corresponding to the rate of inflation would be provided for in order to maintain purchasing power.

33 Given the magnitude of requirements compared with the resources available, it was considered necessary to promote the implementation of projects on the basis of co-financing and cost-sharing.

34 In reply to a question about the financial contribution expected from countries receiving technical assistance projects, it was stated that this would be between 25 and 50 percent depending on the capacity of the country concerned; the LDCs' input could in principle be set at 25 percent.

35 After thorough discussion, the Committee took note of Congress – Doc 55 and approved proposal 035.

VI. Analysis of the operation of the postal services in the developing countries

(Congress – Doc 50 and Corr 1)

36 The document consisted of six reports prepared by the Regional Advisers concerning the operation of the postal services in the countries within their area of responsibility.

37 The reports dealt with the socio-economic context in which the postal services operated, the profile and characteristics of the postal services in the regions, implementation of the WGAP, progress in the matter of human resources, and future prospects for the regions considered.

38 Encouraging progress was noted in the areas of quality of service, reform of legal status and the introduction of a new service, EMS. The analysis results were, on the other hand, less heartening in the areas of planning and human resource management.

39 Most of the speakers considered the document useful as a vehicle for information of a general nature.

40 It was thought desirable that the missions of the Regional Advisers should be programmed in such a way that they remained in the countries visited long enough to help the latter with practical work.

41 The role of the Regional Advisers in seeking funding was once again emphasized by the speakers.

42 The Committee took note of Congress – Docs 50 and Corr 1.

VII. UPU action for the least developed countries (LDCs)

(Congress – Doc 52a and proposal 030)

43 This document is an EC report on UPU action for the LDCs, particularly from 1991 to 1993, and on the measures proposed for 1996–2000. It also reports on the socio-economic situation and the operation of the postal services in the LDCs.

44 The UPU pays very special attention to the LDCs because of their economic situation. Aid granted to the LDCs under UPU resources rose from 27 percent in 1980 to 39.7 percent in 1987 and 55 percent in 1993, as a percentage of total assistance for developing countries.

45 In view of the specific needs of each region or country, assistance could be given to the LDCs during the period 1996–2000 in the following priority fields:

- establishment of a system for monitoring the quality of mail delivery (particularly through training of specialists);
- development and introduction of a system for tracing items (supply of equipment);
- improvement of management (especially the development plan and creation of a planning cell);
- modernization of accounting methods: training of specialists and supply of computer equipment.

46 The Committee took note of Congress – Doc 52a and adopted proposal 030 with an amendment designed to underscore the need to increase the LDCs' capabilities in such areas as philately, settlement of international accounts and new services, to enable them to increase their revenue.

VIII. Technical cooperation among developing countries (TCDC)

(Congress – Doc 52b and proposal 031)

47 This document gives the precise definition of TCDC adopted by the High-level Committee, and outlines the measures already taken or under consideration for the coming five-year period, designed to promote use of that form of cooperation.

48 The document takes account of the fact that horizontal cooperation does not replace North-South cooperation, which is necessary for the transfer of technology.

49 The UPU Strategic Plan rightly calls for the promotion of TCDC, particularly through consciousness-raising activities. The Regional Advisers will have an important role to play in this connection.

50 One speaker suggested that marketing workshops be included in future TCDC programmes.

51 It was pointed out that bilateral assistance should be encouraged, alongside TCDC.

52 The Committee took note of document Congress – Doc 52b and adopted proposal 031.

IX. Human resources and training

(Congress – Doc 53 and proposal 032)

53 This document deals with the fundamental principles underlying UPU human resource and training policy and gives the results of the work done since the Washington Congress in that field.

54 The document also proposes action to be taken in the immediate future on the basis of a situation analysis of that field. This essentially concerns the development of modular training in postal training schools and the development of modern human resource management, based on planning, computerized management, staff motivation and focussing management on the new functions of the Post as a commercial enterprise.

55 France informed the Committee of its decision to raise its financial contribution to the UPU Special Fund from 35 000 CHF to 125 000 CHF.

56 The Committee noted that it was important to urge administrations to allocate an adequate amount, representing a certain percentage of their wage bill or their revenue. The idea of setting a percentage at this stage (5 to 20 percent) was not approved.

57 Following an amendment along the lines of paragraph 50 above, proposal 032, presented by Costa Rica, was approved by the Committee.

X. Establishment of an institute of higher postal studies under UPU auspices

(Proposals 033 and 045)

58 Proposal 033 concerning establishment of an institute of higher postal studies under UPU auspices was submitted by Korea (Rep). The originator indicated support for the amendment submitted by Great Britain and given in proposal 045, aimed at amending the operative part so as to instruct the Postal Operations Council to study the matter taking account of existing schools and of the financial consequences of the proposal.

59 Another delegation's suggestion was also incorporated, asking the Postal Operations Council also to study the results of similar initiatives in the United Nations system. Proposal 045 thus amended was adopted by the Committee.

XI. Postal Development Action Group (PDAG)

(Congress – Doc 56 and proposal 036)

Follow-up of implementation of the Action Plan adopted on conclusion of the Postal Development Symposium

(Congress – Doc 56/Add 1)

60 The Chairman of the Postal Development Action Group introduced Congress – Doc 56, which was a joint report by the Executive Council and the Consultative Council for Postal Studies on the activities of the Group since its creation in 1991.

61 To achieve the objectives of the Washington General Action Plan (WGAP), major changes had to be made in the management of postal administrations. It became clear that traditional technical cooperation resources would no longer be sufficient for converting postal administrations into commercial enterprises.

62 The Chairman recalled the background of PDAG and the purpose of its creation, adding that it had been established following a postal development symposium held at Berne in April 1991 and that its main objectives were given in the Action Plan adopted at that time. These were:

- strengthening the world network;
- preparing and implementing a postal development plan;
- marshalling human resources in the service of development;
- seeking financial balance and increasing internal resources.

63 Among PDAG's achievements were preparation of the "Procedural model", heightened awareness of financial institutions in respect of postal development needs, implementation of consultants' missions under PDAG and organization of a seminar on postal development in one country.

64 PDAG is currently involved in a joint World Bank–UPU project entitled "Postal Sector Reform Study". It will be conducted in three phases, and will deal successively with supplying the World Bank with postal statistics, defining the main economic and structural problems of administrations and the strategies to be used, and finally, making a digest of the various studies with a view to working out a series of reforms and successful postal development models. The second phase of the project is under way.

65 Finland, PDAG Coordinator and Planning Team Leader, introduced proposal 036 concerning the Group's work plan 1995–1999. The following five projects were proposed:

- Involve governments in postal development;
- Familiarize multilateral investors with postal services;
- Utilize postal development to modernize postal services;
- Research further availability of outside resources for postal development;
- Assist postal administrations in preparing a development or restructuring plan.

66 The Assistant Director-General responsible for development cooperation introduced Congress – Doc 56/Add 1, which is a report by the Secretary-General on follow-up of implementation of the Action Plan adopted by resolution CE 34/1991 upon conclusion of the Postal Development Symposium held in 1991.

67 Implementation of the four objectives set by the Action Plan should be achieved as quickly as possible by the administrations. An analysis of replies to an International Bureau questionnaire revealed that achievements in the following two areas were encouraging:

- strengthening of the world network (63 percent);
- preparation and implementation of postal development plans (68 percent).

68 After discussion, proposal 036 was adopted with a minor amendment.

XII. Other business

69 The draft resolution (proposal 047) presented orally at the end of the fourth meeting was submitted to the Committee. The aim of that proposal was to preserve the importance of technical cooperation within the UPU and the International Bureau, given that the Union now has 172 developing countries most of which require technical assistance. That appeal was more particularly aimed at the new bodies of the UPU resulting from its restructuring. However, the Committee had no time to give it thorough consideration or to reach a decision about it.

Seoul, 9 September 1994

J C Kasama

Chairman of Committee 9

Congress – Doc 85.1

List of decisions other than those amending the Acts

This Congress – Doc contains the decisions considered by Committee 10 (Drafting) up to 30 August 1994. They are numbered in the order in which they were examined in plenary or in Committee. Decisions considered after that date will be published in Congress – Doc 85.2.

Part 1 – Numerical list of decisions

Number	*Type*	*Title and references*
C 1	Dec	Vice-chairmanships of the 21st Congress (proposal 012, 1st plenary meeting)
C 2	Dec	Chairmanship and vice-chairmanships of the Committees of the 21st Congress (proposal 013, 1st plenary meeting)
C 3	Dec	Members of the restricted Committees (proposal 014, 1st plenary meeting)
C 4	Res	Removal of the ban on readmission of South Africa to the Universal Postal Union (proposal 025/Rev 2, 1st plenary meeting)
C 5	Dec	Study on the possibility of creating a "Customers' Interests Committee" at the next Universal Postal Congress (proposal 038, 2nd plenary meeting)
C 6	Res	Recast of the Convention and the Postal Parcels Agreement and their Detailed Regulations (proposal 01, 3rd plenary meeting)
C 7	Dec	Admission of the media to the General Debate (proposal 026, 3rd plenary meeting)
C 8	Dec	Attendance of certain Congress Committees by the International Chamber of Commerce, as an observer (Congress – Doc 91, 3rd plenary meeting)
C 9	Dec	Charges for handling air transit mails (proposal 20.46.91, Committee 4, 1st meeting)
C 10	Res	Introduction and extension of the postal parcels service (proposal 30.0.1/Rev 1, Committee 7, 1st meeting)
C 11	Rec	Customs clearance of postal parcels containing gifts or souvenirs (proposal 30.0.6, Committee 7, 1st meeting)
C 12	Res	Drawing up and implementation of the new edition of the UPU List of Prohibited Articles (proposal 20.0.10, Committee 4, 2nd meeting)
C 13	Res	Application of a new principle for numbering forms (proposal 20.0.13, Committee 4, 2nd meeting)
C 14	Rec	Completion of work on rationalizing UPU forms (proposal 20.0.12, Committee 4, 2nd meeting)

Number	*Type*	*Title and references*
C 15	Res	Reconstitution of the CCC–UPU (Customs Co-operation Council–Universal Postal Union) Contact Committee (proposal 20.0.17, Committee 4, 2nd meeting)
C 16	Res	UPU technical assistance priorities and action principles (proposal 029, Committee 9, 2nd meeting)

Second part – Texts of decisions

Decision C 1

Vice-chairmanships of the 21st Congress

Congress

Decides

to approve the following list of member countries designated by the EC as prepared to assume vice-chairmanships of Congress:
- Ethiopia;
- Italy;
- Russian Federation;
- Venezuela.

(Proposal 012, 1st plenary meeting)

Decision C 2

Chairmanship and vice-chairmanships of the Committees of the 21st Congress

Congress

Decides

to approve the following list of member countries designated by the EC as prepared to assume the chairmanship and vice-chairmanships of the Committees of Congress:

Committees		*Chairmanship*	*Vice-chairmanships*
1	Credentials	Poland (Rep)	Ecuador Spain Tunisia
2	Finance	Germany	Kuwait Mongolia Senegal

Committees		*Chairmanship*	*Vice-chairmanships*
3	General Matters and Structure of the Union	Australia	Bolivia Denmark Egypt
4	Convention	Jordan	Latvia Peru San Marino
5	New Services and Markets	Brazil	Costa Rica Singapore Ukraine
6	Quality of Service	Great Britain	Malaysia Slovenia Zimbabwe
7	Parcel Post	China (People's Rep)	El Salvador Kenya Norway
8	Postal Financial Services	Morocco	Qatar Sweden Uruguay
9	Technical Cooperation	Zambia	Georgia Greece Lebanon
10	Drafting	Belgium	Central African Rep Romania Thailand

(Proposal 013, 1st plenary meeting)

Decision C 3

Members of the restricted Committees

Congress

Decides

to approve the following list of member countries designated by the EC as prepared to be members of the following restricted Committees:

Committee 1 (Credentials)

Chairmanship: Poland (Rep)

Vice-chairmanships: Ecuador, Spain, Tunisia

Members:	Chile, Equatorial Guinea, Ethiopia, Ireland, Singapore, Slovakia, United Arab Emirates

Committee 10 (Drafting)

Chairmanship:	Belgium
Vice-chairmanships:	Central African Rep, Romania, Thailand
Members:	Algeria, Benin, France, Great Britain, Italy, Switzerland, Togo, Tunisia

(Proposal 014, 1st plenary meeting)

Resolution C 4

Removal of the ban on readmission of South Africa to the Universal Postal Union

Congress,

Recalling

that the 1984 Hamburg Congress in its resolution C 7/1984:
- reaffirmed the validity of resolution C 6 of the 1979 Rio de Janeiro Congress;
- confirmed the exclusion of the Republic of South Africa from the Universal Postal Union until a future Congress of the UPU decided otherwise; and
- decided that the Republic of South Africa could not take advantage of its status as a member of the United Nations to obtain readmission to the Union as long as it continued to practise its policy of apartheid,

Considering
resolution 48/1 of the United Nations General Assembly of 8 October 1993 through which that body, after noting that the transition to democracy had been incorporated in the legislation of South Africa, removed the sanctions against South Africa,

Noting
the practical implementation of the democratization process by the elections held in April 1994,

Decides

to remove the prohibition imposed on the Republic of South Africa not to take advantage of its status as a member country of the United Nations to obtain readmission to the Union.

(Proposal 025/Rev 2, 1st plenary meeting)

Decision C 5

Study on the possibility of creating a "Customers' Interests Committee" at the next Universal Postal Congress

Congress

Instructs

the Council of Administration to undertake a study on the possibility of creating a "Customers' Interests Committee" at the next Universal Postal Congress.

(Proposal 038, 2nd plenary meeting)

Resolution C 6

Recast of the Convention and the Postal Parcels Agreement and their Detailed Regulations

Congress,

In view of
1989 Washington Congress resolutions C 2 and C 14 concerning the second phase of the transfer to the EC of some of the legislative functions of Congress and the study on the structure of the Convention, the Agreements and their Detailed Regulations,

Having noted with satisfaction
the result of the EC study on the recast of the Convention and the Postal Parcels Agreement and their Detailed Regulations,

Bearing in mind the fact
that, in consultations ordered by the EC, all Union member countries had an opportunity to make observations on the recast texts,

Noting
that the new texts take into account the observations made by member countries,

Decides

to adopt as the basis for its discussions the final drafts of the following revised Acts:
- Universal Postal Convention (Congress – Doc 60/Add 1);
- Detailed Regulations of the Universal Postal Convention (Congress – Doc 60/Add 2);
- Postal Parcels Agreement (Congress – Doc 60/Add 3);
- Detailed Regulations of the Postal Parcels Agreement (Congress – Doc 60/Add 4).

(Proposal 01, 3rd plenary meeting)

Decision C 7

Admission of the media to the General Debate

Congress

Decides

to admit the media to the General Debate of the 21st Congress as listeners without the right of speaking.

(Proposal 026, 3rd plenary meeting)

Decision C 8

Attendance of certain Congress Committees by the International Chamber of Commerce, as an observer

Congress

Decides

i to admit the International Chamber of Commerce, as an observer without the right to vote, to sittings of the following Congress Committees, if the Committee concerned agreed to this:

- Committee 3 (General Matters and Structure of the Union);
- Committee 4 (Convention);
- Committee 5 (New Services and Markets);
- Committee 6 (Quality of Service);
- Committee 7 (Parcel Post;

ii to instruct the Committees concerned to lay down the conditions for such attendance, namely the dates of the sittings and the agenda items for which the International Chamber of Commerce was admitted.

(Congress – Doc 91, 3rd plenary meeting)

Decision C 9

Charges for handling air transit mails

Congress,

Having accepted the principle of paying the transit administration enough to cover the cost of handling airmails in transit through it,

Instructs

the Postal Operations Council:
- to set an appropriate rate after study;
- to prepare the methods of application to be inserted in the Detailed Regulations.

(Proposal 20. 46.91, Committee 4, 1st meeting)

Resolution C 10

Introduction and extension of the postal parcels service

Congress,

Noting
the results of the study conducted by the Executive Council in execution of 1989 Washington Congress resolution C 16,

Noting
that, according to the results of this study, 22 of the 189* Union member countries have not acceded to the Postal Parcels Agreement,

Convinced
of the need to create a universal postal parcels service in order to serve postal customers better and to combat competition,

Renews

its invitation to the administrations of member countries which have not yet acceded to the Agreement to introduce this service in their international postal exchanges,

Instructs

the International Bureau to continue the activities undertaken pursuant to 1989 Washington Congress resolution C 16 by encouraging member countries which are not party to the Postal Parcels Agreement to accede to it.

* At 22 August 1994.

(Proposal 30. 0.1/Rev 1, Committee 7, 1st meeting)

Recommendation C 11

Customs clearance of postal parcels containing gifts or souvenirs

Congress,

Aware
of the possible advantages of applying to postal parcels the customs clearance procedures applied to travellers' baggage,

Recommends

all administrations of member countries to approach their national customs authority with a view to extending to postal parcels containing gifts or souvenirs the customs clearance procedures applied to travellers' baggage, providing these procedures are more liberal than the rules applying to postal parcels.

(Proposal 30. 0.6, Committee 7, 1st meeting)

Resolution C 12

Drawing up and implementation of the new edition of the UPU List of Prohibited Articles

Congress,

Noting
the work in progress on preparing and implementing a new edition of the UPU List of Prohibited Articles on the basis of a new model approved by the 1989 Washington Congress,

Convinced
of the need to make this new List available to the postal administrations of UPU member countries to facilitate execution of international postal service operations,

Aware
of the expediency of computerizing certain UPU publications, including the UPU List of Prohibited Articles,

Invites

the postal administrations of Union member countries:
- to draw up, as soon as possible, their list of prohibited articles on the basis of the model approved by the 1989 Washington Congress and with the assistance of their customs administration;
- to send their list to the International Bureau so that a new edition of the List of Prohibited Articles within the UPU, containing data about the maximum number of Union member countries, can be prepared and facilitated,

Instructs

the UPU International Bureau to continue work on drawing up the new edition of the List of Prohibited Articles,

Instructs

the Postal Operations Council, assisted by the International Bureau:
- to study the possibilities of computerizing the new presentation of the List of Prohibited Articles;
- to carry out, as appropriate, the work of computerizing the List.

(Proposal 20. 0.10, Committee 4, 2nd meeting)

Resolution C 13

Application of a new principle for numbering forms

Congress,

Noting
the results of the EC study on rationalizing UPU forms (CE 1993/C 4 – Doc 4a),

Considering
that the effects of the abolition of certain provisions of the Convention (Washington 1989), of proposals on merging or abolishing certain forms and EC work on recasting the Acts will call into question or even disrupt the consecutive numbering of UPU forms,

Aware
of the need to standardize wherever possible the presentation of the recast texts of the Acts of the Union,

Instructs

the Postal Operations Council to apply the new principle for numbering UPU forms, which consists in:
i rearranging the existing series "C", "AV" and "VD" series of forms in the Convention as a single series running from "CN 1 to CN XX", without the addition of "bis", "ter" and "S", in which the "XX" numbers correspond to a specific serial number indicating the order in which the forms will appear in the future Acts of the Union;
ii introducing some flexibility in the new numbering of the forms; two free numbers in each group of ten are set aside; they could be used later if new forms are introduced, without having to change the numbering of existing forms;
iii keeping the old number in small characters between brackets below the new number for all forms for a transitional period up to the year 2001,

Instructs

The International Bureau accordingly:
- to adapt the texts of the recast Acts following application of the new principle for renumbering forms;
- to renumber the forms in the final stage of the project when the new text of the recast Acts has been adopted by Congress.

(Proposal 20. 0.13, Committee 4, 2nd meeting)

Recommendation C 14

Completion of work on rationalizing UPU forms

Congress,

Having noted with satisfaction
the result of the EC study on rationalizing UPU forms,

Stressing
the importance of the objectives laid down in 1989 Washington Congress decision C 84 aimed at reducing the number of UPU forms, simplifying them and adapting them to new technologies,

Recognizing
that the final decisions of the discussions on the general problems of postal operations, mainly the introduction of a new terminal dues system, and other proposals to Congress could entail numerous changes in the forms,

Considering
that it is preferable, under these circumstances, that the forms should be adapted in a coherent manner immediately after Congress,

Recommends

- that the work on rationalizing UPU forms should be continued after Congress up to the first session of the Postal Operations Council, with the aim of adapting UPU forms in line with Congress decisions;
- that this work should be assigned to the reporting country of the study previously carried out by the EC, assisted by the International Bureau;
- that rationalizing forms should continue to be studied by the Postal Operations Council, particularly in respect of the use of dynamic bar codes.

(Proposal 20. 0.12, Committee 4, 2nd meeting)

Resolution C 15

Reconstitution of the CCC–UPU (Customs Co-operation Council–Universal Postal Union) Contact Committee

Congress,

In view of
the positive results of the work done by the CCC–UPU Contact Committee,

Considering
that efforts to speed up and simplify customs treatment of postal items should be continued,

Taking account
of questions whose study must be developed,

Considering
that the cooperation between the UPU and the CCC which has existed since 1965 is in the best interests of both organizations,

Authorizes

the Postal Operations Council to reconstitute the CCC–UPU Contact Committee in order to continue the study of common problems.

(Proposal 20. 0.17, Committee 4, 2nd meeting)

Resolution C 16

UPU technical assistance priorities and action principles

Congress,

In view of
the reports presented by the Executive Council on UPU technical assistance,

Aware
of the importance and urgency for the developing countries to continue efforts to modernize their postal services which are currently operating in a difficult economic climate,

Convinced
of the need for the UPU:
a to increase its aid to the developing countries by stepping up its technical assistance actions in areas regarded as having priority, particularly to promote implementation of the activities identified in the Strategic Plan;
b to concentrate its aid on a limited number of countries for which aid is vital and urgent,

Concerned
to guarantee that technical assistance is even more effective thanks to contractual arrangements made between the Union and the beneficiary countries,

Convinced
of the need to include UPU aid within the general framework of United Nations strategy and within that of the United Nations Development Programme, while giving preference to implementation of the objectives of the UPU Strategic Plan,

Decides

i to draw up the groups of beneficiary countries as follows:
  - the least developed countries: first priority;
  - the remaining low-income countries and the lower middle-income countries according to the World Bank's classification: second priority;

ii to recognize as having priority for all developing countries objectives aimed at:
  - improving the international accounts system;
  - improving operations and quality of service;
  - identifying markets and customer needs in order to satisfy them;
  - strengthening and modernizing structures and operational methods,

Instructs

the Executive Council:
i to direct UPU technical assistance actions on the basis of the priorities established with regard to the beneficiary countries and objectives described above;

ii to programme UPU technical assistance actions by including them in coherent development programmes put into effect by the beneficiary countries;

iii to ensure that the following action principles are applied:
- make the countries benefiting from the aid aware of the need for a close relationship between their national programme and postal sector objectives;
- prepare a special programme for the least developed countries in which other countries could take part in well-defined cases;
- take steps to ensure realistic and effective decentralization of technical assistance activities;
- encourage efforts aimed at increasing technical cooperation among developing countries;
- maintain and improve the system of development contracts concluded in the form of multi-year integrated projects financed within the framework of the UPU's own resources;
- ensure that the UPU's technical assistance partners contribute towards setting up efficient machinery for coordinating and marshalling resources;
- continue to strengthen project evaluation and follow-up as well as the monitoring of projects' real impact on the operation of the services;
- increase existing lines of cooperation between the UPU and the Restricted Unions in the spirit of the agreements concluded with those regional organizations;
- maintain and develop relations with the UN Regional Economic Commissions;
- keep postal administrations informed about the sources of funding for technical assistance, other than those of the UPU and the UNDP, as well as about the procedures for obtaining funds from these sources.

Instructs

the Director-General of the International Bureau to make every effort to ensure proper implementation of the activities identified within the framework of the priority objectives and action principles drawn up by Congress and in accordance with the directives given by the Executive Council.

(Proposal 029, Committee 9, 2nd meeting)

Congress – Doc 85.2

List of decisions other than those amending the Acts

This Congress – Doc contains the decisions considered by Committee 10 (Drafting) between 31 August and 6 September 1994. They are numbered in the order in which they were examined in plenary or in Committee. Decisions considered after that date will be listed in Congress – Doc 85.3.

First part – Numerical list of decisions

Number	*Type*	*Title and references*
C 17	Res	Quality of Service Programme – 1995–1999 (proposal 037, Committee 6, 1st meeting)
C 18	Dec	Number of geographical groups for the distribution of Council of Administration seats (proposal 05/Rev 1, Committee 3, 2nd meeting)
C 19	Res	Distribution of Council of Administration seats (proposal 15. 102.5/Rev 1, Committee 3, 2nd meeting)
C 20	Res	Reconstitution of the Publishers–UPU Contact Committee (Committee 4, 3rd meeting)
C 21	Res	Strengthening increased UPU presence in the field (proposal 034, Committee 9, 3rd meeting)
C 22	Res	Financing of UPU technical assistance activities (proposal 035, Committee 9, 3rd meeting)
C 23	Res	Revision of land rates and sea rates (proposal 30. 0.3, Committee 7, 2nd meeting)
C 24	Res	Land and sea transit of parcels in closed bags (proposal 30. 0.3, Committee 7, 2nd meeting)
C 25	Res	Controlling inward land rates (proposal 30. 33.3, Committee 7, 2nd meeting)
C 26	Res	Exceptional transit land rates (proposal 33. 0.2, Committee 7, 2nd meeting)
C 27	Res	UPU activities in the field of EDI 1995–1999 (proposal 010, Committee 6, 2nd meeting)
C 28	Rec	Council of Administration and Postal Operations Council – Committee structures (proposal 017, Committee 3, 4th meeting)

C 29	Res	Notification to the International Bureau of information from member countries concerning the designation of the entity or entities to be responsible for fulfilling obligations arising from adherence to the Convention and Agreements and notification of the separation of governmental activities from operational and commercial activities in the case of those countries which apply this separation to postal services (proposal 040, Committee 3, 4th meeting)
C 30	Res	Composition of the Postal Operations Council (proposal 016, Committee 3, 4th meeting)
C 31	Res	Proposals relating to the Detailed Regulations of the Postal Parcels Agreement referred to the POC (Committee 7, 3rd meeting)
C 32	Res	Permanent study of terminal dues (proposal 039, Committee 4, 5th meeting)
C 33	Res	Improvement of postal services in rural areas (proposal 09, Committee 6, 3rd meeting)
C 34	Res	UPU environmental protection policy (proposal 07, Committee 6, 3rd meeting)
C 35	Res	Postal security policy and strategy (proposal 046, Committee 6, 3rd meeting)
C 36	Res	Liability (proposal 20. 0.3, Committee 4, 6th meeting)
C 37	Res	Approval of the Union's accounts for 1989–1993 (Congress – Doc 19, Committee 2, 1st meeting)
C 38	Res	Aid provided by the Government of the Swiss Confederation in the field of the Union's finances (Congress – Doc 19, Committee 2, 1st meeting)
C 39	Res	Exclusion of prohibited and dangerous goods from the postal service (proposal 028, Committee 6, 3rd meeting)
C 40	Dec	Defining a standard for the introduction of an international postal code system (proposal 20. 0.14, Committee 6, 3rd meeting)
C 41	Res	Immediate application of the provisions adopted by Congress concerning the Council of Administration (CA) and the Postal Operations Council (POC) (proposal 023, 8th plenary meeting)
C 42	Dec	Approval of the Comprehensive report on the work of the Executive Council 1989–1994 (Congress – Doc 16, 8th plenary meeting)
C 43	Dec	Approval of the Comprehensive report on the work of the Consultative Council for Postal Studies 1989–1994 (Congress – Doc 17, 8th plenary meeting)
C 44	Dec	Approval of the International Bureau Director-General's report 1989–1994 (Congress – Doc 18, 8th plenary meeting)
C 45	Dec	Mandatory rotation of members of the Council of Administration (Congress – Doc 92, proposal 015, 9th plenary meeting)
C 46	Res	Strategic planning and programme budgeting – roles and responsibilities (proposal 020, Committee 3, 5th meeting)
C 47	Res	Electronic mail service (proposal 20. 0.25, Committee 5, 2nd meeting)
C 48	Res	EMS service (proposals 20. 0.2, 20. 0.23 and 20. 0.24, Committee 5, 2nd meeting)

Second part – Texts of decisions

Resolution C 17

Quality of Service Programme – 1995–1999

Congress,

Considering
that improving quality by reducing transmission times in international mail exchanges and by enhancing the security of the world postal network and of postal items constitute an objective of primary importance for safeguarding the image of the Post in the eyes of the public,

Taking note of
the encouraging results achieved by the Permanent Project to Safeguard and Enhance the Quality of and to Modernize the International Postal Service (Washington Congress resolution C 22),

Noting
the need for the Union to continue its work relating to the improvement of quality,

Decides

on the implementation of a Quality of Service Programme for the period 1995–1999 for the purpose of achieving a significant improvement in the quality of the international postal service, more specifically by taking the following action:
- raising the consciousness of administrations regarding the implementation of quality standards in the international postal service;
- permanent monitoring of the quality of the international postal service worldwide;
- implementation of additional end-to-end testing of the quality of the international postal service;
- missions by quality of service consultants in the field;
- permanent monitoring of the effectiveness of the world postal network;
- permanent updating of a data base concerning the results of quality control worldwide;
- creation of an information and resource centre on international mail circulation,

Approves

the ceiling of the credits necessary for execution of the above plan, set at 3 688 000 CHF for the period 1995–1999,

Instructs

the Executive Council, in conjunction with the Consultative Council for Postal Studies and the International Bureau, to take the necessary measures to achieve significant results in the various areas covered by the Quality of Service Programme and to submit a report on its execution to the next Congress,

Urges

a the member countries of the Union:
   - to do their utmost to improve the quality of the postal services offered, particularly by applying the quality standards already established or to be established,
   - to cooperate fully in any project designed to stimulate their initiatives and to draw maximum advantage from the realization of the activities initiated;

b the member countries and the Restricted Unions to provide active support for the operations initiated within the framework of the Quality of Service Programme.

(Proposal 037, Committee 6, 1st meeting)

Decision C 18

Number of geographical groups for the distribution of Council of Administration seats

Congress

Decides

to refer to the Council of Administration for study proposal 05/Rev 1 concerning the number of geographical groups for the distribution of Council of Administration seats.

(Proposal 05/Rev 1, Committee 3, 2nd meeting)

Resolution C 19

Distribution of Council of Administrations seats

Congress,

Having approved
article 102 of the General Regulations, which lays down the composition of the Council of Administration,

Decides

i to distribute the seats of that Council among the various geographical groups in the following manner:

Western hemisphere	8 seats
Eastern Europe and Northern Asia	5 seats
Western Europe	6 seats
Asia and Oceania	10 seats
Africa	11 seats

plus one seat for the chairmanship of the host country of Congress. If that country waives that right, the geographical group to which it belongs shall have an additional seat, in accordance with article 102, paragraph 2, of the General Regulations;

ii to abrogate resolution C 11/Lausanne 1974.

(Proposal 15. 102.5/Rev 1, Committee 3, 2nd meeting)

Resolution C 20

Reconstitution of the Publishers–UPU Contact Committee

Congress,

Having noted
the results of the Publishers–UPU Contact Committee,

Considering
that the efforts aimed at modernizing and simplifying the regulations for printed papers should be continued,

Taking account
of questions whose study should be developed,

Considering
that the cooperation initiated between the UPU and the Publishers is in the interest of both organizations,

Considering
that relations between the two organizations should adopt a more commercial approach,

Authorizes

the Postal Operations Council to reconstitute the Publishers–UPU Contact Committee in order to continue the study of common problems.

(Committee 4, 3rd meeting)

Resolution C 21

Strengthening increased UPU presence in the field

Congress,

In view of
the report submitted by the Executive Council on increased UPU presence in the field with regard to technical assistance (Congress – Doc 54),

Noting
that the 1993 Executive Council has considered the report on the evaluation of the results of implementing the system and has agreed to the continuation of these activities,

Considering
that the great majority of the developing countries that participated in the survey conducted by the International Bureau consider that the presence of a UPU Regional Adviser in the field provides them with an opportunity to discuss their problems with a sufficiently competent and easily accessible partner,

Aware
- of the significant political changes in the countries of Central and Eastern Europe and of the importance and urgency of the needs of these countries' postal administrations;
- and also of the special needs of the Sub-region of the Caribbean and of the burden that responsibility for all the countries of Latin American and the Caribbean places on the Regional Adviser,

Convinced
that, in addition to the tasks already under their responsibility, the Regional Advisers should in future play a more active role in promoting and managing the postal sector as a global enterprise, particularly in helping developing countries to implement the UPU Strategic Plan,

Instructs

the Director-General of the International Bureau:
- to bring up to eight the number of Regional Adviser posts by creating one for the countries of Central and Eastern Europe and one for the Sub-region of the Caribbean, in the latter case, by converting a P 3 post in the International Bureau Development Cooperation Division into a Regional Adviser's post;
- to take the necessary measures for strengthening and enlarging the Regional Advisers' offices, in particular through the services of associate experts or volunteers and of task forces,

Also instructs

the Council of Administration:
- to provide the necessary guidance with a view to making the UPU presence in the field as effective as possible;
- to allocate the appropriate additional financial resources.

(Proposal 034, Committee 9, 3rd meeting)

Resolution C 22

Financing of UPU technical assistance activities

Congress,

In view of
the reports presented by the Executive Council on financing technical assistance activities,

Aware
of the fact that, while being an essential source of finance for the UPU technical assistance programme, the UNDP provides fewer and fewer possibilities for the postal sector, both because of the reduction in the financial capability of that body and because of the change in the statutory relations between national Posts and governments,

Bearing in mind
the growing priority needs of the developing countries,

Concerned
by the fact that the additional resources available under the head of the UPU to cover aid needs not met by the UNDP are still inadequate despite the efforts made by certain donor countries,

Taking account
of the need to help the developing countries to implement the objectives, programmes and projects identified as having priority within the framework of the UPU Strategic Plan and the guideline document produced by the Seoul General Debate,

Decides

i to concentrate resources on the countries for which aid is necessary;
ii to give priority to implementation of the objectives of the 1995–1999 Strategic Plan and to provide appropriate financial resources for that purpose;
iii to offset the inflation recorded since the 1989 Washington Congress by setting the budgetary credit earmarked for technical assistance at 2 290 000 Swiss francs in 1996, this amount to be adjusted annually in accordance with the same rate of inflation as that taken into consideration in adjusting the budget of the Union,

Recommends

i to countries benefiting from the aid:
  a that they stand, depending on the resources available to them, some of the costs relating to technical assistance activities, in line with UNDP practice (cost-sharing);
  b that they pay 25 to 50 percent, depending on their resources, of the cost of multi-year integrated projects implemented for their benefit out of UPU resources;
ii to all countries:
  a that they participate on a multi-year basis in maintaining the UPU Special Fund through voluntary contributions, the amount of which needs to be increased to meet increasing requirements, particularly in training;
  b that they redouble efforts to persuade their governmental authorities to increase the resources allocated to technical assistance so that they have funds to help improve the postal services of the developing countries, either direct or through the UPU;
  c that they use the inter-administration partnership system to transfer technology on pre-arranged financing terms and applying the so-called "Build – Lease – Transfer" method,

Instructs

the Director-General of the International Bureau:
i to make full use of the facilities offered by decentralization to increase consciousness-raising activities among donors and backers for postal services modernization projects in developing countries;
ii to make approaches to donors and backers with a view to increasing financial resources for UPU technical assistance activities;
iii to focus budgetary resources allocated to technical assistance on objectives, programmes and projects promoting implementation of priority activities identified in the UPU Strategic Plan;
iv to encourage efforts by administrations wishing to put the partnership concept into practice within the framework of technology transfer in the postal field.

(Proposal 035, Committee 9, 3rd meeting)

Resolution C 23

Revision of land rates and sea rates

Congress,

Having adopted
the new land rates and sea rates proposed by the Executive Council in conclusion of the studies pursuant to 1989 Washington Congress resolutions C 17 and C 18,

Considering
- that the system of land rates and sea rates set according to rates per parcel and per kg of gross weight of the mail allows the real cost to be better reflected, as well as simplifying calculation of those rates;
- that the guideline rates applicable to inward land rates were established in such a way that the rates enable administrations to cover the cost of handling inward parcels while ensuring that the parcel-post service remains competitive;
- that the transit land rates and sea rates were set by reference to the letter-post transit charges in accordance with the "comparative parcel-post/letter-post" method described in 1969 Tokyo Congress – Doc 13 (1969 Tokyo Documents, volume II, pages 483 to 486),

Instructs

the Postal Operations Council:
i to carry out a fresh study on the amounts of the guideline rates applicable to inward land rates laid down in article 33 of the Postal Parcels Agreement (Seoul 1994), and to submit any proposals resulting from this study to the next Congress;
ii to adjust, in accordance with articles 34.4bis and 35.4bis of the Agreement, the transit land rates and sea rates laid down in articles 34 and 35 of that Agreement in the event of a revision of the letter-post transit charges.

(Proposal 30. 0.3, Committee 7, 2nd meeting)

Resolution C 24

Land and sea transit of parcels in closed bags

Congress,

Bearing in mind
the consequences that the number and volume of bags have for the costs of land and sea transit of parcels in closed bags,

Aware
of the possible simplification of accounting procedures that would result from the adoption of a rate per kg for this traffic,

Instructs

the Postal Operations Council:
- to carry out a study on the possibility of introducing a rate per kilogramme for the land and sea transit of parcels in closed bags which would take account of the number of bags and their volume;
- to submit any proposals resulting from this study to the next Congress.

(Proposal 30. 0.3, Committee 7, 2nd meeting)

Resolution C 25

Controlling inward land rates

Congress,

Having abolished
the control ratio between outward and inward land rates,

Aware
of the competitive situation on the parcels market and of the vital need to avoid excessive prices,

Instructs

the Postal Operations Council:
- to consider ways of discouraging any possible excess in regard to inward land rates;
- to submit any proposals resulting from this study to the next Congress.

(Proposal 30. 33.3, Committee 7, 2nd meeting)

Resolution C 26

Exceptional transit land rates

Congress,

Having adopted
proposal 30. 34.1 calling for land rates calculated by combining a rate per parcel and a rate per kilogramme,

Considering
that the reservations appearing in articles IX and XI, paragraph 2, of the Final Protocol to the Postal Parcels Agreement and based on the weight steps laid down in article 34, paragraph 1, of the Agreement (Congress – Doc 60/Add 3) have become unsuitable,

Decides

to abolish these reservations while inviting the administrations of Union member countries that truly need supplementary rates to cover their costs to submit new reservations on the basis of the updated system.

(Proposal 33. 0.2, Committee 7, 2nd meeting)

Resolution C 27

UPU activities in the field of EDI, 1995–1999

Congress,

Recalling
the Washington Congress resolutions aimed at introducing telematics in the Union,

In view of
the Executive Council and Consultative Council for Postal Studies report on the activities undertaken in the UPU in the field of telematics (Congress – Doc 75a),

Noting
that a telematics project has been established in the UPU, consisting, in particular, of a global postal telecommunication network and associated network services, for the benefit of all postal enterprises,

Considering
that the vast majority of the postal administrations of member countries that took part in inquiries conducted by the International Bureau expressed a keen interest in participating in the project and in accessing the telematics network and services made available to them,

Aware
of the strategic importance of the UPU telematics project for all Union member countries,

Convinced
that this telematics project will make it possible to speed up considerably activities designed to improve telematic communication facilities between postal enterprises, to reduce the technological gap between them, to raise the quality of global postal services and to facilitate expansion of existing products and the creation of new products,

Taking into account
the Executive Council report on UPU activities in the field of EDI, 1995–1999 and its conclusions (Congress – Doc 75b),

Urges

the postal administrations of member countries and the Restricted Unions to participate in the UPU telematics project and to make voluntary contributions to that project,

Instructs

the Postal Operations Council:
- to establish an EDI Advisory Board under its authority, consisting of representatives of member countries and in whose work the International Bureau will participate. The EDI Advisory Board will be assigned responsibility for carrying out the following broad objectives:
  a establish the policies and guidelines for activities in the area of EDI, in line with the principles and objectives approved by the Postal Operations Council;
  b secure the necessary funds allowing continued activities in the area of EDI, including mandatory funding by all postal administrations participating in the telematics project, the income from fees calculated on the basis of the cost of the products and services provided under the project and voluntary contributions paid under the head of development activities and special projects;
  c propose to the Postal Operations Council financial procedures applicable to EDI activities;
- to take any action considered useful for efficient operation of the UPU telematics project,

Instructs

the International Bureau to maintain the EDI Development Unit as a business unit under the authority of the Director-General of the International Bureau and with responsibility for:
a conducting the telematics project in an efficient and flexible manner and according to the principles and objectives approved by the Postal Operations Council;
b reporting regularly to the EDI Advisory Board on its results and performance, in accordance with procedures in force at the International Bureau;
c preparing EDI Advisory Board meetings,

Invites

the Council of Administration to co-finance EDI activities by a contribution taken from the regular budget of a sum equivalent to at least one million Swiss francs a year, increasing annually in line with the inflation rate applicable to the budget, until other income covers expenses.

(Proposal 010, Committee 6, 2nd meeting)

Recommendation C 28

Council of Administration and Postal Operations Council – Committee structures

Congress,

In view of
the reform of the management of the work of the Union and the restructuring of its bodies,

Taking account
of the creation of the two new bodies, the Council of Administration and the Postal Operations Council, and the responsibilities which each of these bodies will have to organize its own work and establish its own structure of Committees, Working Parties and other bodies, in accordance with the duties and responsibilities of these bodies as set forth in the relevant provisions of the Acts of the Union and also as may be supplemented by decisions of Congress,

Also taking account
of the recommendations of the Executive Council based on its studies of the management of the Union,

Invites

the Council of Administration and the Postal Operations Council to consider Congress – Doc 70, in so far as they deem it desirable, and to draw upon the Executive Council's views set out in annexes 1 and 2 hereto concerning the composition and functions of the Committees and Working Parties.

(Proposal 017, Committee 3, 4th meeting)

Annex 1

COUNCIL OF ADMINISTRATION

CA Management Committee (made up of CA Chairman and Committee Chairmen plus Chairman of Strategic Planning Working Party)	– Coordinate work of CA – Oversee all CA activities carried out under the strategic plan, draw up annual agenda and meet as necessary with POC Management Committee in joint Planning Forum – Supervise strategic and financial plans – Consider annually proposals on revision of CA activities and priorities – Consider any other issue entrusted to it by the CA or the other Union bodies
Committee Structure	**Functions**
1 General Matters and Structure of the Union	– Constitution and structure of the Union – Public policy (trade in services, competition oversight) – Continue the study on the management of the Union's work
2 Finance	– Programme budget based on the strategic plan – Consider the annual financial report – Resources
3 Human Resources	– Application of UN Common System to staff – International Bureau training and management development – International Bureau working methods – Staff requirements
4 Services and Standards (questions of policy and principle)	– Mandatory services (Convention) – Optional services (Agreements) – Quality of service – Technical standards (implications for others potentially affected by postal standards)

Committee Structure		Functions
5	Technical Cooperation	– Policy and review – UNDP programmes – Postal Development Action Group (PDAG)
6	Seoul Postal Strategy	– Review member country implementation

Annex 2

POSTAL OPERATIONS COUNCIL

POC Management Committee (made up of POC Chairman, and Vice-Chairman, Committee Chairmen and Chairman of Strategic Planning Working Party)		– Coordinate work of POC – Coordinate all POC activities carried out under the strategic plan and meet as necessary with CA Management Committee in joint Planning Forum – Consider the draft strategic and financial plans prepared by the WP and the IB – Contact with private couriers
1	Letter Post	– Convention (commercial and operational issues) – Accounts, statistics, charges, terminal dues and transit charges – Customs, CCC–UPU contact – Airmail, IATA–UPU contact – Detailed Regulations
2	Parcel Post	– Agreement and Detailed Regulations – Charges – Service development
3	Financial Services	– Giro – Cash-on-Delivery – Money Orders
4	EMS	– Service development – Model agreement
5	Quality of Service	– Development of standards – Monitoring – Corrective measures
6	Security	– Security standards – Training and technical assistance – Contacts with other organizations

7	Marketing and Product Development	– Market research – Customer relations – New products – Press and publishing
8	Modernization	– ETSG – EDI Unit – Electronic mail, ITU–UPU contact – ISO–UPU contact – Automation – Postal technology
9	Postal Development and Seoul Postal Strategy	– Global network development – Technical cooperation support – Strategy – Environment

Resolution C 29

Notification to the International Bureau of information from member countries concerning the designation of the entity or entities to be responsible for fulfilling obligations arising from adherence to the Convention and Agreements and notification of the separation of governmental activities from operational and commercial activities in the case of those countries which apply this separation to postal services

Congress,

In view of
the emergence in an increasing number of countries of the situation in which governmental oversight of postal services is being separated from the actual commercial and operational management of postal services, with the body responsible for the former often called the "regulator" and the body responsible for the latter often called the "public operator",

Considering
the circumstance in which a member country may choose to designate more than one entity, public or private, as an operator to be responsible for fulfilling obligations arising from adherence to the Convention and Agreements,

Recommends

in order that the International Bureau may report developments regarding the legal status and organization of the members of the Union:

i that member countries which apply the separation of governmental and regulatory activities from commercial and operational activities notify the International Bureau within six months of signing the Acts of the Union of the name and address of the governmental body responsible for overseeing postal affairs and provide the same information regarding the entity or entities designated to fulfill obligations arising from adherence to the Convention and Agreements;

ii that member countries communicate any change in respect to this information to the International Bureau at least three months prior to the date of implementation of this change,

Decides

that, in the circumstance in which a government formally designates more than one entity to be responsible for fulfilling its obligations arising from adherence to the Convention and Agreements, subject to that country's internal laws and government policies, each such entity may be represented at meetings of the Union's bodies considering services for which it is responsible,

Declares officially that:

i the term "postal administration" in the Acts of the Union shall be defined by each member country within the framework of its national legislation;

ii the formal and institutional references contained in the Constitution or the General Regulations and affecting postal administrations will apply to the public service operators and to the governmental authorities, in accordance with the national legislation of each country.

(Proposal 040, Committee 3, 4th meeting)

Resolution C 30

Composition of the Postal Operations Council

Congress,

Considering
the revision of article 104, paragraph 2, of the General Regulations,

Recalling
that postal administrations not belonging to the Postal Operations Council may, at their request, collaborate in the studies undertaken, while complying with such conditions as the Council may lay down in order to ensure the efficiency and effectiveness of its work and that they may also be called upon to chair Working Parties when their knowledge or experience warrants this,

Decides

that under the geographical distribution mentioned in article 104, paragraph 2, of the General Regulations, 60 percent of the Council of Administration (CA) seats allocated to each group will be reserved for the same group in the Postal Operations Council. The distribution of seats reserved by geographical distribution in the Postal Operations Council will therefore be as follows:

Number of POC seats reserved by geographical distribution

Group		CA	60% of CA (rounded off to the next higher unit)	Minimum guaranteed to developing countries
1	Western Hemisphere	8	5	(3)
2	Eastern Europe and Northern Asia	5	3	(3)
3	Western Europe	6	4	(0)
4	Southern Asia and Oceania	10	6	(3)
5	Africa	11	7	(7)
Total number of seats reserved by geographical distribution		40	25	(16)

(Proposal 016, Committee 3, 4th meeting)

Resolution C 31

Proposals relating to the Detailed Regulations of the Postal Parcels Agreement referred to the POC

Congress,
By virtue of article 15, paragraphs 2, 3 and 10, of the Rules of Procedure of Congresses,

Instructs

the Postal Operations Council to consider the following proposals relating to the Detailed Regulations of the Postal Parcels Agreement:

35. RE 306.1
35. RE 306.2
35. RE 306.3
35. RE 306.4
35. RE 307.1
35. RE 307.2
35. RE 307.3
35. RE 307.4
35. RE 307.5
35. RE 307.6
35. RE 1102.1
35. RE 1503.1/Rev 2
35. RE 1503.2
35. RE 1601.1
35. RE 1902.1
35. RE 1902.2
35. RE 1903.1
35. RE 1904.1
35. RE 1904.3
35. RE 1904.4
35. RE 1904.5
35. RE 2101.1
35. RE 2601.1
35. RE 2602.1
35. RE 2801.1
35. RE 2801.2
35. RE 2801.3
35. RE 2801.4
35. RE 2801.5
35. RE 2802.1
35. RE 3106.1
35. RE 3107.1
35. RE 3110.1
35. RE 3111.1
35. RE 3112.1
35. RE 3112.2
35. RE 3114.1
35. RE 3115.1
35. RE 3116.1
35. RE 3117.1/Rev 1
35. RE 3118.1
35. RE 3118.2
35. RE 3203.1
35. RE 3205.1
35. RE 3604.1/Rev 2
35. RE 3604.2
35. RE 3604.3
35. RE 3605.1/Rev 2
35. RE 3605.2
35. RE 3803.1
39. 0.1
39. 0.2.
39. 2.1
39. 20.1

(Committee 7, 3rd meeting)

Resolution C 32

Permanent study of terminal dues

Congress,

Having taken note of the work done by the Executive Council,

Considering
that the problems associated with remuneration for services rendered by countries of destination are among the major concerns of the Union,

Believing
that the financial relations between countries of dispatch and countries of destination must be founded on economic criteria that take account not only of costs and of the services rendered, but also of the environment in which the Posts operate, particularly with regard to the competition,

Noting
that some administrations have for this reason introduced in their reciprocal relations a terminal dues system other than that provided for in the Convention and that these administrations, which have been joined by other administrations subjected to similar pressures of a commercial and regulatory nature, are endeavouring to improve this system so that it reflects the specific costs in each country of destination,

Observing
that these systems, based on the principle of a calculation of terminal dues comprising two elements (a rate per kilogramme and a rate per item), by taking account of delivery costs linked to the number of items, allow the countries of destination to ensure better coverage of their costs and the countries of dispatch to assume only those costs associated with the items they dispatch, and that, moreover, the principle underlying these systems has been refined so as to allow the establishment of rates even more closely approximating costs as a function of the various shapes, letters, flats, and bulky items,

Noting
that the work of the Executive Council included preliminary studies aimed at linking the costs of delivery and terminal dues compensation to the shapes of mail,

Considering
that it is of the utmost importance to adopt provisions aimed at increasing the allocation of all revenue generated by terminal dues to remuneration for handling of the mail in the country of arrival and to the reimbursement, in particular, of the costs chargeable to the implementation of programmes for replacing and improving postal infrastructures, and to use those same revenues to organize and improve the international postal service, in accordance with article 1, paragraph 2, of the Constitution of the Union,

Further considering
that the terminal dues systems adopted by the Union must protect the integrity of the entire international postal network, while safeguarding the financial and economic interests of the developing countries as well as of the developed countries, concerned about retaining their share of the domestic postal market in a commercial and competitive environment,

Instructs

the Council of Administration and the Postal Operations Council, in so far as each of them is concerned:

- to continue the study of the terminal dues question with a view to ensuring that administrations of destination receive equitable remuneration for handling foreign-origin mail, taking account of the elements set out in the foregoing preamble;
- to consider the possibility of establishing remuneration based on the costs specific to items which have been the subject of a special service, with priority being given to a study on registered items;
- to continue studying the possibility of establishing a specific link between the costs and the shapes of mail and of determining how that link can be taken into account in connection with terminal dues remuneration, bearing in mind the operational systems of the developing countries;
- to consider the operation of the accounting process applicable to bulk mail and to recommend amendments to be made to it between Congresses;
- to determine whether the accounting system applicable to bulk mail remains appropriate, so as to counter any abuse of the terminal dues system;
- to monitor the operation of the statistical and accounting systems used for the calculation and billing of terminal dues and to decide on amendments to be made to them between Congresses in order to improve their rules;
- to submit, if need be, to each Congress its recommendations concerning adjustments to be made to the terminal dues system along with proposals for amending the corresponding Acts.

(Proposal 039, Committee 4, 5th meeting)

Resolution C 33

Improvement of postal services in rural areas

Congress,

In view of
article 1, paragraph 2, of the Constitution, laying down the aim of the Union, which is "to secure the organization and improvement of the postal services and to promote in this sphere the development of international collaboration",

Noting
that the majority of the population in many countries lives in rural areas,

Noting further
that the quality of the postal services provided in rural areas of these countries is well below expectations,

Considering
that the world's postal services will fall short of their targets if the quality of postal services in the rural areas of member countries is not brought up to the mark,

Admitting
that there is an urgent need to improve postal services in the rural areas of member countries,

Considering
that there are many factors of a substantial nature that stand in the way of improving these services,

Considering further
that it is beyond the capability of a single postal administration to surmount many of these obstacles,

Recognizing
that a united global approach is essential in order to overcome the difficulties and attain the targets,

Instructs

the Postal Operations Council:

a to undertake an in-depth study of the present state of the rural postal services in member countries;
b to identify the obstacles to improvement of the rural postal services;
c to recommend ways and means of overcoming these obstacles and achieving the targets;
d to submit, to this end, proposals to the next Congress;
e to recommend, if appropriate, interim measures to the Executive Council, which will request their implementation.

(Proposal 09, Committee 6, 3rd meeting)

Resolution C 34

UPU environmental protection policy

Congress,

Recalling
the 1992 Rio de Janeiro Declaration pursuant to the "Earth Summit" organized by the United Nations under the auspices of the United Nations Conference on Trade and Development (UNCTAD), which constitutes a blueprint for an environmental protection and development strategy in the 21st century, and also stresses the fundamental role to be played by all United Nations bodies, therefore including the Universal Postal Union,

Aware
a of the imperative need to reduce pollution and to recycle waste materials,
b that postal administrations, which every day handle products of all kinds that must be discarded after use, have a unique opportunity to introduce internal and external environmental changes:
- by reducing pollution;
- by purchasing and marketing environmentally designed products so as to preserve the commonwealth of natural resources;
- by using energy efficiently and cost-effectively; and
- by promoting sustainable economic and resource development initiatives,

Taking account of
a proposal submitted by the Chairman of the Executive Council urging the Consultative Council for Postal Studies to undertake a study on the Post and the environment before the 21st Congress,

Noting
decision CCEP 7/1992 initiating this study and appointing the United States of America reporting country,

Considering
a the results of the 1993 Symposium on the "Post and the environment" as reported in document CCEP 1993 – Doc 17 and its annexes;
b the conclusions reached by the Working Party created by decision CCEP 1/1993, stressing the need to develop a postal environmental protection policy;
c that the environment issue has been included in the UPU's future study programme;
d that the environment protection policy for postal administrations has been included in the UPU's strategic planning process,

Instructs

the two Councils of the UPU, each within its respective area of responsibility:
a to develop and adopt initiatives, standards, and programmes regarding the implementation of the following environmental protection policy for postal administrations:
Policy
Environmental protection is sound business practice. The economies realized by good environmental policies have proven benefits to business, industry, and government, including postal administrations. Fundamental to the Universal Postal Union's environmental commitment is that it will contribute to a sustainable development of society. This commitment will be carefully planned and implemented, consistent with technical and economic realities.
Guiding principles
- responsibility to public expectations and otherwise meeting or exceeding all applicable environmental laws and regulations;

- incorporating environmental considerations, at an early stage and at all levels in postal administrations, as an integral part of the planning, budgeting, and decision-making process;
- encouraging the sustainable use of natural resources by promoting pollution prevention, reducing waste, reusing and recycling materials;
- improving environmental performance on a continuing basis, as new knowledge about the environment becomes available and as resources permit;
- measuring and communicating on postal administrations' progress in protecting the environment through various established methods;
- encouraging all postal employees to consider the environment in all aspects of their professional and daily lives;
- working closely with customers, suppliers, utilities, industry, governments, associations, and other interest groups to promote environmentally-sound practices;

b to set up a group of experts on the environment to provide guidance, recommend actions, and monitor the implementation of the proposals;

c to ensure that adequate human and financial resources are made available to implement the UPU environmental policy; and

d to ensure that the International Bureau includes the environmental policy amongst its priority activities and undertakes all necessary steps to provide the assistance required,

Strongly recommends

member countries:

a to become familiar with the environmental policy of the UPU;

b to actively pursue the immediate implementation of this policy to the extent possible in their area of responsibility;

c to maintain regular contact with the International Bureau on steps taken and assistance needed or available as well as with the national authorities responsible for environmental protection;

d to use the tools made available by the International Bureau (manuals, operational data sheets, etc).

(Proposal 07, Committee 6, 3rd meeting)

Resolution C 35

Postal security policy and strategy

Congress,

Recalling
Washington Congress resolution C 12/1989 calling on administrations to take action to enhance the security and integrity of international mails,

Considering
- the need to safeguard the quality of the postal services;
- that, to remain competitive in world postal markets, the Posts must include a guarantee of security in /.../ their postal activities;
- the vulnerability of the international postal system to criminal acts committed in the postal services or against them (theft, fraud, traffic in drugs, pornography, etc);
- the specialized knowledge and skill required to counter criminal activity directed against the Post and the limited resources available to counter this activity,

Aware
- of the social and business importance of maintaining public confidence in the security of postal items;
- of the fact that the problems of postal security are so significant and complex that at both the management policy and operational levels, the need exists for security to be a distinct focus of activity;
- of the urgency with which postal security actions must be undertaken,

Taking account of
- the results of the two postal security symposia conducted in April 1990 and May 1991 and the creation of the UPU Postal Security Action Group (PSAG);
- the successes achieved through the numerous security-related decisions and recommendations taken by the EC and CCPS as a result of PSAG's work as detailed in Congress – Doc 23, in the following areas:
  - quality of service;
  - setting of security standards and policies;
  - establishment of postal security networks;
  - improvements in aviation security measures;
  - arranging and promoting training and technical assistance activities;
  - increased revenue protection and generation;
  - improved contacts with Restricted Unions, international organizations and other organizations concerned with security,
- the fact that postal security issues /.../ cover both the regulatory and operational aspects of the postal business and that their development and follow-up would need attention by both the Council of Administration and the Postal Operations Council, each within its own area of responsibility,

Noting
- that the Executive Council has endorsed the study on restructuring the Union, one of whose recommendations calls for the establishment of a Committee to deal with security matters;
- that security activities have been incorporated into the UPU's strategic planning process for the future;
- that security has been included in the future UPU study programme,
- the considerable progress already made by the UPU Postal Security Action Group as regards raising awareness of the importance of security within the Union,

Urges

postal administrations:
- to adopt a security strategy at all levels of postal operations in order to maintain and increase their competitive edge in the market and enhance their public image;
- to develop regional security training courses and networks to further spread the security message;
- to use the available tools prepared by the International Bureau of the UPU (Manuals, implementation guides, directories, binders and Operational Binders, etc) to improve security of the Post,

Decides

to reconstitute the UPU Postal Security Action Group which would report directly to the plenary meetings of the Council of Administration and the Postal Operations Council,

Instructs

the Council of Administration, the Postal Operations Council and the International Bureau, each within its own area of responsibility, to ensure that appropriate measures are taken in the field

of postal security by providing adequate human and financial resources to implement security-related activities.

(Proposal 046, Committee 6, 3rd meeting)

Resolution C 36

Liability

Congress,

Referring
to the provisions of articles 35 to 39 and 44 of the Convention as well as to articles 25 to 29 and 32 of the Postal Parcels Agreement covering different kinds of liability matters,

Aware of the fact
that postal operators must provide high-quality services to customers,

Considering
that postal liability regulations ought to be adapted to the demands of the delivery market in general,

Recognizing
that all postal procedures for establishing liability should be simplified to reduce administrative work and the cost of such work,

Urges

postal operators to respond to legitimate customer expectations and to speed up the treatment of customers' claims as well as of the resultant settlement,

Instructs

the Postal Operations Council to study and to present to the competent body, proposals for approval concerning all aspects of postal operators' accepting liability for postal items.

(Proposal 20. 0.3, Committee 4, 6th meeting)

Resolution C 37

Approval of the Union's accounts for 1989–1993

Congress,

In view of

a the Director-General's report on the finances of the Union (Congress – Doc 19);

b the report of its Finance Committee (Congress – Doc 83),

Approves

the accounts of the Universal Postal Union for 1989–1993.

(Congress – Doc 19, Committee 2, 1st meeting)

Resolution C 38

Aid provided by the Government of the Swiss Confederation in the field of the Union's finances

Congress,

Having considered
the report submitted by the Director-General on the Union's finances (Congress – Doc 19),

Expresses

its gratitude to the Government of the Swiss Confederation:

i for its generous contribution to the Special Activities Fund following its waiver of reimbursement by the Union of advances made under the former financial system, which ended at 31 December 1990;

ii for the generous aid it provides to the Union in the field of finance by supervising the keeping of the International Bureau accounts and by acting as external auditor of the Union's accounts;

iii for its willingness to cover temporary financing shortfalls by making the necessary short-term advances, on conditions which are to be fixed by mutual agreement.

(Congress – Doc 19, Committee 2, 1st meeting)

Resolution C 39

Exclusion of prohibited and dangerous goods from the postal service

Congress,

Considering
the provisions of the relevant articles of the Convention pertaining to the prohibition of mailing certain dangerous substances and articles,

Having taken note of
the proceedings of the Postal Security Action Group (PSAG) and the IATA–UPU/PSAG Joint Working Party concerning prohibited and dangerous goods, proceedings which once again underscored the gravity of the particular risks attendant upon transport by air,

Taking note
of the measures advocated by the Postal Security Action Group and the "Dangerous Goods" Subgroup of the IATA–UPU/PSAG Working Party and endorsed by the Executive Council with a view to excluding the insertion of prohibited and dangerous goods in postal items through enhanced education and awareness activities for the benefit of postal staff and customers, among other means through the organization of displays, the distribution of films, and the production of posters and literature dealing with dangerous goods,

Aware
of the work that remains to be done by postal administrations in their activities to combat the mailing of prohibited and dangerous goods,

Aware
that dangerous and prohibited items continue to circulate in postal items and that serious incidents involving loss of property and life continue to take place,

Urges

postal administrations, with the assistance of the UPU International Bureau, to:
a strengthen measures aimed at preventing and detecting the insertion of prohibited and dangerous articles in postal items;
b develop to this end educational measures suited to the local situation, for the benefit of postal customers and staff;
c ensure wide dissemination of these measures and appropriate training for the staff, using the most effective modern technical methods.

(Proposal 028, Committee 6, 3rd meeting)

Decision C 40

Defining a standard for the introduction of an international postal code system

Congress

Instructs

the Postal Operations Council to continue the study on defining a standard for the introduction of an international postal code system, bearing in mind, on the one hand, the results of CCPS substudy 741.1, and, on the other, the reservations and recommendations made in this respect at Congress.

(Proposal 20. 0.14, Committee 6, 3rd meeting)

Resolution C 41

Immediate application of the provisions adopted by Congress concerning the Council of Administration (CA) and the Postal Operations Council (POC)

Congress,

In view of
the fact that it is the responsibility of the Council of Administration (CA) and the Postal Operations Council (POC), each in its own sphere, to ensure the continuity of the UPU's work between Congresses,

Considering
that the term of office of these two bodies coincides with the period between Congresses,

Noting
that some time elapses between the closing of Congress and the entry into force of the Acts concluded at that Congress,

Bearing in mind
the composition and powers adopted by Congress for the Council of Administration and the Postal Operations Council,

Considering
that the Council of Administration and the Postal Operations Council must operate without delay and must meet before the closing of Congress,

Decides

to bring into force immediately the provisions relating to the Council of Administration and the Postal Operations Council.

(Proposal 023, 8th plenary meeting)

Decision C 42

Approval of the Comprehensive report on the work of the Executive Council 1989–1994

Congress

Decides

to approve the Comprehensive report on the work of the Executive Council 1989–1994.

(Congress – Doc 16, 8th plenary meeting)

Decision C 43

Approval of the Comprehensive report on the work of the Consultative Council for Postal Studies 1989–1994

Congress

Decides

to approve the Comprehensive report on the work of the Consultative Council for Postal Studies 1989–1994.

(Congress – Doc 17, 8th plenary meeting)

Decision C 44

Approval of the International Bureau Director-General's report 1989–1994

Congress

Decides

to approve the International Bureau Director-General's report 1989–1994.

(Congress – Doc 18, 8th plenary meeting)

Decision C 45

Mandatory rotation of members of the Council of Administration

Congress

Decides

to reject the appeal by Japan asking for proposal 015 concerning the temporary non-application of the mandatory rotation of members of the Council of Administration to be considered in plenary meeting.

(Congress – Doc 92, proposal 015, 9th plenary meeting)

Resolution C 46

Strategic planning and programme budgeting – roles and responsibilities

Congress,

In view of
the reform of the management of the work of the Union, including the introduction of strategic planning and programme budgeting, and the restructuring of the Union's bodies,

Taking account
of the creation of two new bodies, a Council of Administration and a Postal Operations Council, and the responsibilities which these new bodies will have, with the support and initiative of the International Bureau, to implement the Strategic Plan adopted by Congress, to update that Plan on an annual basis, and to work together in carrying out the new strategic planning and programme-budgeting processes,

Recognizing
that it will be the responsibility of the new Council of Administration and the new Postal Operations Council to organize and adapt their work on the basis of ongoing experience and to consult with the International Bureau on developing and improving the strategic planning and programme-budgeting processes,

Invites

the Council of Administration, the Postal Operations Council and the International Bureau to draw upon the Executive Council recommendations for the conduct of the strategic planning and programme-budgeting processes during the period leading up to the next Congress, as set forth in the attached annexes, namely:

Annex 1 – Strategic planning/Programme budgeting/Roles and responsibilities

Annex 2 – Strategic planning process with new structure

Annex 3 – Strategic planning within UPU – Congress year – New five-year Plan

Annex 4 – Strategic planning within UPU – Annual cycle (non-Congress year) – Annual plan update

Annex 5 – Strategic planning process/Programme budgeting/Calendar of activities relating to roles and responsibilities

(Proposal 020, Committee 3, 5th meeting)

Annex 1

Strategic planning

Programme budgeting

Roles and responsibilities

I. Congress

- Deals, in the General Debate, with key issues facing the UPU for the next five-year period;
- Considers proposals for how the bodies of the Union should respond to key issues and incorporates decisions on these into the draft Strategic Plan;
- Adopts a resolution through which it gives overall approval to the UPU Strategic Plan (SP) for 1995–1999, including:
  - UPU mission statement;
  - objectives, programmes, projects, activities (OPPA);
  - priorities and resources to be allocated to them;
  - allocation of strategic planning projects and activities between the Council of Administration (CA), the Postal Operations Council (POC), and the International Bureau (IB),
  - estimated costs of all activities;
  - authority for the CA and the POC, in consultation with the International Bureau, to update the Plan on an annual basis, including to reallocate resources within annual ceilings and to revise cost estimates;
  - setting of annual budget ceilings and drawing upon mandatory contributions to implement the Strategic Plan;
  - authority to draw upon additional voluntary contributions or other revenues to implement strategic planning activities in accordance with financial procedures to be approved by the CA;
- Adopts annual budget ceilings which govern the expenditure of mandatory contribution in carrying out strategic planning activities;
- Adopts a financial plan, either as an annex to the Strategic Plan or as a separate document, which provides:
  - necessary financial details for all activities included in the Strategic Plan, including all International Bureau basic functions, with clear authority for the CA and the POC, in coordination with the International Bureau, to update the budget annually in accordance with changes in the Strategic Plan;
  - flexibility to incorporate new activities or levels of activity which may be added to the Strategic Plan during the inter-Congress period and all supplementary revenue sources outside the mandatory membership contributions.

II. Council of Administration (CA)

- Meets annually in the autumn and:
  - receives pre-audited reports, evaluates progress in implementing the Strategic Plan for the previous year and considers strategic developments during the year which may affect the Union and its mission and objectives as well as the CA and its programmes, projects and activities;
  - provides guidance and instructions to its Committees and Working Parties and to the International Bureau on the implementation of the Strategic Plan for the coming year;

- annually updates the Strategic Plan and approves the programme budget for the following year on the basis of proposals submitted by the Postal Operations Council and developed by it in consultation with the CA and with the support and participation of the International Bureau;
- provides policy guidance, in the form of resolutions or recommendations, to the POC and to the International Bureau on the implementation of studies and activities under the Strategic Plan, in accordance with its responsibilities as set forth in the Constitution and General Regulations;
- approves inclusion of all voluntary contributions and all revenues from all other sources in the programme budget and approves as well the allocation of these revenues to any new activities or new levels of activity to be carried out under the Strategic Plan, thereby assuring that all activities and their financing are accounted for in the Strategic Plan and its related programme budget;
- delegates responsibility to its Chairman to approve, between CA meetings, the allocation of any unanticipated additional financial resources which may become available to the Union and which have not been included in the approved Strategic Plan and programme budget and their expenditure for urgent activities, after consultation with the POC Chairman and the International Bureau, and in accordance with such additional financial procedures as it may adopt;

– Entrusts the Management Committee with reviewing in detail the Strategic Plan proposed by the POC and updating the financial plan accordingly;
– Establishes a Strategic Planning Working Party (SP/WP) under the Management Committee. The role of this Working Party will be, in particular, to inform the POC about policy and guidelines issued by the CA; it will also provide liaison with the POC Strategic Planning Working Party and the International Bureau; the Chairmen of these Working Parties and the International Bureau together form the joint CA/POC/IB Strategic Planning Group; this Joint Group will deal in particular with issues relating to the annual revision and updating of the SP and the FP;
(NB: Although the representative of a country appointed to the SP/WP should preferably be highly experienced in UPU and international postal activities, it would be helpful to include as well, as the occasion may warrant, the additional support of a planning expert with significant experience in domestic and national strategic planning and programme-budgeting activities.)
– Establishes a CA Management Committee (CA/MC), under the chairmanship of the CA Chairman, and made up of CA Committee Chairpersons and the CA SP/WP Chairman:
  - to oversee all CA activities carried out under the Strategic Plan;
  - to consider proposals to revise annually CA activities and priorities as set forth in the SP and PB;
  - to meet with the POC Management Committee in a joint Planning Forum as necessary, but at least once prior to the next Congress, to reconsider the mission of the UPU and to contribute to the process of developing the next five-year Plan for submission to Congress.

III. Postal Operations Council (POC)

– Meets annually in the spring and:
  - assumes lead responsibility for overseeing the development and annual updating of the Strategic Plan and programme budget and for their presentation to the CA for approval;
  - receives reports and evaluates progress in implementing the Strategic Plan for the previous year and considers strategic developments during the year which may affect the Union and its mission and objectives as well as the POC and its programmes, projects and activities;
  - evaluates priorities and budget resources allocated to it by the CA for the coming year and consults with the International Bureau and the Chairman of the CA regarding any reallocation of these resources considered necessary to achieve objectives and to carry out POC programmes, projects and activities;

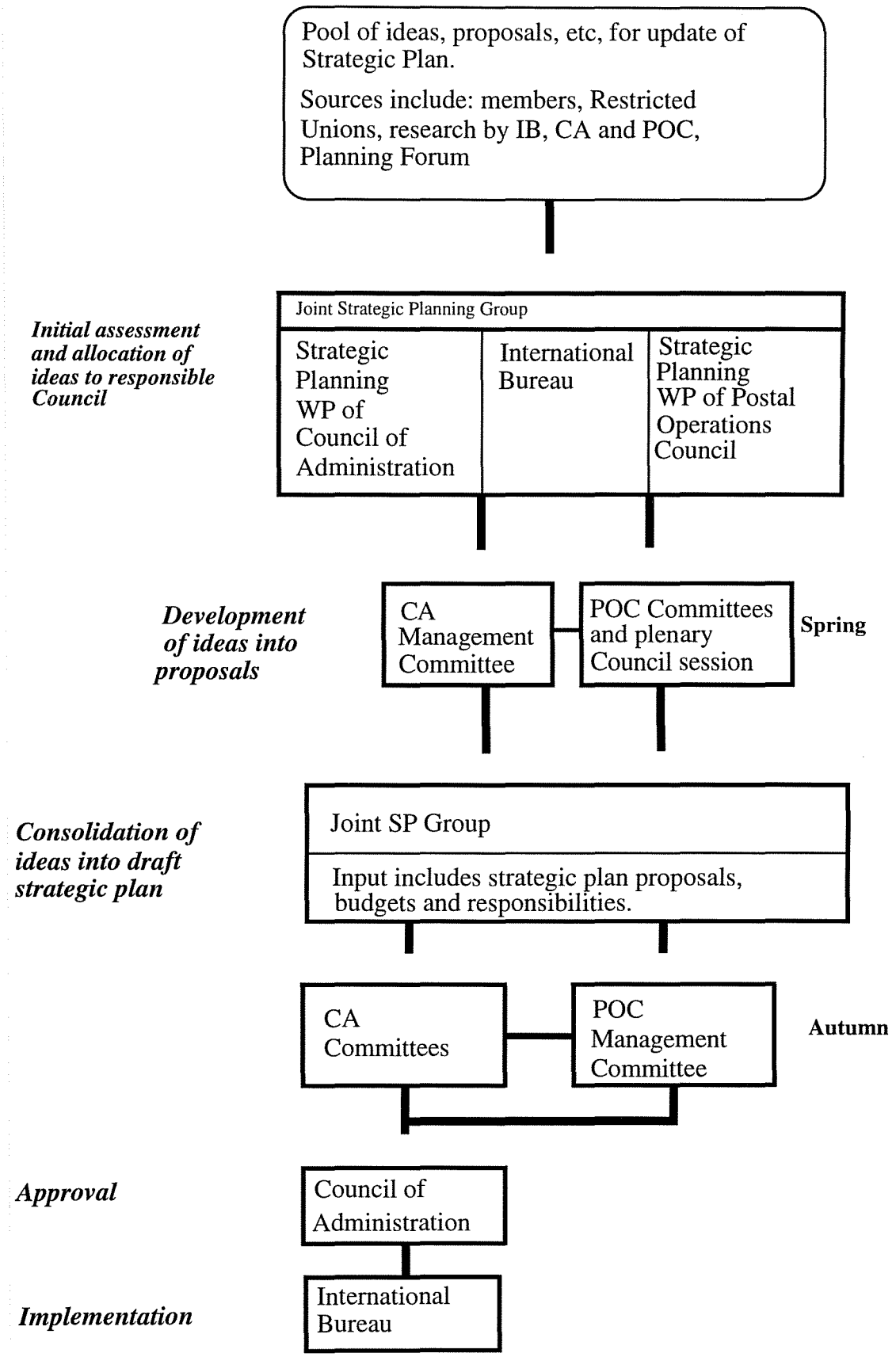
  - receives policy guidance on strategic planning issues from the CA in the form of CA resolutions and decisions and provides guidance and instructions to POC Committees and Working Parties and to the International Bureau on the implementation of the Strategic Plan for the coming year;
  - approves the draft Strategic Plan and its financial implications for the following year, as prepared by the International Bureau, and which are to be submitted for approval to the CA in the autumn;
- Establishes a POC Management Committee (POC/MC), under the chairmanship of the POC Chairman, and made up of POC Committee Chairpersons and the Chairman of the POC/SP/WP:
  - to oversee all POC activities carried out under the Strategic Plan;
  - to consider proposals to revise POC activities and priorities annually as well as to re-allocate budget resources available to the POC for its activities within the framework of the Strategic Plan and programme budget approved previously by the CA;
  - to meet with the CA Management Committee in a joint Planning Forum as necessary, but at least once prior to the next Congress, to reconsider the mission of the UPU and contribute to developing the next five-year Plan for submission to Congress;
- Establishes a Strategic Planning Working Party (SP/WP) under the POC Management Committee to liaise with the CA SP/WP and with the International Bureau strategic planning service during the period between POC meetings (as noted, the Chairmen of these bodies form the Joint CA/POC/IB Strategic Planning Group) responsible for overseeing the work of the International Bureau in monitoring the implementation of the Strategic Plan and programme budget and developing proposals to revise them annually.
  (NB: Although the representative of a country appointed to the SP/WP should preferably be highly experienced in UPU and international postal activities, it would be helpful to include as well, as the occasion may warrant, the additional support of a planning expert with significant experience in domestic and national strategic planning and programme-budgeting activities.)

IV. International Bureau

- Provides secretariat support for the Congress, the CA, and the POC for the identification of strategic issues and priorities, for the development of the Strategic Plan and programme budget, for carrying out programmes, projects and activities, and for monitoring progress in achieving objectives;
- Establishes strategic planning and programme-budgeting functions to work with International Bureau Heads of Section and with the IB Strategic Planning Group (SPG – made up of those International Bureau Heads of Section with particular responsibilities to support the strategic planning process) and to take the lead in monitoring progress in implementing the Strategic Plan and programme budget and in advising International Bureau senior management on implementation requirements; these strategic planning and programme-budgeting functions:
  - assure that all activities which require the expenditure of Union funds are identified, make recommendations to the CA and to the POC for the inclusion of these activities in an appropriate programme, project or activity in the Strategic Plan, and develop cost estimates for these activities for inclusion in the Strategic Plan and programme budget;
  - track expenditures against cost estimates and adjust cost data in the annual programme budget to provide reasonably accurate information to the CA, to the POC, and to the International Bureau senior management on the costs of Union activities;
  - collaborate with the POC SP/WP, the CA SP/WP and the Joint CA/POC/IB Group in the development and implementation of the Strategic Plan and the programme budget;
  - prepare reports on strategic planning and programme-budgeting issues for submission by the IB to the CA and the POC;
- Establishes a strategic planning group (SPG), made up of officials involved in this subject.

Annex 2

STRATEGIC PLANNING PROCESS WITH NEW UPU STRUCTURE



Annex 3

Strategic planning within UPU – Congress year – New five-year plan

	Confirm mission and objectives	Identify relevant issues to UPU	Prioritize issues	Develop five-year Strategic Plan	Approve five-year Strategic Plan*	Approval of five-year budget ceilings
Member countries	A	A	A			
Congress	D				D_2	D
CA	A	A	A		D_1 P_1	P
CA Management Committee	A	A	A	A_1		
CA Committees	A	A	A			
POC	A	A	A	P_3	P_2	
POC Management Committee	A	A	A	P_2	A	A
POC SP/WP	O	O	D	O	A	A
POC Committees	A	A	A			
Joint CA/POC/ IB Group	A	A	A	A_1		
Planning Forum	A	A	A	A_1		
IB	C P	C P	C P	C P_1	P_3	A

Key: A = Advisory C = Coordinate D = Decision L = Lead
O = Oversee P = Propose A_1 = Comment on draft SP

* As in a non-Congress year, the Council of Administration will be making a decision on the Strategic Plan to be submitted to Congress and to apply to the next five-year period on the basis of a proposal from the Postal Operations Council. The CA, therefore, will "approve" the Plan for submission to Congress, while the Congress itself will ultimately "approve" the Plan. (*NB: This and other requirements will require at least a brief CA meeting, perhaps immediately following the POC, during the Congress year.*)

Furthermore, in view of the involvement of the International Bureau and the Postal Operations Council in developing the Plan to be submitted to Congress, it also seems appropriate to give them a voice, along with the Council of Administration, in presenting the five-year plan at Congress. The Chairman of the CA could introduce the plan and explain areas and issues for which the CA is responsible; the Chairman of the POC could explain areas and issues for which the POC would be responsible; and the IB could explain implementation and financing implications of the plan for the IB.

Annex 4

Strategic planning within UPU – Annual cycle (non-Congress year) – Annual plan update

	Identify relevant issues to UPU	Prioritize issues	Develop/ review Strategic Plan	Approve annual Strategic Plan	Approval of annual budget	Implement	Monitor and report
Member countries	A	A				L	
CA	A	A		D	D	L	A
CA Management Committee	A	A	A	A			A
CA Committees	A	A				L	A
POC	A	A	P_2			L	A
POC Management Committee	A	A	P_2	P_1**	A		A
POC SP WP*	O	D	O	A	A	O	O
POC Committees	A	A	A			L	A
Joint CA/POC/IB Group*	A	A	A			A	A
IB*	C P	C P	C P_1	C P_2**	P	C L	L

Key: A = Advisory C = Coordinate D = Decision L = Lead
O = Oversee P = Propose

* The CA and POC Strategic Planning Working Parties and the International Bureau will form a Joint Strategic Planning Group with the ability to meet both during and between sessions of the CA and the POC, as necessary, to provide a forum for advice and consultation on the development of the Strategic Plan and financial plan and on monitoring its implementation. The Chairman of the POC SP/WP will serve as facilitator of the Joint Group and the IB strategic planning expert will serve as secretary.

** Each autumn the CA will approve the annual updating of the Strategic Plan for the following year on the basis of a proposal arising from the POC the previous spring. It may be helpful to have the POC Chairman and the IB share the presentation at the CA in view of their joint role in developing the proposal.

Annex 5

Strategic planning

Programme budgeting

Process calendar for roles and responsibilities

Calendar	Body	Activity
22 August– 14 September 1994	Seoul Congress	Adopt Strategic Plan, ie, mission and objectives, programmes, projects, activities (OPPA; however, Congress should essentially take note of projects and activities and give general approval without discussion in detail). Set annual ceilings on UPU expenditures for period between Congresses. Authorize CA and POC, in consultation with the International Bureau, to update the Strategic Plan annually, including authority to reallocate resources within annual ceilings and to revise cost estimates. Allocate strategic planning projects and activities between CA and POC in accordance with responsibilities as provided in the General Regulations. Take note of recommendations in SP for allocation of resources among OPPA and further identify, to the extent it chooses to do so, priority programmes, projects or activities and specify minimum resources to be made available to these or other activities within annual ceilings and from mandatory contributions. NB: The Strategic Plan adopted by Congress will apply to the period from 1995 to 1999, although for the first year, 1995, the related programme budget will be implemented on a trial basis alongside the present budget system in order to provide for a transition period for the refinement of the new system.
24 August– 13 September 1994	International Bureau	Monitor results of the General Debate and other decisions taken during Congress which require incorporation into the Strategic Plan and update the Plan, including financial implications and allocation of responsibilities, accordingly for review and adoption by Congress.

Calendar	Body	Activity
12 September 1994	Council of Administration	Constituent meeting. Determine the number of Committees and their duties, taking account of the recommendations from Congress based upon proposals for restructuring. Elect Committee Chairmen and Vice-Chairmen and also designate Chairman and members of Strategic Planning Working Party so that the latter can begin to liaise with the POC Strategic Planning WP and with the International Bureau, as part of the Joint Strategic Planning Group. Circumstances permitting, allocate tasks arising from decisions of Congress and incorporated in the Strategic Plan and all other OPPA tasks included in the Plan among the various Committees.
12 September 1994	Postal Operations Council	Constituent meeting. Determine the number of Committees and their duties, taking account of the recommendations from Congress based upon proposals for restructuring. Elect Chairman, Vice-Chairmen, and Committee Chairmen and Vice-Chairmen and also designate Chairman and members of Strategic Planning Working Party so that the latter can begin to liaise with the CA Strategic Planning WP and with the International Bureau, as part of the Joint Strategic Planning Group. Circumstances permitting, allocate tasks arising from decisions of Congress and incorporated in the Strategic Plan and all other OPPA tasks included in the Plan among the various Committees.
October 1994–January 1995	International Bureau	Review OPPA and, if necessary, develop recommendations for allocation of tasks among CA and POC Committees, in consultation with CA and POC SP/WP Chairmen. Monitor developments following Congress and identify issues which may influence the Strategic Plan and its priorities and resource requirements, particularly for 1995. Continue work on update of Strategic Plan and programme budget for 1995 to be implemented on a trial basis.

Calendar	Body	Activity
		Continue preparing to implement the Strategic Plan and programme budget for 1995, assuring that the computerized budget and accounting management information system is available to support the programme budget to be introduced in 1995 on a trial basis alongside the present budget system.
January 1995	POC SP/WP, POC MC, and plenary POC; CA SP/WP and CA MC	Review the Joint SP Group recommendations to finish allocation of OPPA among the various Committees, if necessary, and consider further proposals for implementing the SP in 1995 or for updating the SP for 1996, including identification of new issues, changes in priorities, or reallocation of resources. Committees will determine requirements for Working Parties and reporting countries and allocate OPPA among them, taking account of recommendations from Joint SP Group. Reporting countries and Working Parties begin organizing to implement the Strategic Plan for 1995. As the programme budget will replace the traditional budget in 1996, the POC Strategic Plan (SP) and programme budget (PB) recommendations for 1996 must identify all POC programmes, projects and activities to be carried out within the framework of the mandatory budget and the budgetary resources required for these activities and must separately identify potential further activities requiring additional resources outside the mandatory budget and possible sources of financing for them. POC will finally approve proposals to update the SP for 1996 for consideration by the CA.
February 1995–October 1995	Joint SP Group	Monitor implementation of SP by POC and by International Bureau, perform research and collect data as required by SP projects and activities, meet as necessary, and prepare reports and recommendations for CA.
February 1995–October 1995	CA and POC Committees and WPs International Bureau	Implement Strategic Plan for 1995. Identify issues with potential policy implications for which CA guidance may be required and begin consultation with CA Committee and WP counterparts which may already have been established during the CA constituent meeting at Congress; otherwise, note such issues for consideration at the October CA and bring to the attention of POC MC and of Joint SP Group.

Calendar	Body	Activity
October 1995	CA SP/WP, CA Management Committee and CA plenary	Review Joint SP Group recommendations to finish allocation of OPPA among the various Committees, if this has not been accomplished during the constituent meeting at Congress, and consider further proposals for implementing and financing the SP in 1996. Committees will determine requirements for Working Parties and reporting countries and allocate OPPA among them, taking account of recommendations from Joint SP Group. Reporting countries and Working Parties begin organizing to implement the Strategic Plan for 1996. (As the CA will not meet until the autumn of 1995, a year after Congress, ideally the CA will have allocated its work, designated the reporting countries and created the Working Parties, at least for key oversight areas such as terminal dues, the strategic planning and programme budgeting functions, and perhaps security and postal development, at its constituent meeting during Congress, or at latest at a CA Management Committee meeting during the January 1995 POC.) Consider POC proposals for updating the SP and PB for 1996, including identification of new issues, changes in priorities, or reallocation of resources. As previously noted, the programme budget submitted to the CA for consideration will replace the traditional budget in 1996, and the Strategic Plan (SP) and programme budget (PB) recommendations for 1996, therefore, must identify all POC and CA programmes, projects and activities to be carried out within the framework of the mandatory budget and the budgetary resources required for these activities and must separately identify potential further activities requiring additional resources outside the mandatory budget and possible sources of financing for them; furthermore, both the SP and the PB must also assure that all International Bureau basic functions have been identified and included within the OPPA framework. The Strategic Plan and programme budget for 1996 must also clearly distinguish resources to be made available to the POC for activities for which it is responsible from resources to be made available to the CA.

Calendar	Body	Activity
		Within the framework of the resources allocated to the POC for 1996, therefore, the POC should be able to reallocate resources during 1996 as it considers necessary, after consultation with the International Bureau and the Chairman of the CA to assure that this does not adversely affect activities they must carry out in 1996. With respect to potential activities which could be carried out in 1996 on the basis of resources obtained from voluntary contributions or from other sources outside the mandatory budget, all such extra-mandatory budget financial resources known at the time of the October 1995 CA must also be included in the programme budget for 1996 and their allocation to specific activities must be approved by the CA.
1996–1999	CA, POC and IB	Although 1995 will not be a typical inter-Congress year, as it is the first year after a Congress when the work of implementing the Strategic Plan is just getting organized and new Committees and Working Parties are just being designated, a process similar to that described above for 1995 will be required for each subsequent year up to the next Congress. During this period, the draft Strategic Plan and programme budget for the next five-year period, 2000–2004, will have to be developed and approved for recommendation to Congress.
February/March 1999	Final POC	Approve both the recommendation to the CA for annual update of SP for 2000 and the recommendation to the CA for next five-year SP to be proposed to Congress.
February/March 1999	Final CA	Consider and approve both POC recommendation for annual update of SP for 2000 and also POC recommendation for next five-year SP and PB to be proposed to Congress. NB: During a Congress year it is recommended that the CA hold at least a brief meeting immediately following the final POC to consider final proposals to Congress and to approve the draft SP to be proposed to Congress.

Resolution C 47

Electronic mail services

Congress,

Noting with satisfaction
i the significant development of electronic mail services in certain countries;
ii the work done by the CCPS in the field of electronic mail,

Aware of the fact
- that, except as regards the bureaufax type services, the number of administrations offering electronic mail services is still relatively small;
- that there is, however, a growing demand by customers for development of these services at international level;
- that in some countries 70 percent of letter-post items are computer-generated;
- that electronic mail services are strategically important to the Post,

Instructs

the Postal Operations Council to prepare, distribute and update:
i one or more model framework agreements and regulations to facilitate the conclusion of bilateral agreements relating to electronic mail services;
ii recommendations concerning the operation of electronic mail services.

(Proposal 20. 0.25, Committee 5, 2nd meeting)

Resolution C 48

EMS

Congress,

Noting with satisfaction
the progress made since the 1989 UPU Congress on the development of EMS as a world-class international postal express product/service,

Noting further
- the significant expansion in the number of EMS partners and in the size of the domestic and international networks, and consequently in the accessibility of the EMS service to customers throughout the world;
- the steady increase in EMS traffic and revenues and their growing importance for the profitability of postal services,

Conscious
of the need for postal administrations to maintain the competitiveness of EMS in the marketplace and to satisfy growing customer needs and expectations,

Convinced
of the value of continuing the development of the EMS product/service within postal administrations and at UPU level,

Decides

to approve continuation of the EMS activities carried out by the CCPS in pursuance of Washington Congress resolution C 25, activities for which the Postal Operations Council will be responsible with the participation and support of the International Bureau,

Endorses

the existing CCPS recommendations and the Framework Agreement on EMS items and its Regulations, attached hereto,

Instructs

the CCPS (or Postal Operations Council)
- to make further recommendations on EMS issues and to amend existing recommendations as necessary,
- to monitor the quality of EMS once a year by means of tests organized by the International Bureau and by making greater use of computerized track and trace systems,
- to organize annual meetings for all administrations providing the EMS service,

Instructs

the International Bureau to lend its full support to the development of EMS and to continue distributing and updating the publications concerning this service.

(Proposals 20. 0.2, 20. 0.23 and 20. 0.24, Committee 5, 2nd meeting)

Recommendation	Reference documents and provisions
1	CCEP 3/1986
2	CCEP 4/1986
	CCEP 2/1990
	CCEP 3/1992
3	CCEP 10/1987
	EMS Framework Regulations, article 103
4	CCEP 9/1986
	CCEP 2/1992
5	CCEP 2/1986
6	CCEP 2/1986
7	CCEP 10/1986
8	CCEP 4/1986
9	CCEP 8/1987
10	CCEP 2/1986
11	CCEP 9/1986
	EMS Framework Agreement, article 12
12	CCEP 11/1986
	EMS Framework Agreement, article 11
13	CCEP 4/1986
	CCEP 9/1987
	CCEP 2/1988
14	CCEP 6/1986
	CCEP 2/1988
15	CCEP 1/1990
16	CCEP 1/1991
	CCEP 1/1992
17	CCEP 3/1991

Framework Agreement on EMS items

Article 1
Definition

The EMS service shall be the quickest postal service by physical means. It shall consist of the collection, dispatch and delivery in a very short space of time of correspondence, documents or goods.

Article 2
International EMS within the meaning of the present agreement

Contracting administrations may operate the following types of EMS:
- programmed items;
- on-demand items.

Article 3
Programmed items

Programmed items shall be accepted on the basis of a contract between the administration of posting and the sender. This contract shall lay down the timetable for posting and conveying EMS items as well as their frequency.

Article 4
On-demand items

On-demand items shall be accepted without any contractual arrangement and without any previously laid down frequency.

Article 5
Goods

Unless the contrary is specified, EMS items may contain goods.

Article 6
Customs clearance

Each administration shall make all arrangements necessary for the fastest possible customs clearance of EMS items.

Article 7
Limits of weight and size

EMS items shall be admitted up to a maximum weight of 20 kg. They may not exceed 1.50 metres for any one dimension or 3 metres for the sum of the length and the greatest circumference measured in a direction other than the length. Administrations may adopt other limits of weight and size.

Article 8
Charges

The charges shall be set by the administration of posting of the EMS items.

Article 9
Prohibited articles

The prohibitions provided for in the UPU Convention shall apply to EMS items as shall the restrictions on importation and transit given in the List of Prohibited Articles published by the International Bureau of the Universal Postal Union. Valuable articles as defined in the Universal Postal Convention shall not be admitted.

Article 10
Forwarding

EMS items shall be sent by the fastest pre-arranged means of transport from the time of posting (or from the time they are collected from the sender) to delivery. Administrations shall consult one another on this.

Article 11
Compensation in the event of imbalance in exchanges

Terminal dues as defined in the Universal Postal Convention shall not apply to EMS items. Each administration shall set, in the event of imbalance in exchanges, a unit rate of compensation per item corresponding to the costs. Administrations shall agree in their reciprocal relations on the number of excess items above which the unit rate of compensation shall be collected.

Article 12
Liability

On introducing the service, administrations shall agree on liability.

Article 13
Undeliverable items

An item refused by the addressee or an undeliverable item shall be returned to the sender by EMS at no extra charge.

Article 14
Reforwarding of mis-sent items or bags

Every mis-sent EMS item or bag shall be reforwarded to its proper destination by the most direct means used for the EMS by the administration which received it.

Article 15
Inquiries

Each administration shall reply as soon as possible to requests for information in respect of EMS items. The reply shall normally be sent by the same means as that used for the corresponding request for information (ie, by telex, telephone, EMS, electronic mail, etc).

Article 16
Temporary suspension of service

Where justified by extraordinary circumstances, an administration may temporarily suspend the service. The other administrations shall be informed immediately of such suspension and of the resumption of the service, if need be by telegram, telex, electronic mail or telephone.

Article 17
Application of the Universal Postal Convention

The Universal Postal Convention and its Detailed Regulations shall be applicable by analogy in all cases not expressly governed by this Agreement and its Framework Regulations.

Framework Regulations concerning EMS items

Article 101
Communications and information to be sent to the International Bureau

Administrations shall notify the International Bureau of:
a the name of the service in their country;
b the types of service available;
c whether goods are accepted;
d the maximum limits of weight and size;
e the charges set;
f the countries with which they exchange EMS items;
g the places in their country in which the service is operated;
h the offices of exchange to which the mails may be sent and the area served by those offices;
i the latest times of acceptance of an item at their offices of exchange for it to be delivered:
- the same day,
- the following day,
- the next day but one;

j the time taken for customs clearance of items:
- subject to customs duty,
- not liable to customs duty;

k acceptance of advice of delivery or equivalent service;
l the amount requested per additional item in the event of imbalance in exchanges.

Article 102
Introduction of the programmed items service

1 Before the conclusion of any contract, the administration of destination shall be consulted on the possibility of providing the service. The administration of origin shall obtain for the administration of destination the following information, at least 10 days before the service comes into operation:
a the names and addresses of the sender and of the addressee;
b the days on which items are to be dispatched and the conditions of transport;
c the date set for the dispatch of the first item.
2 The administrations concerned shall be notified of any variation in the operation of an exchange or the termination thereof.

Article 103
Special address labels

It is recommended that the logo and the 13-character item identifier adopted by the CCPS be printed on the label, and that provision be made on the label for the following data fields at least, if at all possible:

Data field[1]	Description
1	Logo, name of the administration of origin and national name of the service
2	13-character EMS alphanumeric identifier in bar-code form
3	13–character EMS alphanumeric identifier in block characters
4	Date of posting
5	Time of posting
8	Sender's name and address
9	Sender's postcode
12	Addressee's name and address
14	Addressee's postcode
20	Dispatch charge
21	Description of contents
22	Gift
23	Sample of merchandise
24	Value of contents
25	Weight in kg
27	Name in block characters of the person taking delivery of the item
28	Signature
29	Date of delivery
30	Time of delivery

Article 104
General conditions of dispatch

1 The items shall be placed in blue and orange EMS bags.
2 Each bag shall bear a blue and orange label clearly showing the office of exchange of destination.
3 A special document or a C 12 form to which the indication EMS has been added shall be sent with each mail.
4 Each item or EMS direct bag shall be entered separately on the form.

Article 105
Delivery bill

1 An AV 7 or C 18 delivery bill, depending on whether it is an airmail or surface consignment, shall be sent with each mail.
2 The AV 7 or C 18 delivery bill shall show clearly that the mail contains EMS items.

Article 106
Checking of mails

On receipt of an EMS mail, the administration of destination shall check whether the mail is in conformity with the particulars recorded on the AV 7 or C 18 delivery bill.

[1] The data field numbers correspond to those given in recommendation 3 hereafter.

Article 107
Notification of irregularities

The administration of origin shall be notified at once by telex, telephone, electronic mail or telegram of any missing, mis-sent or damaged bag or item. The irregularity shall be confirmed in writing.

Article 108
Return of items

Each administration which returns an item shall give the reason for non-delivery on the item, either written by hand, by means of a stamped impression or by a label.

Article 109
Accounting and settlement of accounts

The procedure for accounting and settlement of accounts for the payment of an indemnity in the event of imbalance in exchanges shall be as follows:

a each administration shall prepare, at a frequency agreed on in advance, a recapitulation of the items received;

b the administration of destination shall inform the dispatching administration of the number of items received. Discrepancies shall be cleared up by correspondence;

c the liquidation account shall be prepared annually. The annual period shall begin on a mutually agreed date;

d the creditor administration shall prepare a detailed account, showing:
- the total number of items received,
- the total number of items dispatched,
- the imbalance,
- the charge payable per item,
- the total amount payable in respect of compensation;

e the accounts shall be prepared within six months of the last day of the period concerned.

Recommendation 1

EMS logo

It is recommended that postal administrations should:

i use the technical specifications for the EMS logo which appear in the EMS House-style Manual for the marketing and operation of their EMS, including the possible development of a uniform packaging system for EMS items;

ii take appropriate measures at national level to protect the EMS name and logo.

Recommendation 2

Unique identifier

It is recommended that postal administrations should use the following specifications for the unique identification of EMS items and of bags, containers or receptacles containing EMS items.

Specifications for the EMS unique identifier

Number of characters: 13

Disposition from the left:

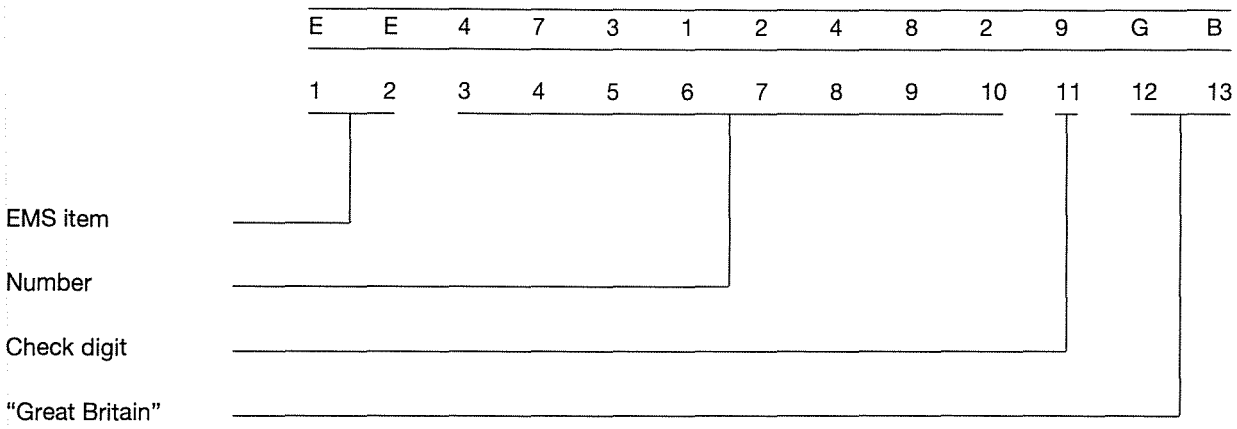
- Positions 1 and 2: the characters "EE" (or "EA", "EB", "EC", etc, up to "EM", if necessary) to indicate EMS items[1] or the characters "ES" to indicate an EMS bag/container/receptacle;
- Positions 3 to 10 inclusive: serial number;
- Position 11: a check digit, computer-generated to "weighted modulus 11";[2]
- Positions 12 and 13: ISO Alpha-2 country code to designate the postal administration of origin.[3]

[1] In its original recommendation regarding unique identifiers (CCEP 1/1988), the 1988 CCPS provided for a series of two-character prefixes from "EA" to "EM" to be reserved for future use in the international postal services after allocation by the CCPS. The 1992 CCPS has therefore decided to allocate this series of prefixes as prefixes to be used, in addition to the prefix "EE" for the identification of EMS items, by administrations dispatching sufficiently large EMS volumes to warrant the use of additional prefixes. Administrations that have not yet allowed for the possible use of the reserved prefix series "EA" to "EM" in their track and trace systems should now proceed with the necessary amendments.

[2] The original standard allowed administrations to use a meaningless alpha character "X". The CCPS has agreed that all bar codes used in the EMS service must comply with this revised standard by the end of 1992 (see also weighted modulus 11 formula in annex 1).

[3] The Alpha-2 codes of countries and territories coming under the Union's jurisdiction are published in the preface of the EMS Operational Guide in two lists: one in the alphabetical order of country or territory name, and one in the alphabetical order of the codes.

Example:



When a bar code is used to represent a unique identifier for an international EMS item, the system of symbols to be used is code 39 in accordance with European standard EN 800 and the AIM Uniform Symbology Specification Code 39 standard. This code must, however, correspond to the parameters described below. The bar code symbol must include, at position 11 (from the left), a check digit, computer-generated to "weighted modulus 11". The letters and digits of the bar code must also be printed in the usual manner, above or below the bar code symbol.

Parameters for code 39 symbols[1]

Dimension X (nominal width of narrow element): between 0.25 and 0.43 mm.
Dimension N (ratio between width of wide element and width of narrow element): minimum of 2.5 to 1 and maximum of 3.0 to 1. Ratio of 3.0 to 1 to be used wherever possible.
Space between characters: minimum of 1X; maximum of 1.524 mm when $X \geq 0.287$ mm or 5.3X when $X < 0.287$ mm.
Height of bars: 15 percent of width of entire symbol or 9.0 mm, whichever value is greater.
The print quality will have to be assessed according to standard ANSI X3.182-1990, which specifies a reader light beam diameter of 0.127 mm and a light beam wavelength of 630 or 660 nanometers. The minimum level of print quality shall correspond to letter "B" according to the notation of this standard.

[1] Examples of dimensions for these parameters are given in annex 3 to this recommendation.

Annex 1 to recommendation 2

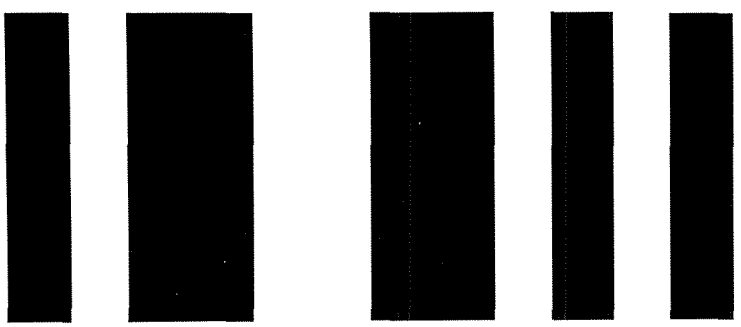
Code 39 bar-code characteristics

1 The bars and spaces in code 39 bar-code are binary in width: the narrow bars/spaces represent a binary zero and the wide bars/spaces represent a binary one.

2 Each character is made up of 9 elements; five bars and four spaces. Three of these elements are wide and six are narrow, hence, the name code 39 bar-code (3 of 9). The figure below illustrates the character structure.

3 The primary algorithm is binary and is applied to both the bars and the spaces in the code. Narrow bars or spaces represent binary zero and wide bars or spaces represent binary one.

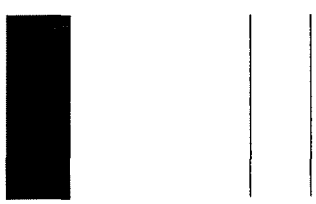
Code 39 bar code



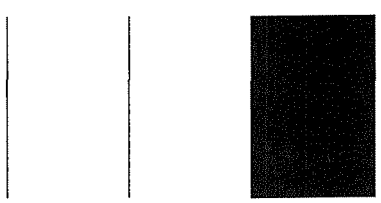
Symbol for the character "6"

0 1 1 0 0 Bars

0 1 0 0 Spaces



These bars and spaces equal binary "Zeros"



These bars and spaces equal binary "Ones"

Weighted modulus 11 formula

The formula is as follows:

i Apply weighting factors to basic number using the following weighting factors 86423597.

ii Obtain the sum of these numbers.

iii Divide sum by 11 (eleven).

iv If the remainder is 0 (zero) use 5 (five) as the check digit. If the remainder is 1 (one) use 0 (zero) as the check digit.

v If applicable, subtract remainder from 11. The result is the check digit.

Example:

Number	4		7		3		1		2		4		8		2	
Weighting factors	× 8		× 6		× 4		× 2		× 3		× 5		× 9		× 7	
	32	+	42	+	12	+	2	+	6	+	20	+	72	+	14	= 200

200 : 11 = 18 Remainder 2

11 – 2 = 9 Check digit

Complete self-checking number: 473124829

Annex 2 to recommendation 2

Examples of dimensions for code 39 parameters

Note: In columns [3] to [7], minimum values appear in ordinary characters while maximum values are shown in italics.

[1] Dimension X	[2] Dimension N	[3] Space between characters	[4] Width of character	[5] Number of characters per inch	[6] Width of symbol	[7] Minimum height of bars	[8] Print tolerance (+ or –)
0.25	**2.5**	0.250 *1.325*	3.625 *4.700*	7.01 *5.40*	54.13 *69.18*	9.0 *10.4*	**0.068**
	3.0	0.250 *1.325*	4.000 *5.075*	6.35 *5.00*	59.75 *74.80*	9.0 *11.2*	**0.086**
0.30	**2.5**	0.300 *1.524*	4.350 *5.574*	5.84 *4.56*	64.95 *82.09*	9.8 *12.3*	**0.082**
	3.0	0.300 *1.524*	4.800 *6.024*	5.29 *4.22*	71.70 *88.84*	10.8 *13.3*	**0.104**
0.33	**2.5**	0.330 *1.524*	4.785 *5.979*	5.31 *4.25*	71.45 *88.16*	10.7 *13.2*	**0.090**
	3.0	0.330 *1.524*	5.280 *6.474*	4.81 *3.92*	78.87 *95.59*	11.8 *14.3*	**0.114**
0.43	**2.5**	0.430 *1.524*	5.805 *6.899*	4.38 *3.68*	86.65 *101.96*	13.0 *15.3*	**0.117**
	3.0	0.430 *1.524*	6.450 *7.544*	3.94 *3.37*	96.32 *111.64*	14.4 *16.7*	**0.148**

Notes:
All dimensions are in millimeters.
Dimension X represents the nominal width of the narrow element.
Dimension N represents the ratio between the width of a wide element and the width of a narrow element.
The indicated width of the character includes the space between the characters.
The width of the symbol includes 13 characters as well as the first and last characters but does not include the blank areas, which should be a minimum of 5 mm on either side of the symbol.
The height of the bars is 15% of the width of the symbol or 9 mm, whichever value is greater.
The "print tolerance" refers to the element width tolerance and is intended to allow printing variations.

Recommendation 3

Labelling

In addition to the provisions of article 103 of the EMS Framework Regulations, it is recommended that administrations should:

i number each data field used on their EMS labels according to the system shown below;

ii note the positioning of the numbered data fields as shown on the attached model E 1;

iii use EMS manifold labels so as to have sufficient copies to accommodate customs, tracking and tracing, and confirmation and proof of delivery requirements.

Numbering system for data fields on EMS labels

Number	*Designation*
1	– EMS logo and house-style – Name of the origin administration – Name of the EMS service in the origin administration (if desired)
2	13-character EMS alphanumeric identifier adopted by the CCPS, in bar-code form
3	13-character EMS alphanumeric identifier adopted by the CCPS (in block characters)
4	Date mailed
5	Time mailed
6	Account number of the sender
7	Telephone number of the sender
8	Name and address of the sender
9	Postal code of the sender
10	Account number of the addressee
11	Telephone number of the addressee
12	Name and address of the addressee
13	Contract link (to be used only when an administration makes a distinction between an account number and the number used to identify a given link)
14	Postal code of the addressee
15	Pieces in shipment (quantity)
16	This piece number (No)
17	Product type
18	Method of payment
19	Insurance fee
20	Dispatch charge
21	Description of contents. The use of the harmonized customs number is highly recommended
22	Gift (or)
23	Sample merchandise
24	Value of the contents
25	Weight (kg). Rounded upward to nearest half kilogramme (ex: 3.2 kg to read 3.5 kg)
26	Special handling instructions
27	Name in print of the person taking delivery of the item
28	Signature
29	Date of delivery
30	Time of delivery
31	Office of origin
32	Delivered or delivery attempt
33	Permit number (for postage paid in cash in advance)
34	Serial number (for postage paid in cash in advance)
35	Pick-up fee
36	Total charges
37	Accepted by (accepting employee's signature)
38	Office of origin number
39	Sender's signature

However, any additional data field retained by the CCPS should be numbered in accordance with the sequence adopted (ie 40, 41, etc). In the event of the deletion of a data field, the corresponding number would lapse and the other fields would keep their numbers.

Recommendation 4

Computerized track and trace systems

It is recommended that administrations should establish a computerized EMS track and trace system at the local level and link it to the international track and trace system (electronic mail-box), and should implement the following requirements[1].

EMS tracking and tracing systems' specifications

A. Objectives

By recording precise information about the events which occur during the transmission of EMS items from the time they are posted until they are delivered, electronic tracking and tracing systems shall have as their objective to:

1 enable administrations to respond to requests for information and inquiries concerning individual EMS items made by customers;
2 advise other interconnected administrations of incidents affecting traffic flows, for example, strikes, airport closed because of bad weather, etc;
3 provide statistics about performance measurement and traffic and customer patterns, to be used for EMS operational and marketing purposes.

B. General characteristics

1 Administrations with electronic EMS tracking and tracing systems linked to the electronic mail-box can conduct research only on items posted or delivered within their territory.
2 The confidentiality of the information available in these systems is protected by passwords.
3 These systems shall operate 24 hours a day.

C. Format for the exchange of data between administrations linked to the electronic mail-box

This format and the message syntax are based on the ISO EDIFACT (Electronic Data Interchange for Administration, Commerce and Transport) standard. Each message consists of segments providing information about events to be transmitted. Any given segment (event description) consists of three different parts:

1	Identification of the type of event according to the list hereunder		an3
2	Mandatory information for event identification:		
	a	Item identifier including country of origin	an13
	b	Country of destination	a2
	c	Date and local time of event (YYMMDDHHMM)	n10
3	Optional information		

For every type of event, additional information such as indicated in the list hereunder may be transmitted.

NB: a = Alpha; an = alphanumeric; n = numeric.

[1] These requirements apply both to postal administrations and non-postal partners subcontracted to deliver EMS.

Event type	Event description	Narrative field	Format[1]
EMA	Posting/collection	Office of origin ID	an..9
		Customer's account number	an..17
		Sender's postcode	an..9
		Place of origin (sender)	a..6
		Addressee's postcode	an..9
		Place of destination	a..6
EMB	Arrival at outward office of exchange	Office of exchange ID	a6
EMC	Departure from outward office of exchange	Office of exchange ID	an..6
		Dispatch number	an..4
		Dispatch address[2]	an..6
		Flight number[3]	an..6
		Departure date/first flight	n6
EMJ	Arrival at transit office of exchange	Transit office of exchange ID	an..6
		Office of exchange of origin ID	an..6
		Dispatch number	an..4
EMK	Departure from transit office of exchange	Transit office of exchange ID	an..6
		Dispatch number generated by transit office of exchange	an..4
		Dispatch address[2]	an..6
		Flight number[3]	an..6
		Departure date/first flight	n6
EMD	Arrival at inward office of exchange	Inward office of exchange ID	an..6
		Office of exchange of origin or of transit ID	an..6
		Dispatch number	an..4
EME	Handed over to Customs	Office of exchange ID	an..6
		Retention code when held by Customs[4]	n2
EMF	Departure from inward office of exchange	Office of exchange ID	an..6
		Dutiable/non-dutiable (D or N)	a1
EMG	Arrival at delivery office	Delivery office ID	an..9
EMH	Unsuccessful delivery	Delivery office ID	an..9
		Unsuccessful delivery code[5]	an3
EMI	Final delivery	Delivery office ID	an..9
		Name of signatory recipient	a..17
EMX	Information in free alphanumeric form		

[1] This format is coded as follows:
a: alpha;
an: alphanumeric;
n: numeric.
NB: The two dots mean "up to". Eg, an..9 means "up to 9 alphanumeric characters".
[2] Inward or transit office of exchange.
[3] This is a composite data element which may consist of up to six flight numbers.
[4] This can be a series of data. See annex 1 to this recommendation.
[5] See annex 2 to this recommendation.

D. Inquiry system functions

The inquiry system functions are the following:

i message switching for management purposes (urgent/broadcast information);

ii inquiries based on item identifiers (specifying either a single item or a list of items by identity number);

iii inquiries based on item or event characteristics: these inquiries are based on designated values of the following parameters:
- dispatch number;
- place of origin;
- place of delivery;
- event date;
- message date and time;
- event type;

iv bulk information transfer capability allowing local data processing.

Annex 1 to recommendation 4

Retention code for EMS items held by Customs

Code	*Reason*
19	Prohibited articles
20	Articles whose importation is subject to restrictions – import licence required
50	Invoice missing
51	Inappropriate invoice
52	Certificate of origin missing
53	Certificate of origin inappropriate
54	C 2/CP 3 missing
55	C 2/CP 3 inappropriate
56	High-value goods – official Customs declaration required
57	Impossible to contact addressee for information concerning importation
58	Awaiting presentation to customs commissioner
59	VAT or import No necessary
60	Certificate of returned goods required
61	Transfer form requested from bank
62	Incomplete shipment
99	Other

Annex 2 to recommendation 4

Code for non-delivery of EMS items

1 Measures taken

Code	*Measures*
A	Attempted delivery today
B	Will attempt delivery on next working day
C	Item being held, addressee being notified
D	Sender contacted, awaiting reply
E	Item returned to sender
F	Item reforwarded
G	Item held for inspection
H	Item seized or destroyed because of nature of content

2 Reasons for non-delivery

Code	*Reasons*
10	Incorrect address
11	Addressee cannot be located
12	Addressee not at address indicated; addressee's office closed
13	Item refused by addressee
14	Sender requested later delivery
15	Addressee on strike
16	Missed delivery
17	Item wrongly directed
18	Damage – item not delivered
19	Prohibited articles – item not delivered
20	Importation restricted – item not delivered
21	Payment of charges
99	Other

3 Possible combinations[1]

Measure	Reason												
	10	11	12	13	14	15	16	17	18	19	20	21	99
A	●	●	●	●	●	●	●		●			●	●
B	●		●		●		●	●					
C	●	●	●			●			●	●	●	●	
D	●	●		●					●	●	●		
E	●	●		●					●		●		
F	●							●					
G									●				
H									●	●			

Annex 3 to recommendation 4

Standards for the transmission of data to the electronic mail-box

I. Target levels for transmission of data

Event	Administrations are required to transmit data to the electronic mail-box for these events according to the following standards
Event EMC Departure from outward office of exhange	Data for 100% of items
Event EMD Arrival at inward office of exchange	Data for 100% of items
Event EMH Unsuccessful delivery	An agreed and achievable target level that takes into account delivery in urban and non-urban areas
Event EMI Proof of delivery	An agreed and achievable target level that takes into account delivery in urban and non-urban areas

[1] Example: A13 means that delivery was attempted today, but that the addressee refused the item.

II. Deadlines for transmission of data

Event	Destination administration must transmit data for these events to the electronic mail-box by the following times
Event EMD Arrival at inward office of exchange	Within 12 hours of the event
Event EMH Unsuccessful delivery	Within 24 hours of the event
Event EMI Proof of delivery	Within 24 hours of the event

III. Timing schedule for transmission of data

Administrations should transmit data to the electronic mail-box according to the following timing schedule

Time	Event
Between 0900 and 1000	EMD (Arrival at inward office of exchange of traffic from a hub or on commercial flights) EMH (Unsuccessful delivery from previous day) EMI (Proof of delivery from previous day)
Between 1300 and 1400	EMD (Arrival at inward office of exchange of traffic on commercial flights) EMH (Unsuccessful delivery) EMI (Proof of delivery for items delivered earlier in the day)
Between 1700 and 1800	EMD (Arrival at inward office of exchange of traffic on commercial flights) EMH (Unsuccessful delivery) EMI (Proof of delivery for items delivered earlier in the day)
Between 2100 and 2200	EMD (Arrival at inward office of exchange of traffic on commercial flights) EMH (Unsuccessful delivery) EMI (Proof of delivery for remaining items delivered that day)

Recommendation 5

Notification of dispatch

It is recommended that postal administrations should notify the administration of destination of the arrival of EMS dispatches by computer link, telephone, telex, telefax or electronic mail.

Recommendation 6

Monitoring of airline handling

It is recommended that postal administrations should monitor the quality of airline handling of EMS items and take whatever corrective steps are necessary in the local context.

Recommendation 7

Customs clearance

Postal administrations are encouraged to speed up customs clearance of EMS items by every means at their disposal, including:

i national contact committees;

ii thorough studies of the organization of services at airports, in liaison with the local customs services, the airlines and the airport authorities;

iii prior transmission, especially by electronic means, of information required by the customs authorities for clearance of EMS items from the manifest, prior to arrival of the items.

Recommendation 8

Delivery of items

It is recommended that postal administrations should:

i deliver EMS items by a mail network that permits the attainment of a competitive performance level;

ii deliver all incoming EMS items by either special or scheduled courier.

Recommendation 9

Performance measurement

It is recommended that postal administrations should:

i set up a regular system of EMS performance measurement;

ii use, for this system, the most convenient method, it being understood that administrations should give preference to adopting an electronic EMS tracking and tracing system.

Recommendation 10

Operational centres

It is recommended that postal administrations should set up an operational centre which can be called upon, 24 hours a day, to resolve EMS-related problems, including inquiries.

Recommendation 11

Liability

It is recommended that postal administrations should:

i assume liability and pay an indemnity corresponding to the actual amount of the loss of, theft from or damage to EMS items;

ii possibly establish, for such indemnity, a maximum limit, providing this maximum amount is not less than 30 SDR for items containing only documents, and 130 SDR for those containing other articles;

iii reimburse, in addition, all of the postal charges paid, either when an indemnity is to be paid because of loss, total theft or total damage, or in the case of late delivery, with payment of the indemnity and refund of postal charges being made promptly by the administration of origin after acknowledgement of the irregularities;

iv agree that the administration which is liable pay the indemnity owed and the postal charges to be refunded to the sender;

v ascertain the irregularities by means of a special verification note, corresponding to model E 2 attached hereto, and follow up inquiries in accordance with the provisions of article 15 of the Framework Agreement;

vi decide as to the liability of administrations, if need be, by analogy with the provisions of the Convention or the Postal Parcels Agreement.

Recommendation 12

Compensation for imbalances in exchanges

It is recommended that postal administrations should, in addition to the provisions of article 11 of the EMS Framework Agreement, provide for compensation when the annual imbalance of exchanges is 100 items or more.

Recommendation 13

Customer service standards

It is recommended that postal administrations should:

i take the following measures representing necessary or desirable EMS service elements for adoption in the short term:

Information

a issue an EMS customer service guide,

b distribute promotional materials such as direct mail, leaflets, and brochures,

c publish telephone numbers as contact points for sales and information,

Accessibility

d make EMS acceptance post offices recognizable from the outside,

e introduce special EMS counters,

f offer pick-up service for certain customers,

g supply free dispatch materials, such as labels and customs forms, at the customer's request,

Reliability

h develop a fast and reliable system for handling inquiries and complaints,

i set guaranteed delivery times with refunds for delayed items,

j confirm delivery on request,

k offer proof of delivery (addressee's signature) on request,

l publish explicit terms and conditions concerning transport and liability in EMS documentation,

m introduce a manual track and trace system,

Attitudes towards customers

n promote positive attitudes towards EMS by counter staff, delivery staff and managers;

ii take, to the extent possible, the following measures representing additional EMS service elements for adoption in the medium term:

Information

o use sales representatives as contact points for sales and information,

Accessibility

p while taking security factors into account, place special EMS counters at airports where last-minute EMS items can be posted,

Reliability

q develop an electronic track and trace system;

iii take note of the following possible additional measures with a view to considering whether they are desirable and feasible for adoption in their national EMS service:

r offer special introductory prices,

s offer pick-up service for all customers,

t place special EMS mail-boxes on the street and in buildings in business areas,

u prepare EMS for dispatch at the customer's request, either free of charge or against payment,

v bill customers by invoice, monthly account, or detailed invoicing,

w offer special customer care in difficult cases, such as delivery on request outside the service area, non-standard dimensions and weights, and special pick-up arrangements;

iv pay particular attention to the service elements offered by competitors.

Recommendation 14

Customer information

It is recommended that postal administrations should:

i in the course of collecting the information needed to analyze the competition and plan commercial strategies, establish and maintain up-to-date profiles of existing EMS customers, both senders and addressees, and potential target groups;

ii categorize the information by type of activity and volume of traffic;

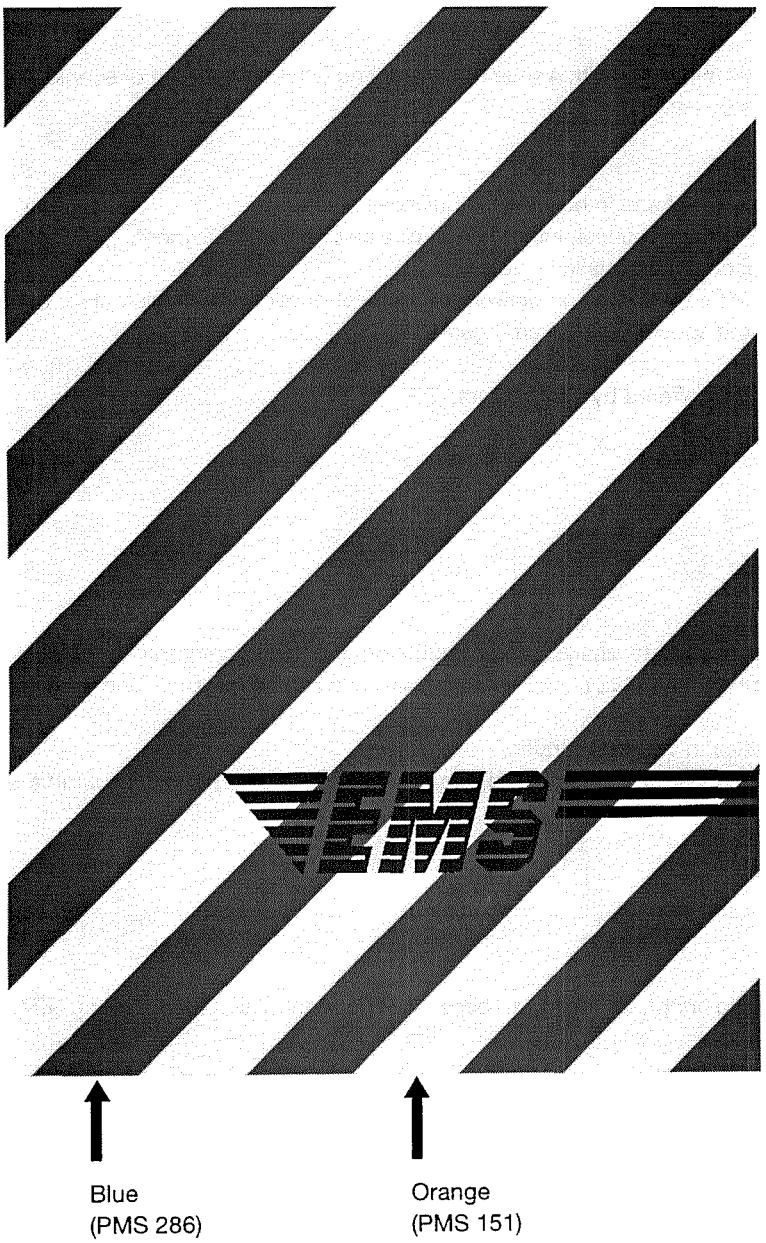
iii make the relevant information available on request to other administrations seeking to locate potential customers.

Recommendation 15

EMS bags

It is recommended that postal administrations should adopt, for their EMS bags, the specifications of the following "EMS model bag".

EMS model bag



Colour of bands: Pantone Matching System 286 (blue) and 151 (orange).
Vertical, horizontal or diagonal bands may be used.
Width of bands: 5.5 cm.
Colour of logo: white or black.
The EMS logo may be reproduced several times on both sides of the bags.
The name of the postal administration must appear on the bag.

Recommendation 16

Model bilateral agreement on EMS quality of service

It is recommended that postal administrations should use the provisions of the attached model agreement as a point of reference for their bilateral agreements on EMS quality of service with other administrations.

Model bilateral agreement on EMS quality of service

Article 1
Purpose of the agreement

This agreement sets service standards and quality targets for end-to-end transmission times in the exchange of EMS items between administration A and administration B.

Article 2
Definitions

1 A "service standard" is the optimum standard of service achievable from posting to delivery. Service standards are expressed in days.
2 A "quality target" is the level of performance in fulfilling service standards to which an administration is committed. Quality targets are expressed in percentages.
3 "J" means day of posting, "J+1" means one working day after posting, and so on.
4 The arrival time of an aircraft, upon which service standards are based, is the "block time".
5 Each administration sets the service standards and quality targets for the stages of transmission for which it is responsible.
6 The "airline transit time" is the time elapsed between the date and time of dispatch from the origin office of exchange and the block time at the airport of destination.
7 A "delivery standard", which is provided by the destination administration, specifies the day of delivery to the addressee. The delivery standard is based on the critical entry time at the destination office of exchange.

Article 3
Dispatches and flights

1 Items from administration A are dispatched in unsorted mails for "administration B" to the exchange office(s) of [ ].
2 Items from administration B are dispatched in unsorted mails for "administration A" to the exchange office(s) of [ ].
3 The flights used for conveyance are listed in table 1 below. Both administrations will exchange revised flight schedules before they become effective.
4 Items arriving on these flights are sorted and forwarded for delivery by the earliest available connections.
5 Each administration monitors the time that the carrier (or designated handling agent) takes to hand over the items from incoming flights to the destination administration. If the performance of the carrier is unsatisfactory, the destination administration will contact the carrier with a view to obtaining satisfactory performance and send copies of the correspondence to the origin administration.

Article 4
Delivery standards

The delivery standards for exchange offices are set out in the Supplement to the EMS Operational Guide.

Article 5
End-to-end standards

The end-to-end standards from posting to delivery for EMS items exchanged between administrations A and B are set out in table 2 below.

Article 6
Priority

At all stages of transmission and delivery, each administration will treat the items of the other administration with the same priority that it treats domestic EMS items.

Article 7
Quality targets[1]

1 From administration A to administration B

Type	*Percentage*[2]
Items dispatched from administration A	100–a
Items delivered by administration B	100–b
Total quality target	(100–a) × (100–b)

2 From administration B to administration A

Type	*Percentage*[2]
Items dispatched from administration B	100–c
Items delivered by administration A	100–d
Total quality target	(100–c) × (100–d)

[1] Quality targets are used primarily to monitor performance and facilitate logistical planning.
[2] "a" and "d" are defined by administration A; "b" and "c" are defined by administration B. The following is an example of a hypothetical article 7:

From administration A to administration B

Items dispatched from administration A	99%
Items delivered by administration B	97%
Total quality target	99% × 97% = 96%

From administration B to administration A

Items dispatched from administration B	99%
Items delivered by administration A	98%
Total quality target	99% × 98% = 97%

These quality targets could also be expressed in the following way:

From administration A to administration B

J 100 items posted in administration A
J+1 99 out of 100 items (99%) are dispatched by administration A and 99 out of 100 items (99%) arrive in administration B
J+2 96 out of 99 items (97%) are delivered by administration B

Total quality target from administration A to administration B is 96% of items delivered on J+2.

From administration B to administration A

J 100 items posted in administration B
J+1 99 out of 100 items (99%) are dispatched by administration B and 99 out of 100 items (99%) arrive in administration A
J+2 97 out of 99 items (98%) are delivered by administration A

Total quality target from administration B to administration A is 97% of items delivered on J+2.

Article 8
Quality control

1 Both administrations will arrange for end-to-end testing using the following methods:
- quality measurements conducted by postal administrations (such as computerized track and trace systems or the quality of service tests organized by the UPU, by Restricted Unions, or bilaterally);
- quality measurements conducted by non-postal organizations.

2 Each administration will make the results of its quality measurements freely available to the other administration.
3 The percentage in article 4 will be compared against the results of the quality measurements available to both administrations.

Article 9
Inquiries

1 The administration that initiates the inquiry shall use the attached form E 3 "Inquiry EMS item" or a form containing the minimum data fields shown in table 3 below. The inquiry form shall be sent by fax.
2 Each administration will reply within six hours by fax to inquiries from the other administration.[1] As appropriate, the reply will indicate the status of events EMD, EME, EMH and EMI. Information about these events shall be made available to the other administration according to the standards below. For administrations in column [2], the information shall be available at the national inquiry centre; for administrations in column [3], the information shall reside in the electronic mailbox or be available at local inquiry centres.

[1] Event	[2] Administrations without a computerized EMS track and trace system	[3] Administrations with a computerized EMS track and trace system
Event EMD Arrival at inward office of exchange	Within 24 hours	Within 6 hours
Event EME Handed over to Customs	Within 24 hours	Within 6 hours
Event EMH Unsuccessful delivery	Within 24 hours	Within 24 hours
Event EMI Proof of delivery	Within 48 hours	Within 24 hours

Article 10
Contact points

The following telephone, telex, and telefax numbers can be contacted in the event of serious irregularities (such as strikes, natural disasters, or acute operational problems) that affect the postal service of either administration:

Administration A	Administration B
Telephone:	Telephone:
Telex:	Telex:
Telefax:	Telefax:

[1] In any event the reply should be communicated to the administration that initiated the inquiry before the close of the same business day.

Article 11
Review of agreement

This agreement will be reviewed every six months. During each review, the results of quality measurements will be taken into account before adopting any modifications of the service standards or quality targets.

Article 12
Effective date

This agreement is effective from [ ].

For administration A:

.....

For administration B:

.....

Table 1

Flights used for EMS dispatches

Example:

Origin administration: New Zealand

Destination administration: Denmark

Origin exchange office (airport)	Dispatch day	Flight time	Flight No(s)	Destination exchange office (airport)	Arrival day	Arrival time	Airline transit times (days)
Auckland (AKL)	1	1225	BA 12/BA 806	Copenhagen (CPH)	2	1650	1
	3	1400	SQ 286/SQ 328		4	0815	1
	4	2000	NZ 2/BA 810		5	1810	1
	6	1400	SQ 286/SQ 328		7	0815	1

Origin administration: Denmark

Destination administration: New Zealand

Origin exchange office (airport)	Dispatch day	Flight time	Flight No(s)	Destination exchange office (airport)	Arrival day	Arrival time	Airline transit times (days)
Copenhagen (CPH)	1	1225	SK 931/NZ 55	Auckland (AKL)	3	0705	2
	2	1225	SK 931/NZ 5		4	0600	2
	3	1225	SK 931/NZ 19		5	0615	2
	4	1225	SK 931/NZ 1		6	0600	2
	5	1225	SK 931/NZ 1		7	0600	2
	6	1430	SK 633/NZ 19		1	0600	2
	7	1225	SK 931/NZ 1		2	0600	2

Table 2

End-to-end standards

EMS items containing documents

Note: An extra 24 hours may be required for customs clearance of items containing merchandise.

Example:

Origin office: Copenhagen *Destination office: Auckland*

1	2	3	4	5	6	7	8	9	10	11
Day of posting	Time of posting	Posting area	Day of dispatch	Flight time	Flight N°	Day of arrival	Scheduled time of arrival (CET)	Delivery area	Day of delivery	End-to-end standard
1	0001–1100	Copenhagen	1	1225	SK 931/CO 00	3	0810	Auckland city	3	J+2
	0001–0930	Rest of DK						Rest of NZ	4	J+3
	1101–2400	Copenhagen	2	1225	SK 931/CO 00	4	0810	Auckland city	4	J+3
	0931–2400	Rest of DK						Rest of NZ	5	J+4
2	0001–1100	Copenhagen	2	1225	SK 931/CO 00	4	0810	Auckland city	4	J+2
	0001–0930	Rest of DK						Rest of NZ	5	J+3
	1101–2400	Copenhagen	3	1205	BA 805/011	5	0720	Auckland city	5	J+3
	0931–2400	Rest of DK						Rest of NZ	6	J+4
3	0001–1100	Copenhagen	3	1205	BA 805/011	5	0720	Auckland city	5	J+2
	0001–0930	Rest of DK						Rest of NZ	6	J+3
	1101–2400	Copenhagen	4	1205	BA 805/011	6	0615	Auckland city	6	J+3
	0931–2400	Rest of DK						Rest of NZ	1	J+5
4	0001–1100	Copenhagen	4	1205	BA 805/011	6	0615	Auckland city	1	J+4
	0001–0930	Rest of DK						Rest of NZ	1	J+4
	1101–2400	Copenhagen	5	1225	SK 931/CO 00	7	0810	Auckland city	1	J+4
	0931–2400	Rest of DK						Rest of NZ	1	J+4
5	0001–1100	Copenhagen	5	1225	SK 931/CO 00	7	0810	Auckland city	1	J+3
	0001–0930	Rest of DK						Rest of NZ	1	J+3
	1101–2400	Copenhagen	6	1205	BA 805/011	1	0720	Auckland city	1	J+3
	0931–2400	Rest of DK						Rest of NZ	2	J+4
6	0001–1300	Copenhagen	6	1205	BA 805/011	1	0720	Auckland city	1	J+2
	0001–1100	Rest of DK						Rest of NZ	2	J+3
	1301–2400	Copenhagen	7	1225	SK 931/CO 00	2	0810	Auckland city	2	J+3
	1101–2400	Rest of DK						Rest of NZ	3	J+4
7*	0001–2400	Copenhagen	1	1225	SK 931/CO 00	3	0810	Auckland city	3	J+2
		Rest of DK						Rest of NZ	4	J+3

* No acceptance

Table 3

Minimum data fields for EMS inquiry forms

1	Date of inquiry	
2	Case/file number	
3	Reply to: name, address, number(s)	
4	Sender: name, complete address, number(s)	
5	Addressee: name, complete address, number(s)	
6	EMS item number	
7	Date of posting	
8	Posting office	
9	Dispatch details:	Dispatch date
		Dispatch number, bag number
		Destination exchange office
		Departure exchange office
		Complete flight/routeing details
10	Content description:	Document/merchandise/gift
		Weight
		Value
11	Reason for inquiry	
12	Name of inquirer	
13	Response information:	Item not received
		Item delivered
		Item attempted delivery
		Item returned to sender
		Item held in Customs
14	Explanation/remarks space	

INQUIRY
EMS item

E 3

1 No | 2 Date

Reply

3 From (Administration of origin and country name) | 8 For (Administration of destination)

4 Address | 9 Address

5 Telephone | 6 Telefax | 10 Telephone | 11 Telefax

7 Telex | 12 Telex

Details on the item

13 No | 14 Posting date | 15 Posting office

Sender's address

16 Name | 19 Name

Address | Address

City | City

17 Telephone | 18 Postal code | 20 Telephone | 21 Postal code

Contents

22 ☐ Gift | 23 ☐ Document | 24 ☐ Merchandise | 25 Weight | 26 Value

Details on the dispatch

27 Date of dispatch | 28 Dispatch No | 29 Office of exchange of destination

30 Bag No | 31 Flight No

32 First transhipment flight No | 33 Second transhipment flight No

Reasons for inquiry

34 ☐ Not arrived | 35 ☐ Returned

36 ☐ Delayed | 37 ☐ Other | 38 Signature of employee (office of origin)

Arrival details

39 ☐ Not arrived | 40 Flight No | 41 Date | 42 Time

Delivery details

43 ☐ Attempted delivery (addressee notified) | 44 Date | 45 Time | 46 Signature of recipient

Details of attempted delivery

47 ☐ Attempted delivery (addressee notified) | 48 Date | 49 Time | 50 Awaiting collection of (delivery office)

Customs

51 ☐ Held in Customs | 52 ☐ Addressee notified | 53 ☐ Delayed in Customs | 54 Reason for delay/holding

Item

55 ☐ Returned | Date | 56 ☐ Dispatched | 57 New item No if overlabelled

Observations

58

59 Signature of employee (office of destination)

Recommendation 17

Insurance

It is recommended that postal administrations should:

i adopt insurance coverage as part of their basic EMS service, if necessary through a private insurance company, which offers the sender:
   a compensation, up to a specified limit, in the event of the total loss of an item;
   b an indemnity, up to a specified limit, in the event of consequential loss due to non-delivery or delay in delivery of an item;
   c compensation, up to a specified limit, in the event of damage to the contents of an item;

ii adopt insurance coverage as an optional service feature, if necessary through a private insurance company, which offers the sender compensation or an indemnity, upon payment of an appropriate additional fee, for loss or damage exceeding the limits in paragraphs a, b and c;

iii take into account the insurance service offered by the competition in setting limits for compensation and indemnities.

EMS LABEL

E 1

EMS

1 Name of administration of origin
National name of the service

2

3 EE 473124829 CA

31 Office of origin

4 Date mailed — Year Month Day

5 Time mailed — Hour Minutes

Sender

6 Account No

7 Telephone No

8 Name and address of sender

9 Postal code

38 No of office of origin

39 Signature of sender

15 Number of pieces in item

16 This piece No

17 Product type

18 Method of payment 1 2 3

Customs declaration

21 Description of contents

22 ☐ Gift

23 ☐ Sample of merchandise

24 Value

25 Weight in kg

32 ☐ Delivered ☐ Delivery attempt

37 Signature of employee accepting the item

Addressee

10 Account No

11 Telephone No

12 Name and address of addressee

13 Contract link

14 Postal code

33 Permit No

34 Serial No

20 Dispatch charge

19 Insurance fee

35 Pick-up fee

36 Total charges

27 Name in print of the person taking delivery of the item

28 Signature

26 Special handling instructions

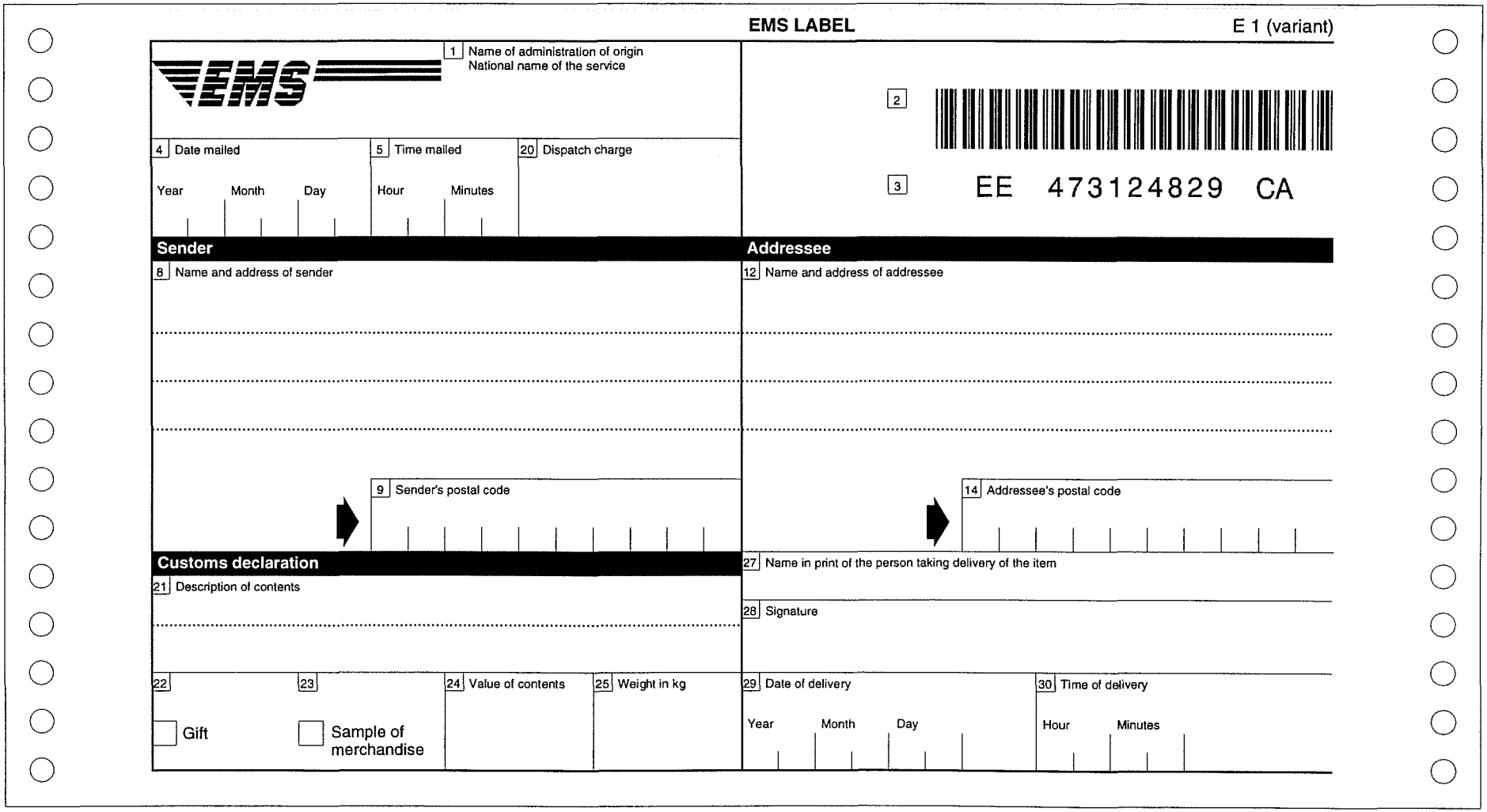
29 Date of delivery — Year Month Day

30 Time of delivery — Hour Minutes

Recommendation 3 on EMS – Size: 140 × 254 mm; colours: data fields 21 to 25 on green background, EMS logo blue and orange

EMS LABEL

E 1 (variant)



EMS Framework Agreement, article 103 – Size: 140 × 254 mm; colours: data fields 21 to 25 on green background, EMS logo blue and orange

Postal administration of origin

E 2

VERIFICATION NOTE FOR EMS ITEMS

Office of origin of note	Date of note	No	Dispatch No
	Date of dispatch	Time	
Office of destination of note	Name of ship or flight No, etc		EMS manifest No
	Dispatch office of exchange		
	Office of exchange of destination		
	Date of arrival of mail	Date of opening of mail	

1 Missing items

Number		Office of origin	Address (as full as possible)	Observations
serial	of EMS items			

2 Excess items

Number		Office of origin	Address	
serial	of EMS items		of the sender	of the addressee

3 Rifled or damaged items

Number		Office of origin	Address		Contents
serial	of EMS items		of the sender	of the addressee	

Description and apparent cause of rifling or damage; other observations

Estimate of loss

Recommendation 11 on EMS – Size: 210 × 297 mm

4 Delayed items

E 2 (Back)

Number		Office of origin	Address		Contents
serial	of EMS items		of the sender	of the addressee	

Description and apparent cause of delay

5 Irregularities

Missing EMS manifest, insufficient packing or fastening, etc

6 Subsequent treatment of the EMS item

☐ After repacking and weighing, the item has been forwarded to its destination

New weight

☐ The contents have been destroyed by the undersigned office

☐ The packing is held here

☐ The addressee refuses the item ☐ The sender refuses the item

☐ The addressee has accepted the item ☐ The sender has accepted the item

7 Carrier or carriers' representative

Name and capacity	Signature

Stamp of the office preparing the note Official's signature	Seen and accepted Stamp of the office of destination of the note and date Official's signature

Congress – Doc 85.3

List of decisions other than those amending the Acts

This Congress – Doc contains the decisions considered by Committee 10 (Drafting) between 7 and 13 September 1994. They are numbered in the order in which they were examined in plenary or in Committee. Decisions considered before 7 September 1994 were listed in Congress – Doc 85.1 and 85.2.

First part – Numerical list of decisions

Number	*Type*	*Title and references*
C 49	Res	Recorded delivery service (proposal 20. 0.4, Committee 4, 8th meeting)
C 50	Res	Study on international reply coupons (proposal 20. 0.5, Committee 4, 8th meeting)
C 51	Res	International business reply service (IBRS) (proposal 20. 0.11, Committee 4, 8th meeting)
C 52	Res	Redirection and address correction (proposal 20. 0.19, Committee 4, 8th meeting)
C 53	Rec	Express items (proposal 25. RE 0.3, Committee 4, 8th meeting)
C 54	Dec	Entry into force of the Acts of the 1994 Seoul Congress (proposal 02, 10th plenary meeting)
C 55	Res	Postal relations on the Korean peninsula (Congress – Doc 93, 10th plenary meeting)
C 56	Dec	Relations with the United Nations and other international organizations (Congress – Doc 24, 10th plenary meeting)
C 57	Dec	Implementation by the specialized agencies of the Declaration on the Granting of Independence to Colonial Countries and Peoples (Congress – Doc 25, 10th plenary meeting)
C 58	Rec	Organization of UPU conferences and meetings (proposal 024, Committee 3, 6th meeting)
C 59	Res	Continuation after the Seoul Congress of the study on improving the management of the Union's work (proposal 043/Rev 1, Committee 3, 6th meeting)
C 60	Res	Recasting the Postal Financial Services Acts (proposal 40. 0.2, Committee 8, 2nd meeting)

Number	*Type*	*Title and references*
C 61	Res	Action plan to energize the Postal Financial Services (proposal 40. 0.1, Committee 8, 2nd meeting)
C 62	Res	Proposals relating to the Detailed Regulations of the Postal Financial Services Agreements referred to the POC (Committee 8, 2nd meeting)
C 63	Res	Technical cooperation among developing countries (TCDC) (proposal 031, Committee 9, 4th meeting)
C 64	Res	UPU action for the least developed countries (LDCs) (proposal 030, Committee 9, 4th meeting)
C 65	Dec	Undeliverable items (proposal 20. 29.4, Committee 4, 9th meeting)
C 66	Res	International business reply service for goods (proposal 20. 0.20, Committee 5, 3rd meeting)
C 67	Res	International household delivery service for unaddressed items (proposal 20. 0.21, Committee 5, 3rd meeting)
C 68	Res	International admail (International business reply service: local response) (proposal 20. 0.22, Committee 5, 3rd meeting)
C 69	Dec	Draft 1995–1999 study programme (proposal 03, Committee 5, 3rd meeting)
C 70	Res	Draft 1995–1999 study programme (proposal 04, Committee 5, 3rd meeting)
C 71	Res	Reconstitution of the Private Operators–UPU Contact Committee (proposal 011, Committee 5, 3rd meeting)
C 72	Res	Consignment service (Committee 5, 3rd meeting)
C 73	Res	Coordination Committee for the Permanent Bodies of the Union (proposal 041/Rev 2, Committee 3, 7th meeting)
C 74	Res	Efficiency of translation services within the Union (proposal 021/Rev 1, Committee 3, 7th meeting)
C 75	Res	Institutionalization of a high-level meeting between Congresses (proposal 042, Committee 3, 7th meeting)
C 76	Res	UPU Strategic Plan, Operational Plan and financial plan (proposal 048, Committee 3, 7th meeting)
C 77	Dec	Study on the Union's language system (Committee 3, 7th meeting)
C 78	Res	Information management as a UPU strategic activity (Committee 3, 8th meeting)

Number	*Type*	*Title and references*
C 79	Res	Development of human resources and training (proposal 032, Committee 9, 5th meeting)
C 80	Res	PDAG work plan 1995–1999 (proposal 036, Committee 9, 5th meeting)
C 81	Res	Establishment of an institute of higher postal studies under UPU auspices (proposal 045, Committee 9, 5th meeting)
C 82	Rec	Preparation of accounting documents sent between administrations (proposal 20. 0.18, Committee 4, 10th meeting)
C 83	Res	Expansion of International Bureau offsetting arrangements (proposal 20. 0.9/Rev 1, Committee 4, 10th meeting)
C 84	Res	Preparation and settlement of accounts. Monitoring the system of direct billing with AV 5 and CP 16 accounts (proposal 20. 0.8/Rev 1, Committee 4, 10th meeting)
C 85	Rec	Improvement of the quality of service of items sent in transit à découvert (proposal 25. RE 0.1, Committee 4, 10th meeting)
C 86	Dec	Preparation and settlement of accounts. Reviewing the wording of the Detailed Regulations of the Convention and of the Postal Parcels Agreement. Preparation of an operational compendium on accounting (proposal 25. RE 0.4, Committee 4, 10th meeting)
C 87	Res	Proposals relating to the Detailed Regulations of the Convention referred to the POC for consideration (Committee 4, 10th meeting; Committee 5, 3rd meeting; Committee 6, 3rd meeting)
C 88	Dec	Financing Union activities (Congress – Doc 19, Committee 2, 3rd meeting)
C 89	Dec	Proposals referred to the CA and POC (Congress – Doc 19, Committee 2, 3rd meeting)
C 90	Dec	Billing date for contributions (Congress – Doc 19, Committee 2, 3rd meeting)
C 91	Res	Financing the priority activities of the Union (Congress – Doc 19, Committee 2, 3rd meeting)
C 92	Dec	Election of the Director-General and Deputy Director-General of the International Bureau of the Universal Postal Union (Congress – Doc 40, 12th plenary meeting)
C 93	Dec	Venue of the 22nd Universal Postal Congress (Congress – Doc 80, 13th plenary meeting)
C 94	Res	Referral to the POC of proposals concerning the Detailed Regulations considered by Congress (Committee 10, 13th meeting)

Summary list of the decisions distributed in Congress – Docs 85.1, 85.2 and 85.3

	Resolutions	Recommendations	Decisions	Totals
Congress – Doc 85.1				
Nos	C 4, C 6, C 10, C 12, C 13, C 15, C 16	C 11, C 14	C 1 to C 3, C 5, C 7 to C 9	
Number	7	2	7	16
Congress – Doc 85.2				
Nos	C 17, C 19 to C 27, C 29 to C 39, C 41, C 46 to C 48	C 28	C 18, C 40, C 42 to C 45	
Number	25	1	6	32
Congress – Doc 85.3				
Nos	C 49 to C 52, C 55, C 59 to C 64, C 66 to C 68, C 70 to C 76, C 78 to C 81, C 83, C 84, C 87, C 91, C 94	C 53, C 58, C 82, C 85	C 54, C 56, C 57, C 65, C 69, C 77, C 86, C 88 to C 90, C 92, C 93	
Number	30	4	12	46
Total	62 resolutions	7 recommendations	25 decisions	94

Second part – Texts of decisions

Resolution C 49

Recorded delivery service

Congress,

Recognizing
that the 1989 Washington Congress introduced a new optional service for "Recorded delivery items" which, in the range of postal products, fills a customer need between ordinary items and registered items,

Noting
the majority of administrations have not adopted this optional service and that this makes it difficult for those administrations offering the service to provide it,

Instructs

the Postal Operations Council to:
- make an in-depth study of this recorded delivery service;
- submit appropriate proposals to the next Congress.

(Proposal 20. 0.4, Committee 4, 8th meeting)

Resolution C 50

Study on international reply coupons

Congress,

Considering
that the international reply coupons service is used less and less in some countries, although the total number of coupons exchanged worldwide is increasing,

Noting
that, since the exchange of international reply coupons is compulsory, all postal administrations are required to establish control, accounting and insurance systems which are expensive in relation to the volume of items handled,

Taking into account
the cost incurred by the International Bureau of the UPU in producing C 22 forms, as well as in handling all stages of forwarding, control and final settlement of accounts for the service,

Instructs

the Postal Operations Council:

- to make an in-depth study of reply coupons so as to analyze all aspects of this service, including its accounting;
- to present appropriate proposals to the next Congress.

(Proposal 20. 0.5, Committee 4, 8th meeting)

Resolution C 51

International business reply service (IBRS)

Congress,

following the successful establishment of IBRS as a useful value-added service for business customers,

In view of
the increasing number of administrations which are operating the service, either as a full service or a one-way service, based on the provisions laid down in the Convention and in Washington Congress decision C 90,

Recognizing
- that many administrations are aware that competitors offer services similar to IBRS;
- that there is an increasing demand from business customers for this type of service;
- that the best way this demand can be met is by extending the service to as many administrations as possible,

Urges

- all administrations to consider the possibility of joining IBRS, either to offer a full service or a one-way service, in order that the Post may maintain its competitive advantage;
- Restricted Unions to encourage their members to join, with the aim of increasing traffic growth between their members,

Instructs

the Postal Operations Council to take such measures as are necessary and to conduct studies to adapt the regulations and operational procedures of IBRS to changing customers' needs.

(Proposal 20. 0.11, Committee 4, 8th meeting)

Resolution C 52

Redirection and address correction

Congress,

Referring
to the provisions of article 28 of the Convention covering redirection and reforwarding of mail to an addressee who has changed his address,

Aware of the fact
that postal administrations provide publishers and other business mailers with means of promoting their services and of communicating with their subscribers and customers which are in competition with other means of communication and promotion,

Mindful of
the importance to large volume mailers of having items forwarded to addressees who have moved and of receiving change-of-address information in order to keep mailing lists current and to promote and expand their services,

Considering
that reforwarding and change-of-address notification services should be offered as widely as possible and should also be provided as efficiently and as effectively as possible,

Recognizing
that internal regulations and conditions may affect the extent to which such services can be provided at the domestic level and may also be extended to the international level,

Urges

postal administrations to introduce forwarding and change-of-address notification services if they do not already provide them and to take steps to improve the efficiency and effectiveness of these services where they do provide them,

Instructs

the Postal Operations Council to study forwarding and change-of-address notification services and procedures in member countries, including privacy constraints and other conditions, and develop recommendations for:
- the improvement of these services where they are offered at the domestic level;
- the introduction of these services where they are not yet offered at the domestic level;
- the expansion of change-of-address notification procedures to the international level if appropriate.

(Proposal 20. 0.19, Committee 4, 8th meeting)

Recommendation C 53

Express items

Congress,

Bearing in mind
articles RE 2001 and 2002 of the Detailed Regulations of the Convention relating to the treatment of express items,

Noting
that the majority of postal administrations do not use any special wrapping for items of this kind when making up the mails, thus exposing these items to the risks of theft or damage during conveyance and making them difficult to recognize,

Considering
that the priority treatment of express mail will help to improve the quality of service,

Recommends

to all postal administrations that they place their express items in bundles and insert them in a special envelope, preferably plasticized, in order to preserve their integrity and make them easy to recognize.

(Proposal 25. RE 0.3, Committee 4, 8th meeting)

Decision C 54

Entry into force of the Acts of the 1994 Seoul Congress

Congress

Decides

to set at 1 January 1996 the date of entry into force of the Acts of the 21st Congress.

(Proposal 02, 10th plenary meeting)

Resolution C 55

Postal relations on the Korean peninsula

Congress,

Recognizing
the spirit of the Constitution which calls for the member countries to develop communications between their peoples through the efficient operation of postal services and to contribute to the attainment of the noble aims of international collaboration in the cultural, social and economic fields,

Reaffirming
the scope of the Union as defined in article 1 of the Constitution according to which the member countries shall comprise a single postal territory for the reciprocal exchange of letter-post items and according to which freedom of transit shall be guaranteed throughout the entire territory of the Union,

Recalling
the urgent appeal made in resolution C 37/Lausanne 1974 to the Governments of the member countries to refrain as far as possible from interrupting or hindering postal traffic, especially the exchange of correspondence containing messages of a personal nature, in the event of dispute, conflict or war,

Noting
that the direct exchange of postal items does not exist within the Korean peninsula,

Seizing
the opportunity of its meeting in Seoul,

Requests

the Democratic People's Republic of Korea and the Republic of Korea to institute postal exchanges between them as soon as possible,

Instructs

the Director-General of the International Bureau to take such action as he may consider appropriate in this area,

Also requests

the member countries of the Union to support the full implementation of the Constitution on the Korean peninsula, including the freedom of postal exchanges between the North and the South.

(Congress – Doc 93, 10th plenary meeting)

Decision C 56

Relations with the United Nations and other international organizations

Congress

Notes

the Director-General's report on relations with the United Nations and other international organizations,

Invites

the Director-General of the International Bureau to:
- maintain and intensify relations with the United Nations and other international organizations;
- continue to follow the development of the questions outlined in his report;
- take whatever action he deems necessary in the interests of the Union and its members, subject to any instructions from the Council of Administration;
- to report to the Council of Administration every year to an appropriate extent.

(Congress – Doc 24, 10th plenary meeting)

Decision C 57

Implementation by the specialized agencies of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Congress

Notes

- the Director-General's report on implementation by the specialized agencies of the Declaration on the Granting of Independence to Colonial Countries and Peoples;

– the efforts made by the UPU to aid refugees and non-self-governing territories as well as the newly independent countries and the least developed countries (LDCs);

Decides

to step up efforts to the extent of its possibilities and available resources to increase assistance to these countries, adapting its activities to changes in the situation in the regions concerned and as part of a coordinated action plan.

(Congress – Doc 25, 10th plenary meeting)

Recommendation C 58

Organization of UPU conferences and meetings

Congress,

In view of
the report submitted by the Executive Council on the management of the Union's work,

Aware
of the need to identify opportunities for streamlining the work that may help in introducing more up-to-date management at the International Bureau,

Recalling
that the conference and meeting services are among the main products offered by the International Bureau,

Mindful
that a detailed analysis of the tasks entrusted to the International Bureau would enable part of the capacities of its staff to be released for use on more operational activities,

Recommends

the various bodies of the Union to consider:

i the desirability of limiting the holding of meetings to those that are really essential, by assessing their effectiveness (cost/benefit);

ii the usefulness of giving preference to holding smaller meetings, restricted to specialists, when the subjects are technical;

iii the desirability of holding as many meetings as possible at UPU headquarters, with a view to savings in respect of secretariat travel costs;

iv the need to avoid altering the timetables of meetings at a late stage in order to avoid having to pay interpreters who have already been engaged compensation for cancellation of contracts.

(Proposal 024, Committee 3, 6th meeting)

Resolution C 59

Continuation after the Seoul Congress of the study on improving the management of the Union's work

Congress,

In view of
the report submitted by the Executive Council on the management of the Union's work (Congress – Doc 70),

Noting
the improvements introduced by the Executive Council within the scope of its powers,

Recognizing
the fundamental changes the international postal sector is currently experiencing, such as the expansion of competition, the liberalization of exchanges of services, and the growing need to take into consideration the interests of all participants in postal activity,

Considering
that Congress has approved proposals for substantial changes in the organization, responsibilities and functioning of the Union's bodies,

Considering also
that Congress has approved proposals aimed at streamlining the Union's Acts (Congress – Doc 60),

Convinced
of the need for this review process to be continued,

Instructs

the Council of Administration, in consultation with the Postal Operations Council and the International Bureau, to:

i continue seeking as a matter of priority ways of improving all aspects of the Union's structure and of the management of its work;
ii continue reviewing the Union and its activities, particularly as regards:
  a the Union's mission, which should be examined in depth;
  b the system of financing of the different types of Union activity;
  c the functioning of the Councils, with a view to increasing their effectiveness;
  d the status of members, and in particular the possibility for representatives of parties concerned by international postal activity to participate in certain Union work;
  e the implementation of strategic planning and programme-budgeting systems;
  f the organization structure of the International Bureau;
  g further recasting of the Acts;
iii formulate proposals for reform based on the results of the work described above:
  a for implementation as soon as possible and prior to the next Congress, as appropriate;
  b for submission to the next Congress for approval;
iv see to it that all UPU members wishing to do so have the opportunity to participate effectively in the work described above.

(Proposal 043/Rev 1, Committee 3, 6th meeting)

Resolution C 60

Recasting the Postal Financial Services Acts

Congress,

Noting
the urgent need to improve the postal financial services and the desire expressed by administrations to have a new recast made of the relevant Acts,

Bearing in mind
the assertion that the essential tasks to ensure a future for the postal financial services must, with the development of international exchanges in this field, be based on international profitability and competitiveness,

Observing
that some administrations prefer, for the sake of flexibility, to continue to provide the services on the basis of bilateral agreements and that the substantial revision of the Postal Financial Services Agreements made in 1984–1989 has not had the expected effect of persuading more postal administrations to join these Agreements and provide financial services,

Anxious
to encourage as many administrations as possible to provide these services on the basis of the new Agreement which takes account of the development of international postal financial services,

Recognizing
that the initial study undertaken within the framework of the 1993 Execut ive Council culminated in the adoption of the principles of this recast and of the draft structure of the future Acts,

Instructs

the Council of Administration and the Postal Operations Council, in collaboration with the International Bureau, to continue a study aimed at recasting the Postal Financial Services Acts in order to provide a normative reference framework while simplifying to the maximum the prescribed procedures and to submit to the next Congress the necessary draft amendments to the Acts.

(Proposal 40. 0.2, Committee 8, 2nd meeting)

Resolution C 61

Action plan to energize the postal financial services

Congress,

In view of
the Seoul expanded debate held by Congress Committee 8 on 2 September 1994 on the subject "Future of the postal financial services",

Considering
- the overriding importance of extending the postal financial services so as to achieve better coverage and universality of the world network of international postal payments systems;

- the need to safeguard and improve the quality of the postal financial services;
- the development of telematic applications for transferring postal financial services funds and the use of computerized systems as an essential condition for operationally effective services;
- the magnitude of the revenue expected from postal financial exchanges and the need to develop customer loyalty at both the national and the international level;
- that, if they are to remain competitive, the services must quickly adapt to the changing environment and more particularly to developments on the international financial payments market,

Noting
the absence of international postal financial services in many UPU member countries,

Deeming
this situation unsatisfactory for the pursuit of efficient financial exchanges between partners on the different continents,

Deeming
on the one hand that existing regulations are ill-suited to the economic rules in force and, on the other, that they do not allow the flexibility required in the field of production,

Aware
of the fact that by itself, a development policy is not sufficient to ensure the establishment of reliable, modern and economically viable financial services,

Taking account
of the value of a common commitment founded on recognized principles of action,

Approves

the attached Action Plan to energize the postal financial services (PFSAP),

Urges

postal administrations to develop their postal financial exchanges by drawing on the objectives of the PFSAP, particularly with a view to the worldwide extension of the postal financial services,

Invites

the Restricted Unions to take extensive account of the PFSAP in their regional programmes and to define priorities at their level,

Instructs

the Postal Operations Council:

i to take measures to:
- urge the member countries of the Union to create services that, in the first instance, will permit the transfer of funds;
- facilitate the modernization of such transfers;
- promote flexibility in exchanges;
- simplify reciprocal payment methods;
- foster technical exchanges in the area of postal financial services;
- ensure appropriate promotion of the services;

ii to adapt existing regulations to those measures;

iii to ensure that application of the PFSAP is monitored;

iv to report to the next Congress on the execution of the PFSAP,

Also instructs

the International Bureau to monitor these activities and, where appropriate, to propose adjustments to this Action Plan to the Postal Operations Council.

(Proposal 40. 0.1, Committee 8, 2nd meeting)

Annex 1

Action Plan to energize the postal financial services (PFSAP)

Objectives		Projects/Actions/Activities	Responsibility[1]
Strategy		**A.** Develop postal financial exchanges by establishing a universal, progressive and operational network of postal financial payments systems (services) at international level	
A 1	Extension worldwide of the postal financial services; universality of postal financial payments systems	*A 1.1 Increase the number of countries actively participating in the postal financial services in order to expand the coverage of services worldwide*	
		A 1.1.1 Urge the Union member countries and States, as appropriate, to establish postal financial services primarily for the transfer of funds in the international service.	POC, RU
		A 1.1.2 Give priority to the establishment of postal financial services within those administrations that do not at present offer services in this area.	Adm, RU
		A 1.2 Simplify the current regulations and the conditions governing execution of the services to encourage many administrations to participate in and to join international postal financial payment systems	
		A 1.2.1 Recast the Postal Financial Services Acts with a view to simplifying the conditions governing execution of the postal financial services and making them more flexible.	POC, RU
		A 1.3 Support accession to the postal financial services on the basis of the UPU Agreements in force	
		A 1.3.1 Consider measures for encouraging those administrations that provide services on the basis of bilateral agreements to subscribe to the UPU Agreements in force.	POC, RU
		A 1.3.2 Identify the reasons preventing administrations from subscribing to the UPU's universal Postal Financial Services Agreements and taking measures to adapt to the conditions of universal service on the basis of those UPU Agreements.	Adm, POC, RU
A 2	Develop and improve traditional and computerized postal financial services	*A 2.1 Develop and optimize the internal organization of postal financial institutions so as to achieve an even more effective postal financial services network for long-distance and direct-contact payments*	
		A 2.1.1 Increase the number of post offices providing postal financial services in all rural regions and zones, taking the cost/benefit ratio into account.	Adm
		A 2.1.2 Computerize post offices and procedures for internal processing of instruments at the counters, using the most efficient exchange methods and procedures	Adm, POC

[1] This column indicates the entities responsible for the actions. The following abbreviations have been used:

Adm = Administrations
IB = International Bureau
POC = Postal Operations Council
RU = Restricted Unions

Objectives	Projects/Actions/Activities	Responsibility
	A 2.2 Improve the money orders service	
	A 2.2.1 Improve money order transmission times.	Adm, POC
	A 2.2.2 Improve the security of the service and reduce inquiry response time.	Adm, POC
	A 2.2.3 Urge countries with no inward money order service to serve as intermediaries by issuing cheques payable to the beneficiaries.	Adm, POC POC
	A 2.2.4 Assign a group of experts to study measures for improving the international money orders service.	POC
	A 2.3 Improve the giro service	
	A 2.3.1 Expand the issue of withdrawal cards and equip post offices with terminals and cash dispensers	Adm, POC Adm, POC
	A 2.3.2 Increase the number of countries agreeing to pay postcheques in post offices.	POC
	A 2.3.3 Assign a group of experts to study measures for improving the giro service.	
	A 2.4 Simplify the methods of exchanging money orders and giro cheques as well as cashing and payment procedures	
	A 2.4.1 Conduct a study aimed at simplifying operating methods, cashing and payment procedures and methods for exchanging international money orders and giro cheques.	POC
	A 2.5 Simplify reciprocal methods of account billing and settlement	
	A 2.5.1 Promote the use of the liaison giro account.	Adm, POC
	A 2.5.2 Introduce the use of computers for issuing and verifying account statements, establishing and electronically transmitting monthly accounts and summary lists for money orders.	Adm, POC
A 3 Establish the future configuration of the universal computerized network for electronic transmission of funds by the postal financial services	*A 3.1 Develop telematic applications for the transfer of postal financial services funds*	
	A 3.1.1 Promote the introduction, expansion and development of the electronic transfer system for postal financial funds worldwide in order to create a computerized international payments network with EUROGIRO as its linchpin.	Adm, POC
	A 3.1.2 Evaluate the criteria for participation of postal financial institutions in the EUROGIRO system as well as costs and installation and participation charges and fees in relation to benefits.	Adm, POC
	A 3.1.3 Encourage postal financial services capable of offering a transfer service to join the EUROGIRO system as users.	POC
	A 3.1.4 Promote cashing of money orders and international exchange of money orders through the EUROGIRO network.	Adm
	A 3.1.5 Promote the implementation of a new concept of computerized payment network that would provide an inexpensive electronic system for transfer of instruments to postal financial institutions with a low volume of transactions and/or that do not have a data processing system.	Adm, POC
A 4 Implement programmes for quality control of the postal financial services	*A 4.1 Provide computerized control of the quality of transactions*	
	A 4.1.1 Support the introduction of the means of ensuring computerized control of on-line postal financial operations from the post offices and make advantageous use of the EUROGIRO system.	Adm, POC
	A 4.1.2 Consider measures for establishing permanent quality control of postal financial services operations and in due course conduct studies for improving it.	Adm, POC

Objectives		Projects/Actions/Activities	Responsibility
A 5	Intensify coordination, cooperation and collaboration between UPU member countries, postal financial institutions	*A 5.1 Continue the partnership in respect of conventional services on the basis of bilateral and multilateral agreements relating to postal financial services*	
		A 5.1.1 Develop the exchange of information with administrations that provide these services on a bilateral (multilateral) basis only.	POC
		A 5.2 Support contacts and cooperation between countries wishing to develop new postal financial services systems	
		A 5.2.1 Encourage technical exchanges in the postal financial services field.	Adm, POC, RU
		A 5.2.2 Establish permanent technical assistance cooperation programmes focussing on the establishment of postal financial services centres and the introduction of the money orders and giro services.	POC, RU
Strategy		**B.** Adapt the postal financial services to market developments, customer needs, technological developments and means of communication in order to make them more profitable and competitive at international level	
B 1	Work out a better definition of the postal financial services market	*B 1.1 Achieve a better knowledge of the postal financial services market*	
		B 1.1.1 Conduct studies to define: – market structures and products to be developed; – customer groups, user requirements and degree of satisfaction; – competition: methods and market shares; – service trends and development potential.	Adm, RU, POC
		B 1.1.2 Introduce customer relations programmes.	Adm
B 2	Adapt the postal financial services to changing customer needs	*B 2.1 Expand and standardize the range of postal financial services/products at national and international level*	
		B 2.1.1 Take measures to ensure that the range of postal financial services/products is expanded in all countries to allow long-distance and direct-contact payments and to encourage the introduction of basic services to enhance the universal nature of the services available to customers.	Adm, RU, POC
		B 2.1.2 Develop postal financial services in response to specific customer needs, such as deposit of salaries, automatic debit transfers, automatic transactions by means of withdrawal cards at cash dispensers, savings bank book, automatic deposit of dividends, indemnities, etc.	Adm, POC
		B 2.1.3 Ensure adequate promotion of traditional services and new postal financial payment products by implementing commercial marketing policies and using new technologies and procedures.	Adm, RU, POC
		B 2.1.4 Urge administrations to take all necessary measures to adapt the postal financial services to commercial and technical developments.	POC
		B 2.2 Facilitate inter-administration relations by adopting more flexible conditions for executing the services	
		B 2.2.1 Amend the provisions in effect within the framework of the study on recasting the Postal Financial Services Acts	POC
		B 2.2.2 Adopt practical measures at bilateral level.	Adm
		B 2.3 Apply provisions between administrations calling for equitable, cost-related remuneration/compensation	Adm, POC

Objectives		Projects/Actions/Activities	Responsibility
B 3	Ensure adequate management independence for postal financial services (postal financial institutions)	*B 3.1 Ensure that long-term corporate plans and policies have been worked out in respect of the development of the postal financial services*	
		B 3.1.1 Prepare and implement plans setting out clearly-defined actions, complete with objectives, costs and quantified time frames to allow investments to be sought.	Adm
B 4	Increase the role of the UPU in adapting the postal financial services to a new world	*B 4.1 Ensure implementation of the PFSAP in consideration of the authority granted and the means available*	
		B 4.1.1 Allocate responsibilities and PFSAP operational and monitoring procedures between the permanent bodies of the UPU	
		B 4.1.2 Define practical measures and studies relating to implementation of the PFSAP	POC, IB
		B 4.1.3 Consult administrations about monitoring the execution of the PFSAP	POC, IB
		B 4.1.4 Manage the financial resources allocated to PFSAP implementing and monitoring activities	POC

Resolution C 62

Proposals relating to the Detailed Regulations of the Postal Financial Services Agreements referred to the POC

Congress,

In accordance
with article 15, paragraphs 2, 3 and 10, of the Rules of Procedures of Congresses,

Instructs

the Postal Operations Council to consider the following proposals relating to the Detailed Regulations of the Postal Financial Services Agreements:

45. RE 605.1	45. RE 1202.91	55. RE 201.1	55. RE 1304.91
45. RE 801.1	45. RE 1202.92	55. RE 317.1	55. RE 1304.92
45. RE 1101.1	45. RE 1202.93	55. RE 1302.1	55. RE 1304.93
45. RE 1105.91			

(Committee 8, 2nd meeting)

Resolution C 63

Technical cooperation among developing countries (TCDC)

Congress,

In view of
the report submitted by the Executive Council on technical cooperation among developing countries (TCDC),

Referring to
resolution 1992/41 adopted by ECOSOC, calling on all parties concerned to give TCDC first consideration when selecting the modality of execution of their programmes,

Considering
the precise definition of TCDC given by the High-level Committee, stressing the paramount role that the Governments and institutions concerned of the developing countries should themselves play in this area,

Noting
that the UPU Regional Advisers are already striving to promote TCDC in the countries under their jurisdiction,

Nevertheless convinced
of the need for even more meaningful measures to be taken in promoting this form of South–South cooperation in all regions of the world,

Noting also
the related activities included in the UPU Strategic Plan for the next five-year period,

Calls upon

- the administrations of the developing countries and the Restricted Unions to make further efforts to mobilize the necessary resources and to create an appropriate environment for fostering the widespread use of TCDC;
- the administrations of the developing countries to identify the fields most suited to application of TCDC;
- the administrations of the industrialized countries to continue in particular to support the country and intercountry institutions of developing countries wishing to play a role in implementing activities under TCDC,

Instructs

the appropriate bodies of the UPU to issue the necessary policy guidelines and take the required initiatives with a view to making TCDC the general practice,

Also instructs

the Director-General of the International Bureau:
- to effectively initiate the TCDC-related activities called for in the UPU Strategic Plan, in conjunction with the appropriate bodies of the United Nations system, including the UNDP;
- to initiate, through the Regional Advisers and in close cooperation with the postal administrations and the Restricted Unions, a series of regional pilot studies for the purpose of identifying the fields, staff, and modalities of execution with a view to the practical and effective implementation of TCDC;
- to make a periodic evaluation of the impact of TCDC on the scope and quality of all technical cooperation programmes and to report to the Union bodies concerned on this subject.

(Proposal 031, Committee 9, 4th meeting)

Resolution C 64

UPU action for the least developed countries (LDCs)

Congress,

In view of
the report submitted by the Executive Council on the subject of UPU action for the least developed countries (LDCs),

Considering
United Nations General Assembly resolution 45/206 of 21 December 1990 on the Paris Declaration and the Programme of Action for the Least Developed Countries for the 1990s,

Recalling
resolutions C 87 of the 1974 Lausanne Congress, C 37 of the 1979 Rio de Janeiro Congress, C 66 of the 1984 Hamburg Congress and C 28 of the 1989 Washington Congress,

Recognizing
the importance of the role of the postal services in the development of the LDCs and the shortcomings of the Post in most of these countries,

Bearing in mind
the need to reinforce the postal services in the LDCs,

Invites

the least developed countries to:
- marshall all the human, financial and material resources available on the spot and obtain the greatest possible benefit from the assistance provided to them in the postal sector;
- identify and reinforce activities calculated to increase their sources of revenue, such as philately and international accounting, and develop new commercial strategies,

Also invites

the Restricted Unions to increase assistance provided to LDCs,

Instructs

the bodies of the Union:
- to take the necessary measures for the Union to be able to continue providing development aid to the postal services of the LDCs;
- to devote to the countries in that category as large a portion as possible of UPU resources;
- to follow closely the development of the general situation of the Post in the LDCs and to submit a report thereon to the next Congress;
- to help the LDCs to increase their ability to obtain additional revenue from activities such as philately, international accounting and the new services,

Also instructs

the Director-General of the International Bureau:
- to continue paying more marked priority attention to the postal needs of the LDC administrations;
- to propose to the bodies of the UPU a programme of activities based on the priority sectors and specific needs of the countries concerned, in particular in the areas in which growth of sources of revenue is possible.

(Proposal 030, Committee 9, 4th meeting)

Decision C 65

Undeliverable items

Congress,

Having examined
the question of the collection of a charge in respect of undelivered bulk items which are returned to the sender in a country other than the one in which they were posted,

Considering
that no charge should be set until after a study covering the new provisions of the terminal dues system, with special reference to bulk mail,

Instructs

the Postal Operations Council:
- to study the possibility of setting a charge to be collected from the sender of such items;
- to prepare, as required, appropriate proposals for the relevant bodies.

(Proposal 20. 29.4, Committee 4, 9th meeting)

Resolution C 66

International business reply service for goods

Congress,

Acknowledging
that international direct mail is one of the expanding areas for international mail services, and that it has been assisted by the successful growth and development of the international business reply service since the latter's introduction at the Washington Congress in 1989,

Recognizing
that, with the continuing expansion of international trade through the Post, a demand may exist for companies to be able to offer services which allow their customers to return goods through the international Post with the postage already prepaid,

Noting
that the postal administrations in PostEurop are constantly reviewing the possibilities for different types of response services to meet the evolving needs of their customers, and that a number of administrations are planning to conduct market research in this area,

Instructs

the Postal Operations Council:
- to monitor developments in the situation (as described in the annex) by seeking progress reports from the administrations which will be examining this issue;
- to consider in due course, depending on the progress made, whether it would be appropriate to introduce such a service as a new UPU service on an optional basis, if necessary by incorporating provisions for it in the Detailed Regulations.

(Proposal 20. 0.20, Committee 5, 3rd meeting)

Annex

International business reply service for goods

I. Background

1.1 International direct marketing, a prime application for response services, has grown considerably over the last ten years, and with it international direct mail as its prime marketing tool. This growth has been a direct result of a combination of factors, including the increasing globalization of the marketplace and the growing sophistication of direct marketing techniques.

1.2 Postal administrations worldwide will need to support this growth of international mail stemming from the direct marketing sectors, tailoring response services to their requirements. Whilst both IBRS and International Admail will play an important part in providing a range of response services, the needs of the mail order industry (a prime user of direct mail and response services) will need to be particularly addressed. The mail order industry is recognized as a sector set to expand with the ongoing dismantlement of European cross-border tariff and trade restrictions and the expected expansion of the European Union (EU) to include several EFTA countries, notably Switzerland, Austria, Norway, Sweden, Finland and Iceland.

1.3 A known requirement of the mail order industry is an international reply-paid packet and goods service. In the longer term, it is envisaged that response services will need to provide a comprehensive range of mailing products, to include new products encompassing both international COD, international Freepost, and IBRS with value-added facilities such as registration, insurance and priority handling.

II. Case examples

2.1 The postal administration of Great Britain has been approached by several United Kingdom customers for combinations of the above response services. Notably, film processing laboratories have been demanding higher weight limits for IBRS items to accommodate one or more film rolls. A case in point is one British film processor already using IBRS for returning film rolls. A bilateral agreement is already in place with one administration to ensure the return of these items.

2.2 Other examples include a British dental manufacturer who requires the facility of prepaid labels to apply to returned dental casts, and another British customer who has a requirement for the prepaid return of small amounts of precious metals from overseas.

2.3 The 1994 Executive Council has already decided to add to the IBRS operating conditions the facility of returning items of no commercial value up to 250 g, as from 1 January 1995. However, a more thorough examination of market demand and possible service options is needed in order to cover the full range of goods which customers of all sorts may wish to send by prepaid international services.

2.4 Obviously, if postal administrations do not adapt to this market demand for flexible response services, this will only be to the advantage of commercial competitors such as TNT.

III. Market research

3.1 Market research has not as yet been undertaken in this area of value-added services. However, the evidence suggests a definite market demand for an increased range of response services.

3.2 Britain proposes to pursue this area through the PDMS (Postal Direct Marketing Service) New Product Development group, and as a first step, include questions on response services within the ongoing PDMS research project.

IV. Action plan

4.1 Through the PDMS New Product Development subgroup, Great Britain will explore with its postal partners the viability of providing response services as described above.

4.2 All-too-familiar customs problems (outside Europe) and inter-administration charges for handling goods of a non pre-determined size (as in the case of items with prepaid labels) will be investigated.

4.3 Great Britain will be pleased to submit to the UPU more detailed information on these issues as the work progresses.

Resolution C 67

International household delivery service for unaddressed items

Congress,

Aware
that a number of postal administrations in PostEurope have established, on a trial basis, an international service for the delivery of unaddressed letter-post items, linked to their equivalent national services,

Recognizing
that this service has been developed to meet the needs of customers, in particular those involved in the international direct mail industry, who seek an inexpensive means for delivering promotional material and expanding their mailing lists,

Notes

the description of the trial service contained in annex 1,

Instructs

the Postal Operations Council:
- to monitor the development of this service by seeking progress reports from the administrations which operate it;
- to consider, once the trial service has been operating successfully for a suitable period of time, whether it would be appropriate to introduce it as a new UPU service on an optional basis, if necessary by incorporating provisions for it in the Detailed Regulations.

(Proposal 20. 0.21, Committee 5, 3rd meeting)

Annex

GREAT BRITAIN

International household delivery service for unaddressed items

I. Background

1.1 The international unaddressed mail service, known internationally by postal administrations as *"Envois Sans Adresse"* (ESA), was developed and launched by Denmark, France, Germany, Netherlands and Switzerland. Great Britain, after conducting several trials of ESA with France and the Netherlands, introduced the service for United Kingdom customers during August 1993. The service was further expanded in September 1993 by the inclusion of Portugal in the number of participating administrations.

II. Description of the service

2.1 An international unaddressed mail service provides for the hand delivery of *unaddressed* mailshots, leaflets and other promotional literature directly to homes and businesses, along with the regular mail, in any area(s) of the country selected. It is a form of advertising that can be used by businesses to develop mailing lists and test new markets for their products.

2.2 An international unaddressed mail service can only be provided to those countries that operate a domestic unaddressed mail service. International unaddressed mail has to conform to the domestic service requirements and tariffs of individual administrations.

2.3 A core specification has been agreed as follows, although exceptions to these specifications are allowed by bilateral agreement.

- Maximum weight 100 g
- Maximum length 300 mm
- Maximum width 210 mm
- Maximum thickness 17 mm
- Minimum length 140 mm
- Minimum width 90 mm
- Minimum mailing 1000 items

III. Operation of the service

3.1 A central booking centre in country A processes an order from a customer. This will typically involve country A contacting and liaising with country B to confirm delivery dates, acceptability and postcode targeting advice.

3.2 For each mailing for a customer requested by country A, country B will confirm to country A its service standards governing the days of the week it delivers unaddressed items, the deadline by which all items will be delivered and the charge it will make.

3.3 The customer bundles and labels the items for distribution, stipulates the target postal zone required and the desired delivery period, for delivery in country B. Payment is made by the customer, to the postal administration of country A in advance of the service being provided.

IV. Inter-administration rates and settlement of accounts

4.1 Rates comprise payment to the administration of destination for handling and delivery, and payment for the collection, handling and conveyance of unaddressed items in the country of origin.

4.2 The settlement of accounts between administrations is carried out bilaterally by designated central accounting points in each country.

4.3 The process of inter-administration accounting is by means of a form which is forwarded with the dispatch bundles. The receiving office of exchange, once satisfied that the correct number of notified items has been received, then forwards a copy of the form to its central accounting point for billing purposes.

4.4 The charges which country A pays to country B will be based principally on the public tariffs which country B fixes for its domestic service for unaddressed items.

V. Current status

5.1 Traffic for the ESA service, known as "International Household Delivery Service IHDS" in Great Britain, has as yet been slow to develop.

5.2 So far, only a small number of administrations provide the service.

5.3 Geodemographic profiling is a vital component for the viability of the service. This is a marketing technique whereby a company attempts to identify particular areas of a city or region containing the private individuals or businesses most likely to buy the company's products. Targeting for ESA is currently limited to a general selection of residential or business addresses (PO boxes) within specific postcode areas in the country of destination.

VI. Competition

6.1 Two associations for international unaddressed direct mail services are known to have been set up by independent companies which have formed a network across Europe. The only companies known to be providing a service from Great Britain are Circle Distributors representing the European Letterbox Marketing Association (ELMA) and MRM Distributors acting for the European Household Delivery Association (EHDA). Geodemographic targeting requirements can be met where local facilities exist, but customers must arrange their own transportation of the items from Great Britain to the countries of destination and must pay the end carrier directly.

6.2 These services are not as yet widely used or advertised and do not involve postal administrations. Both ELMA and EHDA provide an agency coordinating role, "all in" prices and a central end-to-end coordinating point. Customers have the confidence of the items being handled and delivered with the same reliability as that associated with official postal networks.

VII. Market research

7.1 Extensive market research by Great Britain has indicated a limited but definite requirement for an ESA/IHDS service.

7.2 The main target market is small to medium sized companies engaged in marketing mass consumer products. In particular, this means companies without their own branches in the destination country. Large international businesses are likely to have local branches or agents capable of accessing either domestic PTT unaddressed services or the facilities offered by local providers of door-to-door services.

7.3 ESA/IHDS has been identified as being especially useful for:
- *promoting goods with a low unit value;*
- *helping customers without mailing lists or whose mailing lists are of poor quality* to set up a data base of their own with an eye to future addressed direct mail activity, combining them with IBRS maps to increase response rates;
- *making an initial assessment of foreign markets or conducting market tests.*

ESA/IHDS can serve as a cost-effective starting point, since it does not require the purchase of individual mailing lists or the renting of external ones.

Resolution C 68

International admail
(International business reply service: local response)

Congress,

Acknowledging
that international direct mail is one of the expanding areas for international mail services, and that it has been assisted by the successful growth and development of the international business reply service since its introduction at the Washington Congress in 1989,

Aware
that a number of postal administrations in PostEurop are in the process of introducing, on a trial basis, an extension of this service, whereby the reply items are initially delivered to a local address in the country of destination,

Recognizing
that this service has been developed to meet the needs of customers, in particular those involved in the international direct mail industry, who wish to have a more flexible range of services,

Notes

the description of the trial service contained in annex 1,

Instructs

the Postal Operations Council:
- to monitor the development of this service by seeking progress reports from the administrations which operate it;
- to consider, once the trial service has been operating successfully for a suitable period of time, whether it would be appropriate to introduce it as a new UPU service on an optional basis, if necessary by incorporating provisions for it in the Detailed Regulations of the Convention.

(Proposal 20. 0.22, Committee 5, 3rd meeting)

Annex

GREAT BRITAIN

International admail
(International business reply service: local response)

I. Background

1.1 The existing IBRS service, an international equivalent of domestic business reply services, is growing both in volume (Great Britain forecasts 500 000 inward items for 1993/1994) and in the number of postal administrations participating, ie from 12 countries in 1987 to the present more than 40 countries and territories worldwide.

1.2 The international business reply service (IBRS) offers the facility, to companies marketing overseas, of a convenient means of obtaining replies back from their customers. By the use of an internationally recognized IBRS design, international mailers can include a response/reply device that allows their customers to respond free of charge to themselves, simply by posting the reply device in their local postal system.

II. Description of the service

2.1 Local IBRS is a development of the existing IBRS service. It is currently being developed by member countries of the Postal Direct Marketing Service (PDMS) and will be marketed as a distinct service to be known as *International Admail (IA)*. The Postal Direct Marketing Service (PDMS) is a European association of postal authorities with a remit to develop the market and promote products related to direct mail for the international direct marketing industry. Current member countries are Belgium, Denmark, Finland, France, Germany, Great Britain, Ireland, Norway, Portugal, Spain, Sweden, Switzerland.

2.2 The postal administrations of PDMS planned to introduce this service by the end of April 1994.

2.3 The proposed IA service will enhance or build on the existing IBRS service by providing the facility of prepaid reply items (up to 50 grammes) which are initially delivered to a local address in country B, for subsequent onward transmission to the country or origin (country A). It will thus enable companies mailing from country A to have a perceived local presence in country B when carrying out international bulk mailings.

III. Operation of the service

3.1 International admail may be best described by the simple example of a British customer using the service for France:

- The British Post Office provides customers with design details for a French domestic business reply envelope or card. (A different design will be required for each country.)
- The British customer prints cards/envelopes using the design of the French domestic reply service, and incorporating the company name.

- The customer dispatches his items in bulk to France enclosing in each item the preprinted, prepaid reply item which is valid for use in the French domestic reply-paid service. The addressees of these items then mail the replies, which are delivered to the address on the reply card, which is a PO box at or near the office of exchange (OE) in Paris. (One PO box is allocated to each country.)
- Each day, the Paris OE forwards these reply items to the British OE (in London), by airmail, together with normal IBRS items (ie in the final bag).
- At the London OE, the replies will be sorted according to customer, put into a first class envelope and forwarded to the customer.

IV. Inter-administration rates and settlement of accounts

4.1 The rates comprise payment to the administration (in country B) for the domestic circulation and handling of items to a PO box, plus conveyance back to the country of origin. It has been provisionally agreed amongst the PDMS members that the inter-administration charges should be cost-based.

4.2 Costing work undertaken by the British Post Office suggests that charges should, at the most, be some 50 percent of domestic tariffs for business reply items, as a significant element of postal costs are the delivery costs. This cost is not incurred with IA by country B.

4.3 The settlement of accounts between administrations will be carried out bilaterally by designated central accounting points in each country.

4.4 The process of inter-administration accounting will be by means of a form which will be forwarded (along with a copy of the C 12, on which IA items will be recorded) to the dispatching country's central accounting point. The receiving office of exchange, once satisfied that the correct number of notified items has been received, then forwards a copy of the form to its own central accounting point for bill matching and payment purposes.

V. Current status

5.1 At the time this proposal was prepared, the service was about to be introduced. Great Britain will be able to give a verbal progress report during Congress.

VI. Competition

6.1 Several international couriers (notably TNT) advertise and operate an international reply service. This typically involves the courier taking out a PO box on behalf of a customer and returning the replies via its own international network. This operation will be comparable to that offered by PDMS members.

6.2 Currently, competitor offerings appear to be expensive; however, it is likely that keen price competition will develop once international admail is introduced amongst PDMS members.

VII. Market research

7.1 A market research survey commissioned by the British Post Office during December 1992 amongst 428 companies engaged in international marketing (across four European countries

including Great Britain) clearly established a customer requirement for a *range* of international response services specifically including international admail ("local" IBRS).

7.2 Market research shows that companies and individuals who receive direct mail items are much more likely to use a response item if it is addressed to a local national address, rather than an address in another country. Although the basic IBRS service has been quite successful, the addition of this local response facility will help to break down this reluctance by some addressees to respond to international mail. Market research shows that the local response facility will help to expand the use of IBRS even further.

7.3 Of companies already using IBRS, 66 percent said they would also take up a local response facility (IA). A quarter of international direct mail users think mail is taken more seriously with a local address.

Decision C 69

Draft 1995–1999 study programme

Congress

Instructs

the Postal Operations Council to include in the 1995–1999 study programme a sub-study entitled "Delivery of EMS items by private enterprises" with a view to:

i preparing a draft framework agreement between postal administrations and private companies providing delivery of EMS items;

ii developing an operational guide to delivery of EMS items by private enterprises.

(Proposal 03, Committee 5, 3rd meeting)

Resolution C 70

Draft 1995–1999 study programme

Congress,

In view of
article 104, paragraph 9, of the General Regulations relating to the functions of the Postal Operations Council,

Also in view of
the consultation of the Union member countries and the Restricted Unions undertaken pursuant to article 104, paragraph 12, of the General Regulations,

Noting
the large amount of preparatory work done by the outgoing CCPS,

Conscious
of the need to establish a basic programme of studies to be undertaken, one that shall include a limited number of studies on topical subjects of common interest and be subject to review annually in the light of new realities and priorities,

Taking the view that
the capability of the Council that will be responsible for the studies must be reserved first and foremost for the sectors of activity considered by postal administrations to be important or even a matter of priority,

Decides

to leave it to that Council, within the framework of the Strategic Plan, to:

a organize and arrange, as it sees fit, its work relating to the studies to be undertaken;

b decide which permanent studies to resume;

c ensure that the studies are completed within the shortest time frames possible and that their results are distributed immediately to all administrations while they are still of maximum use;

d ensure that the results obtained at the end of certain studies can be widely used in the field for the benefit of the most disadvantaged countries;

e regularly modify certain studies, if necessary, so as to bring them into line with such new realities and priorities as may emerge;
f employ working methods which are best suited to the subjects to be dealt with, so as to achieve the best results.

(Proposal 04, Committee 5, 3rd meeting)

Resolution C 71

Reconstitution of the Private Operators–UPU Contact Committee

Congress,

In view of
the increasingly competitive operational environment of the postal services, particularly the express services,

Recognizing
that a contact committee could be the proper forum for the exchange of views between postal administrations and private operators on matters of common interest to both parties,

Considering
that efforts to find common solutions to issues of interest to both private operators and postal administrations should be continued, particularly as regards questions relating to Customs and security,

Authorizes

the Council of Administration to reconstitute the Private Operators–UPU Contact Committee with a view to continuing the study of common technical, commercial and operational problems.

(Proposal 011, Committee 5, 3rd meeting)

Resolution C 72

Consignment service

Congress,

Having introduced
into the Postal Parcels Agreement the basic provisions concerning the Consignment service,

Aware
that administrations wishing to perform this service need more detailed provisions,

Considering
that this service could later be offered for the conveyance of letter-post items,

Instructs

the Postal Operations Council:

i to prepare the provisions that postal administrations need to perform the Consignment service;

ii to study the question of extending this service to the conveyance of letter-post items and, if applicable, to submit appropriate proposals to the next Congress.

(Committee 5, 3rd meeting)

Resolution C 73

Coordination Committee for the Permanent Bodies of the Union

Congress,

In view of
resolution C 4 (Washington 1989) concerning the Committee to coordinate the work of the Union's permanent bodies,

Bearing in mind
the work that the Coordination Committee has accomplished since the last Congress,

Recognizing

a that the Committee is a coordination body within the Union, made up of the Chairman of the Council of Administration, the Chairman of the Postal Operations Council and the Director-General of the International Bureau;

b that the Committee is convened by the Chairman of the Council of Administration and that it must normally meet on the occasion of the annual sessions of the two Councils and when the need arises,

Taking into account
that the Executive Council has recommended the introduction of a system of strategic planning which will improve the coordination and planning of the Union's activities,

Considering
that it is necessary to review the status, the functions and the work method of the Committee, in the light of the new strategic planning process,

Decides

i to lay down the function of the Coordination Committee for the Permanent Bodies of the Union as follows:
- to contribute to the coordination of the work of the permanent bodies of the Union;
- to meet, when needed, in order to discuss important questions relating to the Union and the international postal service;
- to provide the Union's bodies with an evaluation of such questions and the implications for their work;
- to ensure the proper implementation of the strategic planning process so that all decisions on the Union's activities are taken by the appropriate bodies in accordance with their responsibilities as specified in the Acts;

ii to instruct the Council of Administration, in collaboration with the Postal Operations Council and the International Bureau, to review further, within the future study on improving the management of the Union's work, both the role and functions of the Coordination Committee and its relationship with the strategic planning process.

(Proposal 041/Rev 2, Committee 3, 7th meeting)

Resolution C 74

Efficiency of translation services within the Union

Congress,

Noting
the examination of the language issue during the work of Executive Council Working Party WP 3/3, aimed at improving the efficiency of the management of the Union,

Recognizing
that any international organization which receives and produces documents in a variety of languages faces a major managerial and logistical task in ensuring that translations are produced promptly, accurately, efficiently, and with the most cost-effective use of available resources,

Instructs

the Council of Administration, in collaboration with the International Bureau:
- to undertake a study on the translation and typing services' working methods and procedures used both within the International Bureau and by the language groups, as well as on the preparation and distribution of documents, with a view to determining the effect these procedures have on the efficiency of the management of the Union's work, and to make recommendations for appropriate improvements, to be implemented as quickly as possible;
- to include in its study the costs of translating documents into the offical language.

(Proposal 021/Rev 1, Committee 3, 7th meeting)

Resolution C 75

Institutionalization of a high-level meeting between Congresses

Congress,

In view of
the results of the extraordinary high-level meeting held in 1992,

Aware
of the need to cope with the rapidly changing postal environment and to monitor the implementation of postal strategies adopted at the previous Congress and to discuss the future direction to be taken to make the international postal services successful,

Invites

the Council of Administration, in consultation with the Postal Operations Council and the International Bureau, to consider the usefulness of holding a high-level meeting, in principle, in the third year following the Congress, attended by high-level officials.

(Proposal 042, Committee 3, 7th meeting)

Resolution C 76

UPU Strategic Plan, Operational Plan and financial plan

Congress,

Following
the decision of the Executive Council to introduce a system of strategic planning and programme budgeting, as part of the general improvements in the management of the Union's work arising out of Washington Congress resolution C 8/1989,

Recognizing
the need, explicit in that decision, for a fully coordinated and comprehensive system for planning all of the Union's activities and finances, and for greater financial and managerial transparency in the decision-making processes of all of the Union's bodies,

Acknowledging
the need for the Seoul Postal Strategy and the UPU Strategic Plan to be fully compatible and consistent with each other,

Adopts in principle

- the UPU Strategic Plan 1995–1999 as the document containing the programme of activities intended to ensure that the Union's bodies can fulfil the Union's objectives;
- the UPU Operational Plan 1995–1999, with the financial implications set out in the financial plan, as the key document for encompassing all the activities, as well as the costs and resources necessary to implement the activities, of the UPU and its bodies,

Instructs

the Council of Administration and the Postal Operations Council, in collaboration with the International Bureau:

a to implement the Strategic Plan and the Operational Plan in the manner they consider most appropriate, incorporating suitable performance measures;

b to take account of the need for flexibility of procedures, in the light of the new structures of the two Councils;

c to amend and update the Operational Plan and the financial plan each year in the light of changing circumstances, while:
  - recognizing the objectives outlined in the Seoul Postal Strategy;
  - taking account of the overall strategic direction and priorities indicated by Congress in the Strategic Plan;
  - taking into account the results, as they arise, from the continuation of the study on improving the management of the Union's work;
  - reallocating resources if necessary;
  - observing the budget ceilings fixed by Congress;

d to review the financial results and analysis, the categorization of activities, and the allocation of resources shown in Docs 74/Annex 2 and Add 1, recognizing that these are illustrative and indicative only, and do not limit the authority of the Council of Administration and the Postal Operations Council with regard to the amount and allocation of expenditure and to sources of financing within the framework of their respective powers;
e to approve each year the allocation of any financial resources additional to the regular budget which may be made available to the Union;
f to ensure that all the activities and finances of the Union and its bodies, including the updating of the plans, are conducted in accordance with the processes laid down in resolution C 46/Seoul 1994 "Strategic planning and programme budgeting – roles and responsibilities".

(Proposal 048, Committee 3, 7th meeting)

Decision C 77

Study on the Union's language system

Congress

Instructs

the Council of Administration:
i to conduct a comprehensive study of the Union's language system for the purpose of finding a global solution, acceptable to all member countries, taking special account of proposals 15. 106.94 and 15. 106.95, as well as other languages, particularly Chinese, German and Russian, and drawing on the systems adopted by the other specialized agencies of the United Nations;
ii also to analyze the definition of the concepts of official language and working language and the relationships between the two;
iii to consider all the consequences, including the financial ones, of introducing other working languages;
iv to submit relevant proposals to the next Congress.

(Committee 3, 7th meeting)

Resolution C 78

Information management as a UPU strategic activity

Congress,

Having taken note
of the Secretary-General's report on information management as a UPU strategic activity (Congress – Doc 71),

Decides

– to recognize information management, and more specifically computerized information management, as a strategic activity of the UPU;

- to take note of the progress made in connection with establishment of the data base for the benefit of postal administrations and the International Bureau.

(Committee 3, 8th meeting)

Resolution C 79

Development of human resources and training

Congress,

In view of
the report submitted by the Executive Council on the development of human resources (Congress – Doc 53),

Aware
of the important structural and technological changes which have taken place in the sector and of their effects on the organization and management of the postal services,

Convinced
that the training and qualifying of staff are still the best way of making postal administrations more competitive,

Considering
the economic and instructional benefits of the modular training system and its adaptability to each country's needs, and bearing in mind its proven efficacy in other agencies of the United Nations system,

Noting
the importance and urgency of aid to the developing countries in the fields of human resources and training to cope with changes in the postal sector,

Urges

postal authorities to reserve a percentage of their wage bill or operational revenue for training,

Instructs

the Director-General of the International Bureau:
- to take the necessary steps to help member countries in the fields of human resources and training;
- to seek the appropriate resources for implementing the modular training system,

Also instructs

the UPU bodies concerned to issue the necessary policy guidelines and take the required action to make technical assistance in the field of human resources and training more efficient, in order to promote the development of postal services worldwide.

(Proposal 032, Committee 9, 5th meeting)

Resolution C 80

PDAG work plan 1995–1999

Congress,

Taking account
of Executive Council resolution 34/1991 in which that body adopted an Action Plan for development, supplementing the Washington General Action Plan, in order to expand interaction between postal administrations and the international development banks, and established a Postal Development Action Group,

Having considered
the joint Executive Council and Consultative Council of Postal Studies' report on the activities of the Postal Development Action Group (PDAG) (Congress – Doc 56),

Aware
of the fact that despite the efforts of the developing countries and the international community the postal services of the countries concerned are not progressing sufficiently, which in some cases results in a decline in the quality of service and a decrease in traffic,

Noting
that the postal administrations are unable to marshall sufficient internal investment capital to improve the operating level of their services appreciably,

Having observed
that multilateral investors, including the World Bank, are potential sources of financing for investments in the postal field,

Approves

- the work done by PDAG since its creation to increase the amount of the funds granted by development investment banks for postal projects, as described in the Executive Council report on the activities of the Postal Development Action Group (PDAG);
- the continuing effort to involve multilateral investors in postal development projects,

Decides

to adopt the Postal Development Action Group work plan for 1995–1999 (annexed hereto).

(Proposal 036, Committee 9, 5th meeting)

Annex

POSTAL DEVELOPMENT ACTION GROUP WORK PLAN 1995–1999

PROJECT 1 – Involve governments in postal development

Description

Postal services are normally not very high on the priority list for national development plans. This project would inform governments of the contributions that postal services make to economic development in their countries and inform them through statistics of the services which only the Posts can provide. It would also provide information concerning the support which the Posts give for national development priorities such as rural development, education, small business development, etc. Finally, it would encourage governments to include postal services as a priority in national development plans and to support postal projects that are submitted to multilateral investors.

Activities

- Publish and distribute promotional brochures and other media which provide statistics showing governments the contributions made by postal services.
- Visit government ministries responsible for national development plans and for contact with multilateral investors to familiarize these ministries with postal development.
- Ensure that postal development is promoted at regional-level meetings attended by ministers responsible for postal services.
- Elevate postal development projects to ministry level attention through advice and assistance given to postal administrations.
- Ensure inter-governmental participation in the 1995 Postal Development Symposium.
- Establish contact with ministers in a number of countries to promote postal development.
- Encourage governments to make all resources necessary for postal development, including terminal dues, available to postal administrations.

PROJECT 2 – Familiarize multilateral investors with postal services

Description

Multilateral investors are not aware of the nature of postal services and frequently lack the technical expertise to evaluate postal projects. Some of these institutions, including the World Bank, have recently shown an interest in increasing their store of information on the role and contributions of postal sectors both at the national and at the global level. This interest should be encouraged and used as a means of increasing multilateral investor support for postal projects.

Activities

- Distribute promotional brochures and other media to inform multilateral investors of the contributions of postal services and to increase their support for the sector.
- Provide information to multilateral investors concerning the role and activities of the PDAG so that they are aware of the progress of the postal development concept.

- Participate with multilateral investors in studies, surveys, and questionnaires designed to increase those institutions' awareness of and support for the postal sector.
- Develop "models" based on successful postal development projects and ensure that multilateral investors are aware of these.
- Provide technical expertise upon the request of multilateral investors to complete the postal portion of country projects.
- Take an active part in donor conferences and other financial backer meetings.
- Monitor changes in goals, policies and procedures being utilized within the multilateral investor community.
- Ensure multilateral investor participation in the 1995 Development Symposium.

PROJECT 3 – Utilize postal development to modernize postal services

Description

In order to remain competitive in today's postal marketplace, national postal administrations must transform themselves into corporations capable of acting in a commercially viable fashion. This level of change requires resources beyond those available from self-financing. The multilateral investor community is an excellent source for such development financing, but it places certain conditions on such loans, the most important being that they require recipients to restructure their operations along financially profitable lines and to repay the investment loan. This project would make postal administrations aware of both the evaluation criteria utilized by these investors and the responsibilities inherent in accepting development loans.

Activities

- Encourage postal services to utilize multilateral investors as a source of postal development resources.
- Update and circulate Congress documents on postal development.
- Organize postal development workshops in conjunction with Restricted Union meetings.
- Update and circulate the Procedural Model.
- Organize and hold a Postal Development Symposium during 1995.
- Conduct consultant missions under the PDAG to individual postal administrations to assist these administrations in learning how to acquire outside resources for postal development.
- Ensure participation by postal administrations in the 1995 Development Symposium.

PROJECT 4 – Research further availability of outside resources for postal development

Description

In order to sustain the continued growth in the number and scope of postal development projects, the PDAG, in conjunction with the International Bureau, must continue to find resources for conducting development projects. As part of this same project, the International Bureau and PDAG should expand the range of working contacts with the multilateral investor community to include investors in addition to the World Bank.

Activities

- Monitor and update the five-year work plan.
- Hold regular PDAG meetings to examine mission results and progress on the Action Plan.
- Actively seek to expand investor community contacts and involve new investors in postal development projects.
- Identify additional resources for conducting missions under the PDAG.
- Avoid duplication of effort and optimize use of resources allocated to postal development by coordinating PDAG projects with:
  - the Development Cooperation Division, International Bureau;
  - the Regional Advisers;
  - the Restricted Unions;
  - UNDP sectoral support function.

PROJECT 5 – Assist postal administrations in preparing a development or restructuring plan

Description

One of the reasons why the postal services are not given sufficient priority in their country's development plans seems to be the fact that postal administrations either do not submit any project, or propose incomplete or ill-conceived ones.

Indeed, on various occasions, experience has shown that a correctly prepared project can receive sufficient priority from government to be financed by one or several lenders of funds.

The PDAG could once again offer to help the senior officials of the postal administrations of developing countries to design "bankable" projects, ie projects likely to be well received by the supervisory government bodies and thus to be submitted to the lenders of funds.

Activities

- Dispatch of a personalized memorandum, signed by the PDAG Chairman, offering the services of PDAG experts or consultants.
- Organization of technical support by correspondence.
- Experts' missions.

Resolution C 81

Establishment of an institute of higher postal studies under UPU auspices

Congress,

Noting
that, under UPU auspices, with UNDP financing and with the cooperation of the Restricted Unions, intercountry schools have been established in most regions to contribute to the staff training efforts made by the postal administrations of the developing countries,

Aware
of the need to have high-level postal staff capable of coping with the development of the environment in which Post operates,

Bearing in mind
the value of harmonizing the operational and work systems of the postal services with a view to achieving a common vision of the new postal professions so as to attain an appropriate quality of international service,

Convinced
of the need to strengthen the spirit of solidarity in the UPU, to teach new management skills and make postal professionals capable of disseminating the noble aims of the UPU,

Instructs

the Postal Operations Council to study, in conjunction with the International Bureau, the possibility of establishing a higher postal studies institute under UPU auspices, taking into account the facilities and potential of existing postal management schools and of management training schools generally throughout the world. The study should include a detailed assessment of the financial consequences of any proposal, as well as an analysis of the experiences of other international organizations with similar initiatives.

(Proposal 045, Committee 9, 5th meeting)

Recommendation C 82

Preparation of accounting documents sent between administrations

Congress,

Aware
of the problems that often arise as a result of the illegibility of accounting documents filled out by hand,

Recommends

administrations to avoid as far as possible filling out by hand accounting documents that are to be sent to other administrations and, to that end, to use typewriters or computer printers to ensure the legibility of these documents.

(Proposal 20. 0.18, Committee 4, 10th meeting)

Resolution C 83

Expansion of International Bureau offsetting arrangements

Congress,

Taking account
of the results of CCPS study 751 "International accounting – Modernization of billing systems and settlement of accounts", expanded by the 1993 EC to include all administrations, and in particular of the large majority of administrations in favour of settling AV 5 airmail accounts and CP 16 parcel-post accounts on the basis of monthly, quarterly, half-yearly or annual billing,

Convinced
of the advantages of multilateral offsetting offered by the UPU general liquidation account in terms of the efficiency, speed and low cost of settling accounts,

Instructs

the International Bureau to make known the advantages of the general liquidation account and to encourage administrations to make use of it, and to do its best to improve the system.

(Proposal 20. 0.9/Rev 1, Committee 4, 10th meeting)

Resolution C 84

Preparation and settlement of accounts. Monitoring the system of direct billing with AV 5 and CP 16 accounts

Congress,

Considering
the need to modernize as far as possible the preparation and settlement of accounts between administrations,

Taking account
of the results of CCPS study 751 "International accounting – Modernization of billing systems and settlement of accounts" relating to letter post and to the parcel-post service,

Having adopted
direct billing with AV 5 and CP 16 accounts,

Instructs

the Postal Operations Council to monitor and assess the operation of the new system within three years of the entry into force of the Seoul Acts and, if necessary, to adopt any actions considered necessary for the ongoing adjustment of the accounting systems in question.

(Proposal 20. 0.8/Rev 1, Committee 4, 10th meeting)

Recommendation C 85

Improvement of the quality of service of items sent in transit à découvert

Congress,

Aware
of the importance of reducing transmission times for all airmail items so that the quality of the service is improved,

Noting
that items loose in transit à découvert may incur delay because of the handling operations in intermediate offices,

Considering
that there are fewer handling operations and resulting delays when à découvert items are put into separate bundles for each country of destination, the bundles are labelled, and the bundles are put into one or more "Transit" bags which are themselves distinctively labelled "Transit",

Urges

administrations of origin always to make up à découvert airmail items into labelled bundles and to insert them in a "Transit" bag, in accordance with the provisions of article RE 4103 of the Detailed Regulations of the Convention,

Recommends

that those administrations which conclude bilateral agreements on quality of service targets (see Washington recommendation C 33/1989) should incorporate into these agreements appropriate references to handling and transmission time targets for mails sent in transit à découvert.

(Proposal 25. RE 0.1, Committee 4, 10th meeting)

Decision C 86

Preparation and settlement of accounts.
Reviewing the wording of the Detailed Regulations of the Convention and of the Postal Parcels Agreement. Preparation of an operational compendium on accounting

Congress,

Considering
that accounting for letter post and for the parcel-post service could be facilitated by a review of the relevant texts contained in the Detailed Regulations of the Convention and of the Postal Parcels Agreement, as well as by the publication of an operational compendium,

Instructs

the Postal Operations Council:
- to conduct a study to further simplify letter-post and parcel-post accounting procedures;
- to consider the possibility of facilitating international settlements by using the most efficient means at the International Bureau and in all the postal administrations concerned,

Also instructs

the International Bureau:
- to examine the wording of the articles dealing with accounting contained in the Detailed Regulations of the Convention and of the Postal Parcels Agreement with the aim of making them easier to understand and to submit relevant proposals to the Postal Operations Council by 1997;
- to prepare an operational compendium on accounting which would take over a part of the Operational Guide on Terminal Dues and Transit Charges and would be based on practical examples, thus providing accounting services with one single reference document.

(Proposal 25. RE 0.4, Committee 4, 10th meeting)

Resolution C 87

Proposals relating to the Detailed Regulations of the Convention referred to the POC for consideration

Congress,

By virtue of
article 15, paragraphs 2, 3 and 10, of the Rules of Procedure of Congresses,

Instructs

the Postal Operations Council to consider the following proposals concerning the Detailed Regulations of the Convention:

25. RE 101.1
25. RE 901.1
25. RE 902.1
25. RE 903.1
25. RE 903.2/Rev 1
25. RE 903.3
25. RE 903.4
25. RE 904.1
25. RE 904.2
25. RE 904.3
25. RE 904.5
25. RE 904.6
25. RE 905.1
25. RE 907.1
25. RE 907.1/Rev 1
25. RE 1401.1
25. RE 1403.1
25. RE 1405.1
25. RE 1405.2
25. RE 1601.1
25. RE 1901.1
25. RE 1901.2
25. RE 1901.3
25. RE 1902.1
25. RE 1902.2
25. RE 1902.3
25. RE 1903.1
25. RE 2001.1
25. RE 2002.1
25. RE 2102.1
25. RE 2303.1
25. RE 2701.1
25. RE 2902.1
25. RE 2902.2
25. RE 2903.1/Rev 1
25. RE 3001.1
25. RE 3001.2
25. RE 3001.3
25. RE 3001.4
25. RE 3101.1/Rev 1
25. RE 3101.2
25. RE 3101.3
25. RE 3101.4/Rev 1
25. RE 3101.5
25. RE 3101.6
25. RE 3101.7
25. RE 3101.8
25. RE 3101.9
25. RE 3101.10
25. RE 3101.11
25. RE 3102.1
25. RE 3102.2
25. RE 3201.1
25. RE 3601.1
25. RE 3601.2
25. RE 3801.1
25. RE 3801.4
25. RE 3801.5
25. RE 3802.1
25. RE 3802.2
25. RE 4001.1
25. RE 4101.1
25. RE 4102.1
25. RE 4102.2
25. RE 4102.3
25. RE 4104.1
25. RE 4104.2
25. RE 4105.1
25. RE 4105.2
25. RE 4105.3
25. RE 4105.4
25. RE 4105.5
25. RE 4106.1
25. RE 4106.2
25. RE 4106.3
25. RE 4106.4
25. RE 4106.5
25. RE 4107.1
25. RE 4109.1
25. RE 4109.2
25. RE 4111.1
25. RE 4111.2
25. RE 4112.91
25. RE 4113.1
25. RE 4113.2
25. RE 4113.3
25. RE 4113.4
25. RE 4114.1
25. RE 4115.1
25. RE 4117.1
25. RE 4117.2
25. RE 4117.3
25. RE 4118.1
25. RE 4118.2
25. RE 4118.3
25. RE 4119.1
25. RE 4119.2
25. RE 4119.3
25. RE 4119.4
25. RE 4120.1
25. RE 4121.1
25. RE 4121.2
25. RE 4122.1
25. RE 4122.2
25. RE 4122.3
25. RE 4124.1
25. RE 4126.1
25. RE 4127.1
25. RE 4127.2
25. RE 4127.3
25. RE 4127.4
25. RE 4127.5
25. RE 4127.6
25. RE 4128.1
25. RE 4401.1
25. RE 4401.2
25. RE 4403.1
25. RE 4405.1/Rev 2
25. RE 4405.2
25. RE 4405.3
25. RE 4501.1
25. RE 4501.2
25. RE 4501.3
25. RE 4602.1
25. RE 4602.2
25. RE 4604.1
25. RE 4604.2
25. RE 4701.1
25. RE 4701.2
25. RE 4702.1
25. RE 4703.1
25. RE 4704.1
25. RE 4705.1
25. RE 4706.1
25. RE 4707.1
25. RE 4708.1/Rev 1
25. RE 4708.92
25. RE 5001.1
25. RE 5001.2
25. RE 5002.1
25. RE 5003.1
25. RE 5003.91
25. RE 5006.1
25. RE 5006.2
25. RE 5006.3
25. RE 5007.1
25. RE 5008.1
25. RE 5008.2
25. RE 5009.1
25. RE 5009.2
25. RE 5201.3
25. RE 5202.1
25. RE 5202.2
25. RE 5204.1
25. RE 5204.2
25. RE 5204.3
25. RE 5205.1/Rev 2
25. RE 5205.2
25. RE 5206.1/Rev 2
25. RE 5206.2
25. RE 5208.1
25. RE 5208.2/Rev 1
25. RE 5210.91
25. RE 5301.1/Rev 2
25. RE 5301.2
25. RE 5301.3
25. RE 5303.1
25. RE 5401.1
25. RE 5406.1
25. RE 5407.1
25. RE 5408.1
25. RE 5501.1
25. RE 5501.2
25. RE 5501.3
27. RE 4.1
27. RE 5.1
29. 0.1
29. 3.1
29. 7.1
29. 9.1
29. 12.1
29. 14.1
29. 18.1
29. 18.2
29. 18.3
29. 18.4
29. 18.91

(Committee 4, 10th meeting; Committee 5, 3rd meeting; Committee 6, 3rd meeting)

Decision C 88

Financing Union activities

Congress

Expresses

its agreement with the broad policy lines on financing Union activities, indicated in part III of Congress – Doc 19, taking proposal 022 into account.

(Congress – Doc 19, Committee 2, 3rd meeting)

Decision C 89

Proposals referred to the CA and the POC

Congress

Instructs

the Council of Administration, in conjunction with the Postal Operations Council and the International Bureau, to consider the following proposals:

- establish a Working Party made up of a number of member countries and the International Bureau to make an in-depth study of extra-budgetary financing of Union activities;
- consult all member countries about extra-budgetary financing of the Union's reinforcement activities so that their views can be taken into account in a study conducted by the above-mentioned Working Party;
- base the study on the principles contained in Congress – Doc 19 and also consider the possibility of defining new means of extra-budgetary financing;
- consider and take account of the practices of the other specialized agencies of the United Nations common system for dealing with financial constraints,

Also instructs

the Council of Administration and the Postal Operations Council to study the possibility of extra-budgetary financing of Union activities, case by case, on the basis of the Union's current practice and the results of the above-mentioned study by the Working Party.

(Congress – Doc 19, Committee 2, 3rd meeting)

Decision C 90

Billing date for contributions

Congress

Authorizes

the International Bureau to submit, in June of each year, the bill for the contribution based on the budget of the preceding financial year taking into account the inflation rate set by the Consultative Committee on Administrative Questions of the United Nations common system, it being understood that the bill could be adjusted at the conclusion of the autumn Council of Administration.

(Congress – Doc 19, Committee 2, 3rd meeting)

Resolution C 91

Financing the priority activities of the Union

Congress,

Concerned
at the level of the Union's Voluntary Fund for the 1996–2000 financial period,

Considering it necessary
to urgently reinforce the sources of funding for priority Union activities,

Considering
the urgent appeals made by the Executive Council and the International Bureau to all Union member countries during the period from 1992 to 1994, asking them to make a voluntary contribution in addition to their contribution to the regular budget of the Union,

Taking due account
of a decision by the Executive Council (CE 7/1994) instructing the International Bureau to prepare a draft Congress resolution along these lines,

Invites

all Union member countries to make extra-budgetary contributions for financing the priority activities of the Union,

Instructs

the Council of Administration, the Postal Operations Council and the International Bureau to take appropriate measures, each within its own sphere of responsibility, for the maintenance of an extra-budgetary fund.

(Congress – Doc 19, Committee 2, 3rd meeting)

Decision C 92

Election of the Director-General and Deputy Director-General of the International Bureau of the Universal Postal Union

Congress,

In view of
article 108, paragraph 1, of the General Regulations,

Elects

- to the post of Director-General of the International Bureau Mr Thomas E Leavey (United States of America), Senior Director of International Postal Affairs of the United States Postal Service (USPS);
- to the post of Deputy Director-General of the International Bureau Mr Moussibahou Mazou (Congo (Rep)), Assistant Director-General at the International Bureau.

This decision takes effect on 1 January 1995.

(Congress – Doc 40, 12th plenary meeting)

Decision C 93

Venue of the 22nd Universal Postal Congress

Congress

Decides

to accept the invitation from the Government of the People's Republic of China to hold the 22nd Congress in that country in 1999.

(Congress – Doc 80, 13th plenary meeting)

Resolution C 94

Referral to the POC of proposals concerning the Detailed Regulations considered by Congress

Congress,

By virtue of
article 15, paragraph 10, of the Rules of Procedure of Congresses,

Instructs

the Postal Operations Council to incorporate in the appropriate Detailed Regulations the proposals considered by Congress, the approved texts of which are as follows:

Detailed Regulations of the Convention

25. RE 0.1, 25. RE 0.3, 25. RE 601.1, 25. RE 601.2, 25. RE 904.7, 25. RE 4128.2: adopted without amendment.

25. RE 4708.91: in paragraph 1.1.2, "Executive Council" is replaced by "**Postal Operations Council**".

25. RE 5201.1/Rev 1, 25. RE 5801.2: adopted without amendment.

Detailed Regulations of the Postal Parcels Agreement

35. RE 201.1: paragraph 1, line 3 (amendment applicable to the French version only).

35. RE 301.1, 35. RE 401.1, 35. RE 3103.1, 35. RE 3401.1: adopted without amendment.

35. RE 3401.2: paragraph 2, line 1, read "by the **postal** services".

35. RE 3601.1, 35. RE 3603.1, 35. RE 3701.1, 35. RE 3801.1, 35. RE 4201.2: adopted without amendment.

Detailed Regulations of the Money Orders Agreement

45. RE 1303.2: adopted without amendment.

Detailed Regulations of the Giro Agreement

55. RE 1702.2: adopted without amendment.

Detailed Regulations of the Cash-on-Delivery Agreement

65. RE 903.2: adopted without amendment.

(Committee 10, 13th meeting)

Congress – Doc 86

Towards an expanded multilateral financial clearing system for postal administrations

I. Introduction

1 Article 113, paragraph 5, of the General Regulations stipulates that "It (the International Bureau) shall act as a clearing house in the settlement of accounts of all kinds relating to the international postal service between postal administrations requesting this facility". Article 101, paragraph 3, of the Detailed Regulations of the Convention (article RE 5301.3 of the recast version) further specifies that "To this end the administrations concerned shall consult with each other and with the Bureau and decide upon the method of settlement."

2 At the International Bureau, offsetting is currently applied to international reply coupons and transit charges and terminal dues accounts (article 199, paragraph 10, and article 192, paragraph 11, of the Detailed Regulations of the Convention) (articles RE 1601.10 and RE 5009.11 of the recast version). Transit charges and terminal dues accounts are cleared on a half-yearly basis and reply coupons every two years.

3 Since article 113 of the General Regulations makes provision for a broader use of offsetting, it could be extended to other accounts. Washington Congress resolution C 70/1989, moreover, instructed the EC to study methods of expanding offsetting arrangements.

4 Most of the work in this regard was done in connection with CCPS study 751 "International accounting – Modernization of billing systems and settlement of accounts".

5 As regards clearing, the study considered the question of extending, on an optional basis, the present UPU offsetting system. This is the context in which one should view the request to *undertake a campaign to make known the advantages of the International Bureau's general liquidation accounting activities*, as called for in the Executive Council's proposal 20. 0.9/Rev 1 for a Congress resolution.

6 This document responds to that request and also addresses the question of how such an expanded system could operate.

II. Background

7 We reproduce hereunder, for information purposes, an excerpt from the text of note 6 to article 113 of the General Regulations:

"... the 1874 Berne Treaty assigned the International Bureau the task of facilitating international accounting. However, a project for a central accounting office, worked out and presented by the International Bureau itself in 1876, was not followed up. Not until the 1891 Vienna Congress was this service instituted. The reasons given emphasize that the procedure for individual accounts is cumbersome and involves the administrations in considerable expense ... . Administrations using the franc as their monetary unit or agreeing on the rate of conversion of their currencies into hard francs and centimes could accede to it. A uniform monetary unit is, in fact, the condition sine qua non for a multilateral offsetting service. The administrations adhering to this have remained, however, free to indicate for which branches of the services and with which countries they wished to participate in the settlement of accounts and clearing facilities. ... Clearing was

effected monthly or quarterly, as convenient. ... When during the First World War, the gold standard ceased to function, as a result of which the hard franc disappeared, clearing inevitably came to an end. ... The services of the International Bureau have therefore been used in this connection only for the annual General liquidation accounts of transit charges and reply coupons...".

8 It is interesting to read that the 1891 Vienna Congress had already established a central accounting and clearing office and that clearing could be effected monthly or quarterly, as convenient. The text also reveals that the main condition for the operation of such a system was the existence of a uniform and stable monetary unit. The failure of UPU attempts in this area can partly be explained by the non-existence or the disappearance of such a unit. In this regard, with credits expressed in SDR, the problem can be considered solved.

III. Advantages of a multilateral clearing system

9 The reasons given in 1891 which had led to the establishment of a central accounting and clearing office are still valid. The settlement of bilateral bills with all world partners is a tedious task and entails considerable costs (eg banking). This is why clearing systems are widely used in the business world, by airlines and commercial banks, for example. Annex 1 explains how a clearing system operates.

IV. Clearing at the UPU

10 At the UPU, clearing is used for the settlement of C 21 and C 21bis accounts for transit charges and terminal dues (once every six months) and for settlement of C 23 and C 24 accounts for international reply coupons (once every two years). Offsetting payments are made direct by participating administrations. In other words, the International Bureau does not assume any financial intermediary role (see also annex 1). This is a *special* clearing operation that applies to very specific accounts. Although clearing does result in savings – after offsetting, the number of payments to be made is about 10 percent of the number of basic bills, in the case of transit charges and terminal dues offsetting – the use of individual clearing systems may not be the optimal solution.

11 First of all, there is the matter of the frequency of clearing. At this time, the frequency used is that prescribed in the Convention for General liquidation accounts, hence either every six months or every two years. There is another drawback to clearing by *type* of account. In the case of terminal dues, it is usually the same countries that have a debit balance to offset, resulting in a sort of rigidity. A more general system, one that would encompass accounts of all kinds, would afford greater flexibility and consequently better possibilities for clearing.

12 Another important aspect is related to the financial discipline of participants in the liquidation accounts. Obviously, the success of a world clearing system is highly dependent on that factor. In this connection, the experience of the past few decades is rather positive. Apart from a few rare exceptions, participating administrations satisfactorily discharge their obligations and one might even think that clearing payments are effected more scrupulously than bilateral ones.

V. A broader clearing system

13 *First of all, it is important to stress that the clearing process is distinct from that of preparing or accepting the bills to be liquidated.* One should therefore no longer view an offsetting table as an integral part of the General liquidation account of transit charges and terminal dues, of the General liquidation account of international reply coupons, or of any other manner of liquidation account. It would be preferable to consider a *periodic and independent offsetting process*

through which any account expressed in SDR *and accepted by both postal administrations concerned* could be liquidated (transit charges, terminal dues, postal parcel rates, charges for transit à découvert, internal conveyance dues, EMS, etc). In this regard, the effectiveness of offsetting in terms of savings for participants increases with the number of payments that should have been made.

14 The use of such a system should remain optional. On the other hand, the International Bureau should be able to include in multilateral offsetting, without special verification, any bill (accepted by both partners) received from a participant. Naturally, should a problem arise, the correction could be made as part of the next clearing operation.

15 As for frequency, *quarterly* (eg February, May, August and November) would seem to be a good average. In this connection, a protracted frequency would increase the risk of exchange losses.

16 Another suggestion concerns the actual payment of the amounts owed. Some administrations will find it difficult to determine the least costly and the fastest way of making the necessary transfers. Following the example set by IATA, one could imagine the UPU working out an agreement with a commercial bank that could serve as a transfer centre for payments. Obviously, such a service would also be offered on an optional basis.

17 Finally, in the event of an expansion of multilateral clearing in the UPU, there will be no need to establish a special account liquidation service. The International Bureau's clearing process is already fully automated and the probable increase in the number of bills to be processed would result only in an extra data input workload.

18 The International Bureau believes that establishment of a new multilateral clearing system is covered by article 113, paragraph 5, of the General Regulations and thus would not require any amendment to the Acts as regards the purely "offsetting" aspect. The liquidation accounts prepared by the International Bureau would also not present a problem, since nowhere is it stated that offsetting has to be an integral part of the liquidation accounts in question (cf Convention, Detailed Regulations, article RE 5009.11).

19 On the other hand, from the accounting viewpoint, the situation is different. The Detailed Regulations of the Convention should, if possible, be amended, to ensure that clearing can be based on *single statements indicating acceptance by both administrations concerned.* For transit charges and terminal dues, this will, for example, require an amendment to article RE 5009.5 of the Detailed Regulations of the Convention.

VI. Conclusion

20 It seems altogether possible to quickly modernize and expand the International Bureau's clearing system. It would be a matter of increasing its frequency and of ensuring its independence in relation to any individual accounting system. These measures can be taken without amending the Acts. It would nevertheless be desirable to instruct the Postal Operations Council to simplify the accounting procedures set out in the Detailed Regulations of the Convention, so as to make them more effective with regard to the possible introduction of a more general system of multilateral clearing.

Berne, 15 June 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 86/Annex 1

Methods of financial settlement between administrations

I. Payments without offsetting (bilateral or multilateral)

In this case, the number of payments to be made is equal to the number of bills transmitted.

II. Payments using bilateral offsetting

In a perfect bilateral offsetting system between N number of administrations, the number of payments would not exceed:

$1/2 \times N \times (N - 1)$

Example: For 150 administrations, the theoretical maximum number would be:

$1/2 \times 150 \times 149 = 11\ 175$

III. Payments using multilateral offsetting

In this case, participating administrations send all the bills they would like to settle through offsetting to the clearing office.

Every bill is then recorded in the individual account of each of the two administrations concerned by the bill.

After all the bills have been registered, each administration's individual account will include a list of the sums to be paid or received. Working out a total by account produces a single balance (to be paid or to be received) for each administration.

Once the balances per participant have been calculated, the clearing office can move on to the offsetting itself. Two methods could be used:

A. Direct liquidation of balances between administrations (method used by the International Bureau)

To liquidate the balances, the clearing office prepares a list made up of a minimum number of payments between administrations (for example: the offsetting tables prepared for the UPU's General liquidation accounts).

The experience acquired by the International Bureau reveals this to be an effective method. The following table provides a few practical examples based on actual offsetting tables.

Subject	Balances to be liquidated	Payments required
Reply coupons 1991–1992	166	183
Transit charges and terminal dues 1992 II	88	93
Ditto 1993 II	94	97

It appears that the number of payments needed is only slightly higher than the number of balances to be liquidated.

There is no strict mathematical relationship between the number of basic bills or payments to be made used to calculate the individual balances for each administration and the number of payments needed to liquidate them. This means that there is an economic advantage in increasing the number of bills to be settled through offsetting, since a new bill does not entail additional cost.

B. Liquidation of balances through the clearing office or through a banking institution responsible for the task

In this case, the clearing office invites debtor administrations to pay their balances into a central account. Payments to creditors are then made from that same account.

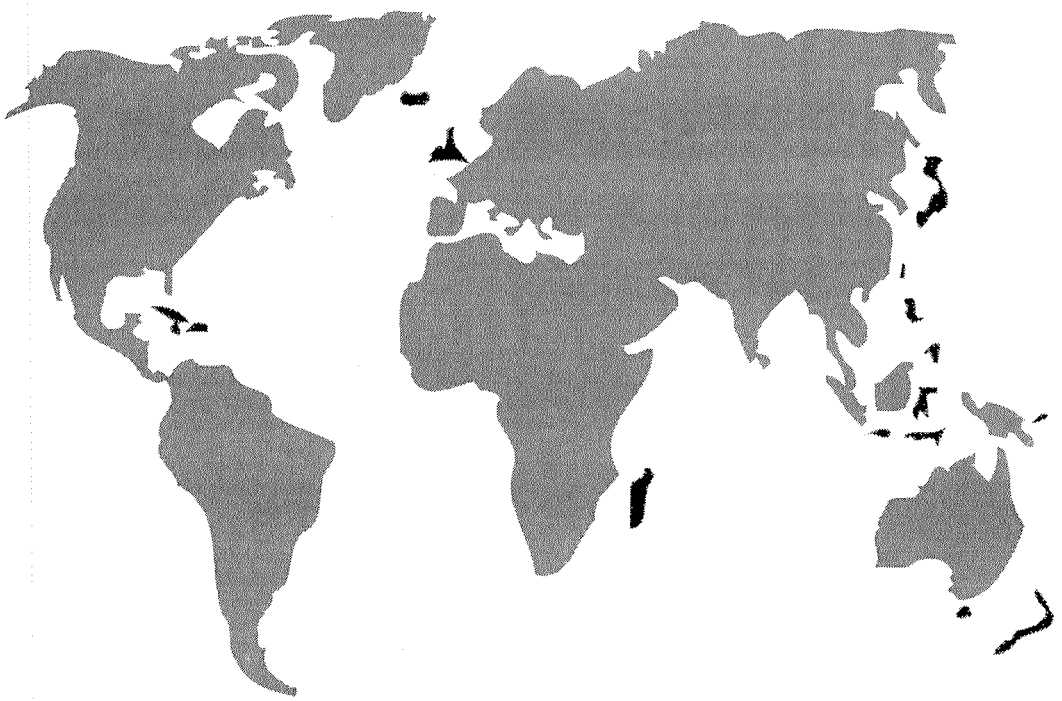
This solution – which requires a minimum number of payments – offers the additional advantage that the clearing office is able to supervise receipt of the payments.

Congress – Doc 87

THE UPU LOOKS TO THE FUTURE

Global strategic planning in a competitive environment

SEOUL POSTAL STRATEGY



Results of the General Debate of 24 and 25 August 1994

I. PRIORITY NATURE OF THE OBJECTIVES AND ACTIONS

1 Congress insists on the need for all action to focus on two key interdependent principles:

- respond effectively to changing market requirements and customer needs;
- monitor and improve the quality of postal products and services.

II. COMPLEMENTARITY BETWEEN THE SEOUL POSTAL STRATEGY AND THE STRATEGIC PLAN – GLOBAL APPROACH TO IMPLEMENTING THE SEOUL POSTAL STRATEGY

2 The Seoul Postal Strategy deals with the objectives and actions which governments, postal administrations and Restricted Unions are called on to implement. Support activities by Union bodies to help postal administrations implement this strategy are contained in the Strategic Plan.

3 Congress is aware that the implementation of a programme centred on customer needs requires the unified commitment of all postal administrations because, at international level, any customer lost by one administration is lost for its partners.

III. OBJECTIVES AND ACTIONS

A. Customer needs and commercial strategies

SITUATION

Over the past decade, considerable growth has taken place in the international postal market as a whole. Over this same period, the volume of international letter-post traffic handled by postal administrations has shown no appreciable growth, while parcel traffic continues to fall.

Postal administrations are facing keener competition and creaming of the market particularly in the most profitable market segments. Most affected are business mail at both domestic and international level, time-certain mail, including express mail, electronic mail, financial services, and direct marketing products and services (ad mail).

Postal administrations' steadily dropping share of the international market shows that, when confronted by constantly changing market needs and competition, many public postal operators have in general been unable to provide the response customers seek. Their commercial activities are often conducted within a restrictive administrative framework. To satisfy their customers' changing requirements and expectations, ensure the necessary turnaround and guarantee their future, public postal operators will have to adopt a more responsive commercial policy based on better knowledge of all aspects of the communications market.

In addition, postal administrations must pay special attention to their customer communication strategies with the aim of making their messages clear, and standardizing them so that they project a positive and unitary image of the organization and of its products and services.

It has to be recognized that written correspondence is a vital link with the customer. A badly written or poorly understood letter is likely to give the reader a negative image, raise doubts in his mind about the quality of the products and services offered to him and to turn his choice towards the competitors. The main faults to be avoided in correspondence to customers are: postal jargon; high-handed bureaucratic attitude; negative authoritarian style; lack of consideration for the customer's point of view.

In order to make communication a major weapon in their development, postal administrations must develop communication strategies and in particular rethink the correspondence which must form part of their commercial strategies.

OBJECTIVES	ACTIONS
A1 Ensure a better knowledge of the various components of the market	A1.1 Define and monitor the development of customer satisfaction indicators Responsibility: Governments, Administrations
	A1.2 Regularly conduct targeted market research with a view to developing and applying appropriate strategies Responsibility: Administrations
	A1.3 Monitor the activities of competitors to be fully informed on their products and services, prices, strategies and practices Responsibility: Administrations
	A1.4 Cooperate in market research projects conducted at international or regional level Responsibility: Administrations, Restricted Unions
	A1.5 Wherever possible, supply the International Bureau with market research findings which could be of interest to other administrations Responsibility: Administrations, Restricted Unions
	A1.6 Develop and implement training programmes for management in gathering information (market research), analyzing and making effective use of it Responsibility: Administrations, Restricted Unions
A2 Prepare and implement, on the basis of market research, customer-oriented commercial strategies founded, as far as major clients are concerned, on partnership	A2.1 Expand and adapt the range of products and services in response to specific customer needs and changing market requirements Responsibility: Administrations
	A2.2 Facilitate customer access to postal products/services, particularly by simplifying products and services, procedures, regulations and rates, and by adapting the sales and service network to customer needs (eg location, business hours, readily identifiable house-style, etc) Responsibility: Administrations
	A2.3 Rationalize tariffs and adopt a flexible cost-related rates policy, adapted to market conditions (contractual rates for major customers, rebates in cases of preliminary sorting by the customer, etc) Responsibility: Governments, Administrations

A2.4 Consider joint inter-administration sales promotion campaigns aimed at multinational customers and international organizations

Responsibility: Administrations, Restricted Unions

A2.5 Establish address lists, subject to appropriate safeguards for personal privacy, and if necessary electronic directories for use in direct mail marketing

Responsibility: Administrations

A2.6 Adopt a dynamic policy of external communication aimed at presenting a positive and unified image of the administration as well as of its products and its services

Responsibility: Administrations

A3 Adapt the structural and functional organization to market requirements

A3.1 Promote a commercially-oriented business culture geared to total quality and customer satisfaction

Responsibility: Governments, Administrations

A3.2 Introduce or strengthen the marketing function responsible for preparing marketing plans and commercial strategies

Responsibility: Administrations, Restricted Unions

A3.3 Establish or strengthen the sales function (establishment of a sales force) and adopt sales strategies based on account management for important customers

Responsibility: Administrations

A3.4 Establish a body to respond to the opportunities now presented by the UPU's EDI activities

Responsibility: Administrations

A4 Implement commercial customer relations programmes based on the best existing practices

A4.1 Create customer-care units manned by specialized staff, in order to respond quickly and correctly to customers' inquiries and complaints

Responsibility: Administrations

A4.2 Reduce bureaucratic procedures in relations with customers

Responsibility: Administrations

A4.3 Personalize written communication with customers and use it more effectively to project a unitary and positive image of the organization and of its products and services.

Responsibility: Administrations

A4.4 Establish Post–Customer councils at local and national level, as well as consultative committees to act as exchange/resource centres for evaluating and developing products and services

Responsibility: Administrations

B. Quality of service and improvement of operations

SITUATION

As many market research findings show, customers regard reliability as one of the vital characteristics of any postal service. Consequently, service standards for all products and services must be communicated to customers who must be able to rely on the administration's commitment to them.

However, a number of administrations have not yet set end-to-end service standards. Where these standards have been set, they often fail to take account either of customer expectations or of competitor performance. Similarly, it should be noted that quality of service checks at national level are not carried out regularly.

When quality of service standards are fixed and end-to-end quality checks are carried out, administrations do not always evaluate customer satisfaction, which may require the fulfilment of other quality criteria than reliable mail transmission times.

The implementation of a total quality policy must focus on customer care and satisfaction at all stages of a customer's relations with the postal business, ie before (requests for information), during (special customer requirements) and after sales (after-sales service). This policy must be taken to heart by the whole organization – and in particular by its staff for whom it should be a source of additional motivation – at all stages of the production process (implementation of the total quality concept).

OBJECTIVES | **ACTIONS**

B1 Implement a quality of service policy

B1.1 Define, update and implement quality of service standards on the basis of customer needs and expectations at national and international levels

Responsibility: Administrations, Restricted Unions

B1.2 Establish internal systems for measuring and comparing actual performance against pre-established standards and ideally supplement them with assessment by independent agencies

Responsibility: Governments, Administrations

B1.3 Advertise quality of service externally: implement an external communication programme about quality standards and inform customers of the results of quality monitoring and improvement measures

Responsibility: Administrations

B1.4 Strengthen staff motivation and commitment as regards quality of service by means of an internal communication programme providing regular information about product and service performance at international, national, regional and local level.

Responsibility: Administrations

B1.5 Adopt an integrated approach to management based on the total quality concept and on the best state-of-the-art business practices, including strategic and operational planning, paying special attention to consistency between marketing plans and operational support

Responsibility: Administrations

B1.6 See that quantified quality of service objectives are included in the information and management control systems

Responsibility: Administrations

B1.7 Set up structures for monitoring quality of service in order to identify, locate and correct weak points, to take preventive action and to correct dysfunctions

Responsibility: Administrations, Restricted Unions

B1.8 Regularly analyze complaints and disputes with customers to identify the problems and their causes, correct them and take preventive action

Responsibility: Administrations

B1.9 Take an active part in international postal service quality tests organized by the International Bureau, by Restricted Unions, and by other multilateral or bilateral arrangements

Responsibility: Administrations

B1.10 Review and implement recommendations made by UPU consultants and Regional Advisers

Responsibility: Governments, Administrations

B1.11 Invest terminal dues revenue in service improvement projects

Responsibility: Governments, Administrations

B2 Adopt and implement a voluntary security-related policy at all stages of postal activity

B2.1 Create a security unit or reinforce the existing one

Responsibility: Administrations, Restricted Unions

B2.2 Introduce appropriate security measures at all stages of operations

Responsibility: Administrations, Restricted Unions

	B2.3 Coordinate security policy in areas involving postal interests with the appropriate national authorities (Customs, police, civil aviation, etc) Responsibility: Administrations, Restricted Unions
	B2.4 Increase postal employee awareness of the importance of security through training, regular information and the provision of appropriate documentation Responsibility: Administrations, Restricted Unions
B3 Expedite customs clearance of items	B3.1 Create national and local Post-Customs contact committees or improve their operation and effectiveness, with a view to simplifying procedures, reducing customs formalities and speeding up the handling of postal traffic Responsibility: Administrations, Restricted Unions
	B3.2 Introduce customs pre-clearance systems, where possible. Responsibility: Administrations
B4 Make use of dedicated telecommunications networks and systems (such as EDI) aimed at ensuring the effective interconnection of the international postal network	B4.1 Introduce or develop national and international computerized track and trace systems for items and mails and where appropriate connect these systems to regional and international systems Responsibility: Administrations, Restricted Unions
	B4.2 Deploy and support the development and use of UPU EDI products and services designed to introduce new, more efficient means of communication between postal enterprises and between the Post and its partners Responsibility: Governments, Administrations, Restricted Unions
B5 Adopt cost control policies and measures to improve the efficiency and productivity of operations with the aim of supporting competitive price structures	B5.1 Develop and introduce traffic and work measurement systems for all major operational processes Responsibility: Administrations, Restricted Unions
	B5.2 Introduce targeted management control systems based on work measurement and cost data in order to ensure progressive improvements in labour and financial productivity Responsibility: Administrations, Restricted Unions
	B5.3 Organize and train a corps of central/regional operational inspectors to carry out a programme of regular audits of operational centres/facilities Responsibility: Administrations, Restricted Unions

B5.4 Introduce a management information system permitting senior managers to review regularly the overall trend of unit costs for all products/services, and the performance against target of major operational facilities, business divisions, regions, etc.

Responsibility: Administrations, Restricted Unions

C. Management independence and postal development

SITUATION

Postal administrations have not always been able to react quickly and appropriately to the requirements of their respective domestic markets and to the changing international postal market. Their often bureaucratic management set-up and the administrative constraints imposed on them limit their commercial freedom of manoeuvre and increase their response times to the market's various demands. As a result, their market operating conditions are unfavourable compared with those of their national or multinational private-sector competitors.

Postal public operators must combine their concern for competitiveness and profitability with the need to provide a universal public service. To do so, they must be free to act effectively in order to ensure their development. This management freedom or independence should be exercised in the following fields in particular: service structures and organization, pricing policy, financial management, conditions of service and management of human resources as well as the freedom to enter into strategic alliances.

However, active cooperation on the part of all member countries is needed to accelerate the development of the postal services of developing countries and to strengthen the international postal network in the interests of all customers in developed and developing countries. Consequently, a global, integrated approach within the framework of the UPU is indispensable.

OBJECTIVES	**ACTIONS**
C1 Secure the administrative and financial management independence needed by public operators to support a commercial style of management responsive to customer needs	C1.1 Acquire a legal status that will provide the management independence, financial autonomy and accountability needed to respond more effectively to the requirements of the market Responsibility: Governments, Administrations, Restricted Unions

C2 Define clearly the privileges and obligations of public postal operators	C2.1 Clearly define the limits and scope of the monopoly or reserved services in consideration of the resources needed to ensure a sound financial base for the Post, which has a public service obligation extending over the entire national territory Responsibility: Governments
	C2.2 Introduce a system for monitoring the application of reserved service/monopoly provisions Responsibility: Administrations, Governments
	C2.3 Define, as necessary, the limits on competition in domestic and international services taking into account the need to ensure that competition is fair and consistent with other obligations such as those that may arise under GATS Responsibility: Governments, Administrations
C3 Prepare and implement common development strategies at regional level	C3.1 Participate in the preparation and implementation of development strategies at regional level in order to improve quality of service, ensure the promotion of products and services and improve competitivity Responsibility: Administrations, Restricted Unions
	C3.2 Define and apply a policy of cooperation in respect of research and development, the transfer of knowledge (sharing of experience) and technologies, for example by means of the build–lease–transfer system (system for the leasing of technology between administrations) Responsibility: Governments, Administrations, Restricted Unions
C4 Participate within the UPU in postal development activities in the technical cooperation field in order to improve the performance and competitive position of the world postal network	C4.1 Support postal development programmes by various means, ie the financing of projects, training courses, fellowships, etc Responsibility: Governments, Administrations
	C4.2 Implement recommendations made by the appropriate bodies of the Union Responsibility: Administrations, Restricted Unions

D. Human resources

SITUATION

The quality and motivation of personnel at all levels is a decisive factor in quality of service. Customer satisfaction, and hence postal administrations' ability to sustain and improve their position in competitive markets, depend on the capability and professionalism of staff and their motivation. The effective mobilization of human resource is a high priority for all postal administrations. Employee performance must be improved by a training policy which is geared to market requirements, takes account of the various postal professions, places emphasis on new management techniques and promotes team work. Pay and conditions of service of postal employees need to be brought into line with those of comparable private sector employees if qualified staff are to be recruited, retained in the organization, and properly motivated.

OBJECTIVES	ACTIONS
D1 Introduce modern human resource development policies	D1.1 Remunerate staff at a level comparable to that in similar sectors of economic activity Responsibility: Governments, Administrations
	D1.2 Recruit and employ qualified staff under the same conditions as those prevailing in industry in general Responsibility: Governments, Administrations
	D1.3 Introduce financial and non-financial incentive mechanisms with a view to increasing productivity and improving quality Responsibility: Administrations, Governments
	D1.4 Make a point of establishing/maintaining good relations with labour unions and seek their cooperation in implementing Seoul Postal Strategy objectives and actions Responsibility: Administrations
D2 Adapt training to the commercial function of the Post	D2.1 Provide permanent and refresher training for staff with a view to obtaining human resources that match corporate objectives and strategies and market requirements Responsibility: Administrations, Restricted Unions
	D2.2 Introduce targeted professional training programmes in the fields of operations, financial management, marketing, sales, public relations, total quality management, planning, use of computerized management aids, etc Responsibility: Administrations

D2.3 Improve the capability of postal training schools and institutes to enable them to provide appropriate, modern, professional training in all fields

Responsibility: Administrations, Restricted Unions

D3 Adopt a management approach that emphasizes the value of team work and staff motivation

D3.1 Introduce where appropriate the "quality circles" system

Responsibility: Administrations

D3.2 Improve management information systems and the flow of information, to promote better work management and prompt response to customer requirements by service units and individuals

Responsibility: Administrations

D3.3 Define and periodically analyze indices of employee satisfaction (eg rate of staff turnover, absence statistics, employee attitude surveys, etc)

Responsibility: Administrations

D3.4 Adopt a consistent policy of regular internal communication on corporate objectives, performance, products and services, as well as the results of customer satisfaction measurements

Responsibility: Administrations

Congress – Doc 87/Annex 1

Seoul Postal Strategy

Resolution C 95

Congress,

Taking into account
the conclusions of and views expressed during the General Debate held at Seoul on 24 and 25 August 1994 on the theme "The UPU looks to the future: global strategic planning in a competitive environment",

Considering

- the effect on the postal sector of deregulation of transport and communications and the growth of competition resulting from this;
- the possible consequences for the postal sector of the GATS (General Agreement on Trade in Services) concerning liberalization of international trade in the services sector, and of the establishment of the new World Trade Organization;
- the effect of new technology on the postal services, particularly in the fields of telecommunications and data processing,

Aware

- of the development and diversification of domestic and international communications markets and of the considerable expansion of the global international postal market over the past ten years,

Noting with concern

- the loss by the postal administrations of UPU member countries of a substantial share of the international market over the past decade, despite the considerable potential of that market,

Taking account of

- the need to continue, within the framework of a new global UPU strategy, to work towards all WGAP objectives and activities that remain current;
- the wishes expressed by various regional authorities and conferences;
- the results of the extraordinary High-level meeting held at UPU headquarters on 14 and 15 May 1992;
- the various decisions made by Congress and in particular those dealing with the Strategic Plan aimed at improving the management of the UPU,

Approves

the attached Seoul Postal Strategy,

Appeals urgently to the Governments of member countries to:

- improve their domestic postal networks making the international network more competitive;

- give postal administrations sufficient management independence, financial autonomy and accountability, allowing them to adopt a modern management system and the commercial approach needed to respond more effectively to customers' needs;
- redefine the limits of the postal monopoly and the reserved services related to it, bearing in mind the need to provide universal services at affordable prices;
- continue and expand their technical cooperation activities within the framework of the Seoul Postal Strategy,

Urges

postal administrations to make every effort to:

i achieve the objectives of the Seoul Postal Strategy by implementing the actions contained therein as soon as possible;

ii continuously monitor the implementation of the Seoul Postal Strategy; and designate for this purpose, a high-ranking national coordinator, who will be the focal point for the implementation of the Seoul Postal Strategy;

iii take an active part in follow-up and evaluation surveys conducted by the appropriate bodies of the Union;

iv make an effort to ensure financing of programmes and projects within the framework of the Strategy, either from their own resources or by seeking additional external resources through technical cooperation or from financial backers;

v share – in the case of the developed countries – their operational strategies and technological progress in postal affairs with developing postal administrations who may wish to improve their services,

Invites

the Restricted Unions:

i to integrate the Seoul Postal Strategy into their priorities and their postal development programmes;

ii to keep the International Bureau informed of their initiatives and of results obtained in implementing the Seoul Postal Strategy,

Instructs

the permanent bodies of the Union:

- to take without delay, within the framework of their authority, appropriate measures to help administrations to achieve the objectives set by implementing the actions contained in the Seoul Postal Strategy;
- to monitor and encourage application of this Strategy, if need be, by surveys in the field and, if necessary, submitting a report to the government of any particular country, after consultation with the postal administration of that country on the measures needed to help that postal administration to achieve the objectives of the Seoul Postal Strategy;
- to provide postal administrations with support in implementing the Seoul Postal Strategy, particularly by setting in place procedures and by granting the additional resources needed – within agreed financial restraints – to carry out the programmes and projects of the Strategic Plan aimed at achieving the objectives of the Strategy;
- to report to the next Congress on the results and experience gained;
- to submit relevant proposals to the next Congress.

(Congress – Doc 87, 13th plenary meeting)

Congress – Doc 88

Regulations for printed papers

Memorandum by the Secretary-General

1 At the meeting of the Publishers–UPU Contact Committee held at UPU headquarters in February 1994, two of the organizations represented, namely the International Federation of the Periodical Press (FIPP) and the International Publishers Association (IPA), pointed out that the use of audiovisual media constituted a potential area of growth and asked whether the UPU could conduct a new study on that subject.

2 A written proposal on implementation of that new study was then drawn up by the IPA and sent to the International Bureau, with a request that it be submitted to the 21st Congress (substantial excerpts from relevant passages are given in annex 1).

3 Moreover, the Director-General of the United Nations Educational, Scientific and Cultural Organization (UNESCO) recently sent a request to the International Bureau corresponding to some of the questions raised by the IPA, particularly regarding the possibility of modern publishing media being allowed to benefit from reduced postal rates on the same basis as traditional media (see annex 2).

4 Consequently, and in accordance with one of the principal objectives of the UPU, publishers' organizations and UNESCO, namely to develop international cooperation, more particularly in the cultural and economic fields, the International Bureau is submitting these requests for consideration by participants in the 21st Congress, along with details of earlier UPU decisions on this subject, and information about the status of studies recently conducted by the EC and the CCPS in the same fields (see chapters a to f hereunder).

a *Confirmation of the principle according to which a book is an educational and cultural product of first necessity, circulation of which should be facilitated, especially from country to country*

5 The principle according to which a book is an educational and cultural product of first necessity, circulation of which should be facilitated, was taken into account by postal administrations. The Publishers–UPU Contact Committee, which met most recently in February 1994, is the ideal vehicle for cooperation at international level between postal administrations and press and publishing organizations. It should be pointed out that, in connection with the study on "Press and publishing" of the 1989–1994 UPU Consultative Council for Postal Studies work programme, more specific activities were carried out, in relation with:

- the model structure of relations between press and publishing organizations and postal services;
- standardization and monitoring the quality of distribution of publishing products;
- tariff principles;
- increasing the cost-effectiveness and quality of the postal service through Post–publisher cooperation.

b Retaining a special category for books in every rates classification system used by postal administrations – at least 50 percent of the basic rate – as well as a logo for easy identification of books in postal dispatches

– Results of CCPS sub-study 713.3 "Tariff principles for Post and publishers"

6 The results of the sub-study revealed that postal administrations used different mail classification systems based on content, on priority/non-priority and on the standardization/non-standardization of items. Different criteria are also used to set rates for dispatch, conveyance and distribution of printed papers in the domestic and international services.

7 An analysis confirms that in some countries, postal rates do not correspond to the actual cost to the administration. Often, expenditure for packaging, addressing, subscriptions and maintaining files is not included in the rate.

8 A large majority of administrations favour determining certain main criteria (weight of printed papers, priority/urgency, mode of transport, distance, type and method of dispatch, times of delivery, etc) as the basis for setting the tariff for the dispatch and delivery of printed papers. At the same time, many postal administrations emphasize the need for tariffs to be based on actual costs, bearing in mind certain common criteria.

9 Some administrations are opposed to establishing standard principles because in their view, each administration should be free to establish its own tariff principles and structures.

10 The results of that sub-study were approved by the CCPS at its 1993 session and then submitted to the fourth meeting of the Publishers–UPU CC.

11 Replying to additional questions raised by the publishers at that same meeting of the Contact Committee, the representatives of the UPU explained that a new study or a new inquiry of mutual interest proposed by the publishers could be conducted by the UPU as part of the work of one of its permanent bodies after the Seoul Congress. Such a study should be started up on the basis of a written proposal from the publishers showing their views (problems to be solved, type of data to be collected, stages, other international bodies that could participate, funding, etc).

12 Adoption of a logo, pursuant to a wish expressed by the IPA, was once again considered by the postal administrations. Identifying books in the mails by means of such a logo could be considered only if it would facilitate customs treatment and if its presence did not entail any additional obligation for postal administrations. It seemed that, in terms both of combating the illicit conveyance of narcotics and of easier handling of items of correspondence, the answer was quite frankly not affirmative.

c Favourable conditions for books at each tariff level, priority and non-priority

13 It is desirable to recall the importance that earlier Universal Postal Union Congresses have attached to this aspect of the question:

– recommendation C 6/Vienna 1964 (annex 3) dealing with lower rates for book catalogues;

– similarly, recommendation C 7/Vienna 1964 (annex 4) recommended to postal administrations of member countries that were not already doing so that they should apply reduced rates to promote the distribution of newspapers, books and magazines;

– the present recast texts of the Convention and of its Detailed Regulations explicitly refer to such favourable conditions (article 10, paragraphs 4 to 6) (annex 5 hereto), which are, of course, subject to the conditions of application set out in article RE 1001.4 (annex 6).

14 Setting international rates is a prerogative of the postal administrations, whose legal structure varies from country to country. The outward rate structure adopted by each country of

origin must take account of operational costs, transport costs, terminal dues and other charges beyond the control of the postal administration. For postal administrations, coverage of charges below the printed papers rate, which is much more favourable to the customer in general, does not seem realistic.

15 In international postal relations, with the exception of M bags of printed matter, books in particular, for a single addressee, we are increasingly moving towards remuneration by item and by weight, which makes no distinction between letters and printed papers. Such remuneration based on world average rates and linked to actual costs is closer to real costs which, in the country of destination, are largely related to delivery. The terminal dues system advocated by the Executive Council endorses that principle.

16 It is interesting to observe at this stage of the study that no proposal by postal administrations calls any of the texts of the Acts into question, particularly article 10 of the Universal Postal Convention.

d Extension of the book rate to new publishing media such as CD–ROM and CDI[1]

17 In resolution C 10, the 1989 Washington Congress instructed the Executive Council to undertake a study on amending the regulations on printed papers.

18 Following that decision, Belgium was made responsible for coordinating the study of the following questions stemming from IPA proposals:

- Admission, as printed papers, of audiovisual media, books, newspapers and periodicals.
- Dispatching small packets in M bags and preparing a draft resolution on amending article 19, paragraph 2, of the Convention.

19 Under the latter article, only newspapers, periodicals, books and other printed papers are allowed in M bags. This method of dispatch has many advantages. For the postal services, the use of direct bags reduces handling and the risk of damage and is therefore calculated to improve the quality of the postal service.

20 For customers, the use of M bags also brings reduced costs as the logical consequence of savings made in postal operating costs.

21 To collect member countries' views on the publishers' proposals, the coordinating country prepared a questionnaire which was sent to all postal administrations.

22 After considering the results of that study, the EC decided that it was not advisable, at that stage, to accept the publishers' proposals for various reasons, such as the fact that:

- these proposals could cause delays in handling M bags;
- supplementary customs control would have to be introduced;
- inward customs formalities were sometimes different for small packets and M bags;
- this practice would be to the disadvantage of administrations as regards payment, because the terminal dues rate for M bags was low;
- users might prefer to send items as small packets instead of as postal parcels, etc.

23 The EC proposal concerning terminal dues, calling for a slight increase in terminal dues rates for all mail except M bags, could, if approved by Congress, have a subsequent impact on international rates. Nevertheless, it should also be pointed out that the rate for M bags remains

[1] *CDI*: interactive compact disk.

unchanged at 0.653 SDR/kg (for M bags weighing more than 5 kg, since any bag weighing less would be remunerated on the basis of a minimum weight of 5 kg).

e Rapid circulation of M bags and extension of the service to larger containers

24 Under the terms of the Washington Convention (article 19), M bags are conveyed either as priority or as non-priority items (by air, surface or sea), on the understanding that the sender chooses the mode of conveyance that suits him. In other words, M bags are already treated in the same way as other categories of letter post.

25 As for extending the service to include larger containers, it should be pointed out that under the terms of article 159, paragraph 10, of the Convention, the maximum weight of mailbags, including M bags, shall in no circumstances exceed 30 kg. It thus does not seem possible at this time, for reasons relating to the technical equipment used in the postal service, to exceed that weight limitation.

26 Nevertheless, when warranted by the number and volume of bags, postal administrations, in agreement with the carriers (air, surface and sea), may use – and to a large extent are already using – large-capacity containers for carrying mail in general, including M bags.

27 CCPS sub-study 731.3 "Containerization of postal items" looked, among other things, at the harmonization and standardization of containers used by postal administrations. In its conclusions, the sub-study came out in favour of broader and more widespread use of containers on the basis of bilateral and multilateral agreements. Containers are extensively used for LC items, standardized items and other letter sizes, small packets and postal parcels.

28 Placement of M bags in containers was not the subject of any special analysis.

f Effective application by postal administrations of Universal Postal Convention provisions in support of books and future outlook

29 The ease of circulation of books within a country comes under domestic legislation and regulations. At international level, postal administrations can make use of the possibilities for reducing the guideline rates explicitly stated in the Convention. The problem of applying the provisions of the Convention at international level must be viewed in the light of the constraints facing postal administrations when balancing their budget, since they are often not authorized to use the more remunerative tariffs to offset the sacrifices they must make to promote education and culture or even, in some cases, to offset especially disadvantaged categories.

30 It should be recalled at this point that the exclusion of literature for the blind from all postal charges (with the exception of air surcharges) still gives rise to reservations in the Final Protocol to the Universal Postal Convention.

Conclusions

31 Congress is invited to consider the questions raised by the IPA and UNESCO and to take such action as it deems advisable, since these questions, other than the retention of the Publishers–UPU Contact Committee, will likely require a number of studies. These would concern, on the one hand, the modernization and simplification of regulations for printed papers, and on the other, a study that could lead to a closer relationship between postal administrations and customers by supporting the admission of new information storage vehicles such as CD–ROM, CDI, minidisks and computer diskettes. The studies could be merged into a single, fairly

general one, dealing with printed papers and also with information media, and broad enough to encompass the financial aspects of the resultant amendments to the Convention.

Berne, 11 July 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 88/Annex 1

International Publishers Association

Geneva, 27 April 1994

Subject: *21st UPU Congress, Seoul, August 1994*

IPA request: *New media for works of the mind: assimilation of CD-ROM, CDI, etc to printed books as regards postal charges*

(Excerpts)

What the publishers – and readers – need for postal circulation of works on both traditional (printed books) and modern (CD-ROM, CDI, etc) media is a genuine reduction of rates for their items not in M bags, thus allowing the circulation of ideas and of technical, economic and social innovations both nationally and internationally.

Thus on 14 February 1994, at Berne, the International Publishers Association confirmed its request that modern publishing media be allowed to benefit from reduced postal rates on the same footing as traditional media since they too are "fundamental in the dissemination of culture and information" essential to the positive evolution of societies.

This new request, presented this time in the context of the Seoul Congress, was confirmed along with others in our letter of 18 February 1994 to the International Bureau of the UPU, and we hereby confirm it separately.

As we pointed out in Berne, modern publishing media are developing very rapidly, with spectacular growth expected between now and the year 2000. Reference works, educational works, art books, and children's books will henceforth be made up of volumes and computer supplements, the latter accounting for a growing share of the editorial content. The potential market about to open is enormous.

Book publishers, already major customers of the Post, will become even more so. Postal administrations will see that their interests are the same as those of the publishers. Moderate rates extended to all "book" publishing media and the flexibility of supply will help to consolidate the postal channels which will then be in a good competitive position compared with network transmission. In this way, the Post will be able to profit from the great information market.

It is with this in mind that we ask you to submit to the appropriate authorities at the 21st Congress of the Universal Postal Union, the request being presented once again by the International Publishers Association, namely that the rate reduction applied to books be extended to include modern book publishing media such as CD-ROM, CDI and computer diskettes.

J A KOUTCHOUMOW

Secretary-General

Congress – Doc 88/Annex 2

United Nations Educational, Scientific and Cultural Organization

7, place de Fontenoy
75352 Paris 07 SP

Office of the Director-General

Reference: DG/4.5/8/UPU

10 June 1994

Mr A C BOTTO DE BARROS
Director-General
of the Universal Postal Union
Case postale
CH–3000 BERNE 15

Dear Sir

The Universal Postal Union and UNESCO share, within the United Nations system, a concern for ensuring that knowledge and culture, both essential to the furtherance of development, are made more easily accessible to all peoples.

For its part, UNESCO is required to contribute to the free circulation of ideas in words and pictures, using suitable international cooperation methods to ensure that all peoples have access to what is published by any people.

In this connection, the special rate privileges granted by national postal administrations, obtained inter alia through the efforts of the UPU, have long been a very great help to the circulation of books and printed matter.

Indeed, although advances in the field of communications technology henceforth allow sound, picture and text to be received simultaneously, many countries, the developing ones in particular, are still unable to take advantage of that tool. Moreover, this form of communication transmits more information than it does knowledge. The book, the oldest and most traditional of vehicles for human thought, is still the only means available to many societies able to meet their needs in respect of literacy, education and cultural exchanges.

This is why, on the eve of your 21st Congress, I should be most appreciative of any consideration given to the concerns listed in the annex, all relating to postal transmission of texts of an educational, scientific and cultural nature, more particularly in the event that a proposal is submitted to that Congress for revising the Convention regulating the activities of postal administrations.

Yours faithfully,

(signed) Federico Mayor

Congress – Doc 88/Annex 2/Attachment 1

DG/4.5/8/UPU

- Confirmation of the principle that a book is an educational and cultural product of first necessity, circulation of which must be facilitated, particularly from one country to another

- Classification of book items among the non-reserved services for which universal service is necessary and needed

- Retention of a special book category in each of the rate classification systems used by postal administrations – at least 50 percent of the basic rate – as well as a logo to allow identification of books in postal dispatches

- Favourable conditions for books at each rate level, priority and non-priority

- Extension of the book rate to new publishing media such as CD–ROM and CDI

- Rapid transmission of M bags and extension of that service to larger containers

- Effective application by postal administrations of the special provisions of the Universal Postal Convention in support of books

Congress – Doc 88/Annex 3

Recommendation C 6/Vienna 1964

Reduction in rate for book catalogues

Congress,

Taking into consideration
the advantages to the distribution of information, science and culture derived from the publication of book catalogues edited either by cultural organizations or by publishing houses themselves,

Recommends

postal administrations of member countries to conclude between themselves, within the framework of the provisions of article 8 of the Constitution, agreements for the reciprocal acceptance of book catalogues at the rate which is applied to books, magazines and newspapers, namely 50 percent of the general printed papers rate, under article 16, paragraphs 6 and 7[1], of the Universal Postal Convention.

(French Documents of the 1964 Vienna Congress – volume II: pages 703, 1077, 1340; volume III: page 298)

[1] Convention (Hamburg 1984), article 19, paragraphs 6 and 7.

Congress – Doc 88/Annex 4

Recommendation C 7/Vienna 1964

Application of reduced rates to promote the distribution of newspapers, book and magazines

Congress,

Considering
the benefits offered by a wide distribution of newspapers, books and magazines, especially of an educational, scientific or cultural nature, and being of opinion that the application of reduced postal rates is likely to assist such distribution,

Recommends

postal administrations of member countries that do not at present take advantage of the option, to apply the provisions of article 16, paragraphs 6 and 7[1], of the Universal Postal Convention.

(French Documents of the 1964 Vienna Congress – volume II: pages 703, 1077, 1340; volume III: page 298)

[1] Convention (Hamburg 1984), article 19, paragraphs 6 and 7.

Congress – Doc 88/Annex 5

Article 10

Postal charges

(Excerpt)

4 The administration of origin may allow, for newspapers and periodicals published in its country, a reduction of not more than 50 percent of the tariff applicable to the category of items used.

5 The reduction provided for under 4 may likewise be allowed for books and pamphlets, for music scores and for maps, provided they contain no publicity matter or advertisement other than that appearing on the cover or the fly leaves.

6 The charge applicable to M bags shall be calculated by weight steps of 1 kg up to the total weight of each bag. The administration of origin may allow a reduction for such bags of up to 20 percent of the charge payable for the category of item used. This reduction may be independent of the reduction provided for under 4 and 5.

Congress – Doc 88/Annex 6

Article RE 1001
Conditions of application of postage charges

1 Member countries which by reason of their internal system are unable to adopt the metric-decimal system of weight may substitute for the weight steps specified in article 10.2 of the Convention, the following equivalents:

up to	20 g	1 oz;
up to	50 g	2 oz;
up to	100 g	4 oz;
up to	250 g	8 oz;
up to	500 g	1 lb;
up to	1000 g	2 lb;
per additional	1000 g	2 lb.

2 Member countries may, exceptionally, modify the weight-step structure shown in article 10.2 of the Convention, subject to the following conditions.

2.1 For any category, the minimum weight step shall be that shown in article 10.2 of the Convention. However, administrations may apply to printed papers a first weight step of 50 g.

2.2 For any category, the last weight step shall not exceed the maximum weight shown in article 9 of the Convention.

3 Member countries which have abolished postcards, printed papers or small packets as separate categories of letter-post item in their internal service may do the same in respect of mail for abroad.

4 Postal administrations have the right to restrict the reduction provided for in article 10.4 of the Convention to newspapers and periodicals which fulfil the conditions required by internal regulations for transmission at the tariff for newspapers. This reduction shall not extend to commercial printed papers such as catalogues, prospectuses, price lists, etc, no matter how regularly they are issued. The same shall apply to advertisements printed on sheets annexed to newspapers and periodicals. The reduction shall still be possible, however, in the case of detached advertising inserts to be considered as integral parts of the newspaper or periodical.

References: New title.
Paragraph 1: Text of article IV of the Final Protocol to the Convention.
Paragraph 2: Text of article 20, paragraph 3, of the Convention.
Paragraph 3: Text of article 20, paragraph 4, of the Convention.
Paragraph 4: Text of article 20, paragraph 8, second part, of the Convention.

Congress – Doc 89

Mission report by the Universal Postal Union representatives who visited South Africa from 6 to 10 June 1994

I. Introduction

1 The Executive Council of the Universal Postal Union having discussed the question of South Africa under agenda item 26 (CE 1994 – Doc 26) at its 1994 meeting, decided on the following:

a to endorse the text of a draft resolution entitled "Removal of the ban on readmission of South Africa to the Universal Postal Union";

b to initiate the readmission procedure; and

c to send a delegation on mission to South Africa.

II. Composition of the delegation

2 The delegation consisted of the following member countries: Bahamas, Belgium, Benin, Hungary (Rep), New Zealand, United Arab Emirates and Zimbabwe. Zimbabwe was nominated leader of the UPU delegation.

III. Terms of reference

3 The mission's terms of reference were as follows:

- to establish at first hand that no discrimination existed in the postal service and in the recruitment of staff;
- to provide information on the new policies adopted by the Universal Postal Union; and
- to see what role South Africa could play in postal development, particularly in Africa.

IV. Timing and reporting requirements

4 The timing of the mission was decided in consultations with all members of the mission and South Africa and it was agreed that the leader of the delegation would submit a report on behalf of the delegates to the International Bureau of the UPU after completion of the mission.

V. Background

5 The Universal Postal Union is recognized as a specialized agency of the United Nations as described in article 9 of the UPU Constitution which deals with "Relations with the United Nations". Chapter 2 of the UPU's Constitution deals with accession or admission to the Union

and withdrawal from the Union. Article 11, paragraph 1, of the UPU Constitution indicates that "any member of the United Nations may accede to the Union". Several proposals were submitted to the 1964 Vienna Congress (proposal 1540) to the 1979 Rio de Janeiro Congress (proposal 1012.1) and to the 1984 Hamburg Congress (proposal 1012.1) to regulate the expulsion of members from the Union. However, they were withdrawn by their sponsors before being discussed.

6 But the 1979 Rio de Janeiro Congress, after having discussed the inhuman effects of apartheid on the majority of South Africans, adopted, by a majority of the countries present and voting, a resolution (C 6/1979) deciding to expel the Republic of South Africa from the UPU.

7 South Africa again became a member of the UPU in 1981, insisting that as a member of the United Nations and under the terms of article 11, paragraph 1, it had a right to UPU membership. However, the 1984 Hamburg Congress, by adopting resolution C 7/1984, confirmed the exclusion of the Republic of South Africa from the UPU and that Congress further decided that South Africa could not take advantage of its status as a member of the United Nations to obtain readmission to the UPU as long as it continued to practise its policy of apartheid.

8 South Africa has an ever-growing population, with more and more of its people moving into the urban areas in search of employment opportunities in the hope of improving the quality of life both for themselves and for their families.

9 South Africa is recognized both by the other African countries and the rest of the world as a dynamic country with great potential to become an economic powerhouse in Africa and a very good partner and very competitive role player in the world.

10 Moreover, as from 1 October 1991, the South African Post Office became a company operating under the relevant Companies Act in South Africa with the State as the sole shareholder.

11 Although still reliant on State subsidies to meet its operational losses, the new South African Post Office Limited, which is now more market-driven and customer-oriented (in keeping with the UPU's Washington General Action Plan) is committed to becoming profitable by 1997. A further objective of the Post Office is to stop relying on the State to meet its losses.

VI. Methodology

12 The modus operandi of the mission was as follows:

- Meet with the Minister of Posts, Telecommunications and Broadcasting, Dr Pallo Jordan, and the Minister of Public Enterprises, Ms Stella Sigcau.
- Meet with the top management structures of South African Post Office Limited.
- Look in detail at the operational and recruitment sections of the South African Post Office.
- Visit some work-stations in different parts of the country such as Cape Town, Johannesburg, Soweto and Pretoria.
- Talk to members of the staff of the South African Post Office, in particular to members of the staff who come from the hitherto disadvantaged communities, eg in Soweto (Johannesburg), Orange Farm, Milnerton and Mitchells Plain in Cape Town, and at the main Post Office in Pretoria.
- Talk to representatives of the National Postal Forum, which consists of business users, consumers, trade unions, and community organization operators.
- Participate in a workshop session with senior Post Office personnel to gain more insight into the workings of the South African Post Office.

VII. Reform initiatives

13 South Africa has undergone significant political changes both during the period before the historic election and during the short period since the election. Led by the President of the Republic, Dr Nelson Mandela, most South Africans are very vibrantly involved in working together in a spirit of reconciliation, tolerance, understanding, cooperation and common brotherhood towards building a united nation of South Africans. The new Government of National Unity and its provincial governments, together with their different local authorities, are definitely leading the way in South Africa's post-apartheid reconstruction and development programme.

14 As part of its contribution to growth, development, peace and reconstruction, the South African Post Office has committed itself to:

- putting into practise the principle of extending a universally acceptable postal service equally to all South Africans, and to improving the quality of services to bring it up to international standards, whilst changing the South African Post Office from a loss-making enterprise into a more profitable one;
- taking postal services to all South Africans irrespective of colour, race, economic status or geographic location;
- applying strategic planning principles which are in keeping with the UPU's Washington General Action Plan;
- working closely with its employees and their five different trade unions by meeting with them on a monthly basis at the centralized Post Office Negotiation Council, which is equally representative of the Unions and Management;
- applying the principle of Management based on diversity and affirmative action, which monitors and controls the correction of the imbalances of the apartheid era, and which involves inter alia a commitment to human dignity, to training and development programmes for its hitherto disadvantaged staff members, and to the principles of participatory management which encourages its staff to participate in local decision-making, etc;
- correcting the inequalities of the apartheid era by ensuring a postal address for all South Africans, an evenly cost-equalized distributed post office delivery network, the incorporation of the previous homelands, and supernumerary redeployment.

15 The South African Post Office is doing everything humanly possible to demonstrate to the UPU and the rest of the world that its current internal policies and practises are in keeping with those of the rest of the world and that apartheid in South Africa is definitely dead and buried.

VIII. Response to the terms of reference

16 The mission representatives, during their stay in South Africa, having observed, studied, discussed and interacted with various role players, record the following responses to the mission's terms of reference.

Discrimination

17 The delegation observed that the South African Post Office does not now practise any discrimination whatsoever in relation to its service provision and human resources management. As a result of the apartheid era, the very senior management positions are still occupied by people of a particular race group, but the delegation was encouraged to note that very dedicated and committed attempts are being made to correct the situation. At the time of writing this report, the South African Post Office, which has a non-racial Board of Directors, has appointed two General

Managers who come from the hitherto disadvantaged communities. The delegation has recommended to the South African Post Office that it should accelerate its process of Black empowerment in the South African Post Office in relation to recruitment and promotion opportunities for its hitherto disadvantaged Black employees.

18 As regards equal service provision to all South Africans, the delegation is happy to report, given the scenario of the very recent apartheid era and its devastating effects on human life in South Africa, that the South African Post Office has come a long way in positively readdressing the imbalances. The delegates saw physical evidence of this positive approach by the South African Post Office to providing equal postal services to all South Africans, in all the areas visited by the mission. They also saw evidence of some sterling work being done by the South African Post Office to provide delivery services in the hitherto disadvantaged Black areas, especially in the "Squatter Camp" areas. They saw some innovative methods of providing delivery services, such as moveable lobby post-boxes and the creating of more points of sale for postage stamps in places such as filling stations, supermarkets, cafés, etc, so that these services are within easy reach of all residents.

New policies

19 The delegates explained to the South African Post Office and to the new Ministers the new policies of the Universal Postal Union.

Role in Africa

20 The South African Post Office outlined very extensively its ideas on its role and participation in postal affairs within the African continent. The South African Post Office has committed itself to becoming an equal partner with the other countries of Africa, in particular with regard to implementation of the UPU's policies and principles such as the 1989 Washington General Action Plan. The South African Post Office has also committed itself to participating in development programmes in Africa.

IX. Conclusions

21 The delegation submits the following resolution in the hope that it will be given favourable consideration by the UPU Seoul Congress:

The delegation,

Noting
that the Rio de Janeiro Congress, by decision C 6/1979, expelled South Africa from the Universal Postal Union,

Noting also
that the Hamburg Congress, by resolution C 7/1984, confirmed the exclusion of South Africa until a future UPU Congress decided otherwise, and decided that South Africa could not take advantage of its status as a member of the UN to obtain readmission to the Union as long as it continued to practise its policy of apartheid,

Having been informed
of the considerable political and social progress made in South Africa since the Rio de Janeiro and Hamburg decisions,

Being also aware
of the readmission of South Africa to the United Nations General Assembly,

Noting
that, pursuant to article 11, paragraph 1, of the Constitution of the Universal Postal Union, members of the United Nations may automatically accede to its specialized agencies,

Having received
notification from the South African postal administration to the effect that its application for readmission to the Universal Postal Union is supported by postal administrations nominated by the Executive Council to carry out an independent review,

Being aware
that at its 1994 session, the Executive Council requested nominated representatives from the postal administrations of Bahamas, Belgium, Benin, Hungary (Rep), New Zealand, United Arab Emirates and Zimbabwe to undertake a mission to South Africa, specifying for this purpose terms of reference covering all operational aspects of the postal service,

Noting
the positive responses to all the specific points of the terms of reference,

Acknowledges

the significant progress made by the South African postal administration,

Expresses

its satisfaction that the political framework for readmission is supported by the spirit of the South African Post Office and by the reform measures undertaken by it, by virtue of its earnest endeavours to support the initiatives of its democratically elected Government,

Urges

Universal Postal Union members to acknowledge South Africa's right of re-entry to the Universal Postal Union,

And invites Congress:

- to note with appreciation the activity of the special delegation that visited South Africa;
- to approve the draft Executive Council resolution aimed at removing the ban on readmission of South Africa to the Universal Postal Union; and
- to express unreservedly its satisfaction at welcoming the South African delegation to the 21st Congress of the Universal Postal Union, as a tangible acknowledgement of the re-entry of that country to the Universal Postal Union.

Leader of the delegation:

Zimbabwe: J Makina

Members of the delegation:

Bahamas: J V Saunders

Belgium: G Pirson

Benin: L Saliou

Hungary (Rep): B Doros and L Oláh

New Zealand: S J Bradley

United Arab Emirates: A S Bouhassan

Congress – Doc 90

Determination of developing countries and territories in the UPU

Memorandum by the Secretary-General

I. Introduction

1 Congress is called upon to examine, among other things, three questions for which it will be necessary for it to have a list of the developed and developing countries and territories which are members of the UPU, viz:

- the composition of the Postal Operations Council;
- the new system of terminal dues: revision mechanism of the rate for flows of over 150 tonnes a year;
- creating three categories of developing countries benefiting from UPU technical assistance activities.

2 Hitherto, the UPU has regarded, in accordance with the relevant rules drawn up for technical assistance needs, as a developing country any country classified as such by the UNDP, in particular, those benefiting from an "Indicative Planning Figure (IPF)". The IPF is "an order of magnitude of the resources expected to be available from UNDP during a specified period for the financing of assistance to country and intercountry projects".[1] The IPF is set by the UNDP for the countries receiving its assistance, less a partial or net contribution from those countries. During the current programming cycle (5th cycle), 75 percent of country IPF allocations were based on GNP per capita and population and 25 percent on supplementary criteria.

3 The Washington Congress endorsed the classification of the developing countries, still for technical assistance purposes, into three separate categories, in order of priority:

- first priority: least developed countries
- second priority: other low-income countries and the lower middle-income countries according to the World Bank classification (per capita GNP 1570 USD or less)
- third priority: other developing countries.

4 The same classification principles were used in the technical assistance documents and proposals of a general nature approved by the 1994 Executive Council and submitted to the Seoul Congress. With regard to the lower middle-income countries and territories (second priority countries), the per capita GNP ceiling has been raised from 1570 to 2480 USD.

II. Inquiry carried out in 1994

5 To remove any uncertainty about determining the developed countries and the developing countries and territories in the UPU and, in particular, to enable Congress to take an informed decision, the International Bureau launched an inquiry in May 1994 with the UN, the specialized

[1] Cf UNDP programme and projects manual.

agencies in the United Nations system (IAEA (International Atomic Energy Agency), World Bank, ILO (International Labour Organisation), FAO (United Nations Food and Agriculture Organization), IMF (International Monetary Fund), ICAO (International Civil Aviation Organization), IMO (International Maritime Organization), WMO (World Meteorological Organization), WIPO (World Intellectual Property Organization), WHO (World Health Organization), WTO (World Tourism Organization), UNIDO (United Nations Industrial Development Organization), UNDP (United Nations Development Programme), ITU (International Telecommunication Union), UNESCO (United Nations Educational, Scientific and Cultural Organization) and the Organization for Economic Cooperation and Development (OECD). They were asked for information on their criteria for determining developing countries and territories, together with a list.

6 At the time of writing, 14 organizations had provided more or less detailed information. An analysis of the replies shows that:

- at present, there is no exhaustive definition or single list accepted throughout the United Nations system, showing the developed countries and the developing countries, with the exception of the least developed countries (LDCs) defined by ECOSOC;[1]
- for a fair number of the specialized agencies in the United Nations system, the UNDP is taken as a reference (UPU, ILO, IMO, WTO, ICAO, WMO, ITU). The UNDP list also shows the net contributor developing countries and territories (NCCs). UNDP document DP/1994/20 entitled "Matters relating to the programming cycle – Conceptual paper on issues relating to the sixth programming cycle" submitted to the UNDP Governing Council at its annual session in Geneva in June 1994, shows that the NCCs still have the status of beneficiaries of UNDP assistance; excerpts from this document are given in annex 1;
- the lists of developing countries supplied by the UNDP and the OECD seem to correspond, although the latter classifies separately the European transitional economy countries to which it gives aid.

8 In the light of the results of this inquiry, the International Bureau submits to Congress, in annex 2 hereto, a list of the developing countries and territories in the UPU, based on the UNDP list. UPU member countries and territories that do not appear in this list are therefore tacitly considered to be developed countries.

9 The list of developing countries and territories will be updated in line with decisions taken by the relevant United Nations bodies, unless Congress decides otherwise.

III. Conclusions

10 Congress is requested to take note of this document.

Berne, 22 July 1994

A C BOTTO DE BARROS

Secretary-General

[1] Eritrea has been recommended by the UN for inclusion in the list of LDCs.

Congress – Doc 90/Annex 1

Net Contributor Countries (NCCs)

Excerpts from UNDP Governing Council document DP/1994/20

(1994 annual session, 6–17 June 1994, Geneva, item 4 on the provisional agenda)

A. Distribution methodology for country IPFs

42 The resources available for country IPFs are distributed in accordance with the formula approved by the Governing Council based on gross national product (GNP) per capita and population and a set of supplementary criteria. In the fifth cycle, 75 percent of country IPF allocations were based on GNP per capita and population, and 25 percent on supplementary criteria.

43 Over the cycles, the Governing Council agreed on specific weights to be applied to the raw per capita GNP and population data. In general terms, the share for each country is calculated with greater weight given to lower incomes and higher populations. Applying varying weight coefficients to these factors at different thresholds allows resources to be shifted from one group of countries to another.

44 Countries that face special obstacles to development are awarded supplementary points that translate into additional IPFs. Supplementary criteria played a relatively minor role in the first three cycles but the list was expanded in the later cycles, with 10 criteria used in the fifth cycle.[4]

****

B. Eligibility and graduation

48 The Executive Board grants recipient status to a country upon application, based on assessment of its need for technical cooperation. While granting recipient status reflects acknowledgement of the need for development assistance in the country concerned, this status does not in itself guarantee resources to fund such assistance. The distribution methodology embodies within it the concept of graduation, whereby recipient countries achieving higher level of GNP per capita, and therefore a greater "ability to pay", receive proportionately lower IPFs, and eventually "graduate" to become net contributor countries (NCCs).

49 It may be recalled that graduation to NCC status occurs, in the current system, when the GNP per capita of a country exceeds a threshold level of $3000 ($4200 for island developing countries with populations under 2 million). For countries accorded NCC status and whose GNP per capita lies in the range $3000–$6000 ($4200–$7500 for island developing countries) an IPF is computed. However, such an IPF is considered reimbursable. Advances can be drawn against this IPF and reimbursements made subsequently in annual segments. For NCCs whose GNP per capita exceeds $6000 ($7500 for island developing countries), an IPF is not established. In both cases, the

[4] These criteria include the following: least developed country (7 points); land-locked (1 point); island developing (1 point); independent after 1985 (1 point); economically disadvantaged countries in southern Africa (1 point); ecological or geographic disability, or disaster prone (2 points); severely or moderately indebted (2–4 points); terms of trade declined in recent years (1 point); decline in GNP per capita exceeded 30 percent (1983–1989) (1 point); and economy in transition (1 point).

costs of a UNDP country office are to be borne by the country concerned. However, the costs of the Resident Representative are borne by UNDP when the programme in that country (funded by host government sources) exceeds $10 million for the cycle. The cost of a Deputy Resident Representative may also be covered by UNDP if the size of the programme exceeds $15 million.

50 In the fifth cycle, 21 countries are designated NCCs, 10 of which have been accorded a (reimbursable) IPF. Nine NCCs are served from UNDP offices located in their countries. The total IPFs of the 10 programmes amount to $10 million.

51 Despite their higher levels of GNP, many NCCs continue to require technical cooperation geared to their stage of development and specific needs. While these countries can obtain needed assistance through other modalities (eg the private sector), they frequently choose to access the required assistance through UNDP and the United Nations specialized agencies. Not only do such arrangements offer obvious links to global networks and standards of expertise but they also offer certain advantages in terms of neutrality, transparency, accountability and proven effectiveness (eg in assisting implementation of non-performing loans).

Congress – Doc 90/Annex 2/Rev 1

List of developing countries and territories in the UPU, based on the UNDP list

(August 1994)

No	Countries and territories	LDCs	Other priority countries[1]	Other developing countries	Per capita GNP in 1991/1992 (USD)[2]	Net Contributor Country (NCC)
	AFRICA					
1	Angola*		X		600	
2	Benin	X			410	
3	Botswana	X			2 800	
4	Burkina Faso	X			300	
5	Burundi	X			200	
6	Cameroon		X		820	
7	Cape Verde	X			850	
8	Central African Rep	X			410	
9	Chad	X			210	
10	Congo (Rep)		X		1 030	
11	Côte d'Ivoire (Rep)		X		700	
12	Equatorial Guinea	X			330	
13	Eritrea		X		Not available	
14	Ethiopia	X			110	
15	Gabon			X	4 480	
16	Gambia	X			390	
17	Ghana		X		440	
18	Guinea	X			510	
19	Guinea-Bissau	X			210	
20	Kenya		X		330	
21	Lesotho	X			590	
22	Liberia*	X			500	
23	Madagascar	X			230	
24	Malawi	X			210	
25	Mali	X			300	
26	Mauritius			X	2 740	
27	Mozambique	X			60	
28	Namibia		X		1 630	
29	Niger	X			310	
30	Nigeria		X		320	
31	Rwanda	X			250	
32	Sao Tome and Principe	X			350	
33	Senegal		X		780	
34	Seychelles			X	5 450	
35	Sierra Leone	X			170	
36	South Africa			X	Not available	
37	Swaziland		X		1 080	
38	Tanzania (United Rep)	X			110	
39	Togo	X			390	
40	Uganda	X			170	
41	Zaire*	X			230	
42	Zambia	X			290	
43	Zimbabwe		X		570	
	Total for the region	***27***	***12***	***4***		

[1] Other low-income countries and the lower middle-income countries according to the World Bank classification (per capita GNP 2480 USD or less).
[2] For the countries marked *, where these data are not supplied by the World Bank, the GNP given is that for 1989, broken down by the UNDP in its May 1993 list of developing countries.

No	Countries and territories	LDCs	Other priority countries[1]	Other developing countries	Per capita GNP in 1991/1992 (USD)[2]	Net Contributor Country (NCC)
	LATIN AMERICA AND CARIBBEAN					
1	Anguilla*		X		850	
2	Antigua and Barbuda			X	4 870	
3	Argentina			X	6 050	
4	Aruba*			X	6 750	X
5	Bahamas*			X	11 100	X
6	Barbados			X	6 530	X
7	Belize		X		2 220	
8	Bermuda*			X	22 260	X
9	Bolivia		X		680	
10	Brazil			X	2 770	
11	Cayman Islands*			X	3 480	
12	Chile			X	2 510	
13	Colombia		X		1 290	
14	Costa Rica		X		2 010	
15	Cuba*		X		1 500	
16	Dominica			X	2 510	
17	Dominican Republic		X		1 040	
18	Ecuador		X		1 070	
19	El Salvador		X		1 170	
20	Grenada		X		2 310	
21	Guatemala		X		980	
22	Guyana		X		330	
23	Haiti	X			370	
24	Honduras (Rep)		X		550	
25	Jamaica		X		1 340	
26	Mexico			X	3 470	
27	Montserrat*			X	3 330	
28	Netherlands Antilles			X	6 360	X
29	Nicaragua		X		410	
30	Panama (Rep)		X		2 440	
31	Paraguay		X		1 360	
32	Peru		X		950	
33	Saint Christopher and Nevis			X	4 670	
34	Saint Lucia			X	2 830	
35	Saint Vincent and the Grenadines		X		1 990	
36	St Helena*		X		540	
37	Suriname			X	3 690	X
38	Trinidad and Tobago			X	3 950	
39	Turks and Caicos Islands*			X	780	
40	Uruguay			X	3 300	
41	Venezuela			X	2 900	
42	Virgin Islands*			X	7 400	X
	Total for the region	***1***	***20***	***21***		***7***
	ASIA AND PACIFIC					
1	Afghanistan*	X			200	
2	Bangladesh	X			220	
3	Bhutan	X			170	
4	Brunei Darussalam*			X	16 000	X
5	Cambodia*	X			150	
6	China (People's Rep)		X		380	
7	Cook Islands*		X		1 550	
8	Dem People's Rep of Korea		X		700	
9	Fiji		X		2 070	
10	Hong Kong			X	13 430	X

No	Countries and territories	LDCs	Other priority countries[1]	Other developing countries	Per capita GNP in 1991/1992 (USD)[2]	Net Contributor Country (NCC)
11	India		X		310	
12	Indonesia		X		660	
13	Iran (Islamic Rep)		X		2 080	
14	Kiribati*	X			700	
15	Korea (Rep)			X	6 790	X
16	Lao People's Dem Rep	X			250	
17	Malaysia			X	2 800	
18	Maldives	X			500	
19	Marshall Islands*		X		1 600	
20	Micronesia (Federated States of)*		X		980	
21	Mongolia*		X		600	
22	Myanmar*	X			240	
23	Nauru*			X	10 230	X
24	Nepal	X			170	
25	Pakistan		X		410	
26	Papua New Guinea		X		950	
27	Philippines		X		770	
28	Singapore			X	14 210	X
29	Solomon Islands*	X			710	
30	Sri Lanka		X		540	
31	Thailand		X		1 750	
32	Tonga (including Niuafo'ou)		X		1 350	
33	Tuvalu*	X			650	
34	Vanuatu	X			1 210	
35	Viet Nam*		X		200	
36	Western Samoa	X			940	
	Total for the region	***13***	***17***	***6***		***5***
	EUROPE AND CIS					
1	Albania*		X		900	
2	Armenia		X		780	
3	Azerbaijan		X		870	
4	Belarus			X	2 920	
5	Bosnia and Herzegovina*			X	2 490	
6	Bulgaria (Rep)		X		1 330	
7	Croatia*			X	2 490	
8	Cyprus*			X	7 330	X
9	Czech Rep		X		2 460	
10	Estonia			X	2 750	
11	Georgia		X		850	
12	Hungary (Rep)			X	3 000	
13	Kazakhstan		X		1 690	
14	Kyrgyzstan		X		810	
15	Latvia		X		1 930	
16	Lithuania		X		1 310	
17	Malta*			X	6 030	X
18	Moldova		X		1 260	
19	Poland (Rep)		X		1 960	
20	Romania		X		1 080	
21	Russian Federation			X	2 680	
22	Slovakia		X		1 930	
23	Slovenia			X	6 330	
24	Tajikistan		X		480	
25	the former Yugoslav Republic of Macedonia			X	Not available	
26	Turkey		X		1 950	

No	Countries and territories	LDCs	Other priority countries[1]	Other developing countries	Per capita GNP in 1991/1992 (USD)[2]	Net Contributor Country (NCC)
27	Turkmenistan		X		1 270	
28	Ukraine		X		1 670	
29	Uzbekistan		X		860	
30	Yugoslavia*			X	2 490	
	Total for the region		***19***	***11***		***2***
	ARAB COUNTRIES					
1	Algeria		X		1 830	
2	Bahrain*			X	6 760	X
3	Comoros	X			510	
4	Djibouti*	X			1 300	
5	Egypt		X		630	
6	Iraq*			X	2 500	
7	Jordan		X		1 150	
8	Kuwait*			X	16 210	X
9	Lebanon*		X		1 000	
10	Libyan Jamahiriya*			X	5 330	X
11	Mauritania	X			520	
12	Morocco		X		1 030	
13	Oman			X	6 120	X
14	Qatar*			X	14 500	X
15	Saudi Arabia			X	7 820	X
16	Somalia*	X			130	
17	Sudan*		X		510	
18	Syrian Arab Rep		X		1 160	
19	Tunisia		X		1 740	
20	United Arab Emirates*			X	18 500	X
21	Yemen	X			520	
	Total for the region	***6***	***7***	***8***		***7***
172	***Total***	***47***	***75***	***50***		***21***

Congress – Doc 91

Request to attend Congress submitted by the International Chamber of Commerce

Memorandum by the Secretary-General

1 On 4 July 1994, the Secretary General of the International Chamber of Commerce sent the Chairman of the Executive Council the following request:

"Dear Mr Leavey

"Thank you for your letter of 18 February 1994, responding to the International Chamber of Commerce's (ICC) request for authorization to attend as an observer the upcoming Seoul Congress of the Universal Postal Union.

"You have suggested that we submit a more precise request indicating the particular points of interest to the ICC. Please find these points below. Also, please consider this letter as a renewed formal request for admission to attend the Seoul Congress as an observer.

"Before proceeding to those details, however, the ICC would like respectfully to request – on behalf of the worldwide business community, which we represent – an explanation as to why an organization such as the ICC should not be permitted to observe and contribute to the proceedings of the Universal Postal Union. Our business members are the ultimate users of international postal services. We would like to call to the attention of the UPU the practice of the International Telecommunications Union (ITU), which not only permits the ICC to attend as an observer, but also invites our active participation in the preparation of conference sessions. Over the past few years, I have spoken at ITU conferences and chaired ITU conference sessions, and my subordinates have assisted in the planning and organization of these sessions. The ITU administration has assured us that they consider these collaborations to have been extremely useful. Another example is that of the International Civil Aviation Authority, which invites the ICC to regularly participate at its meetings. The same is true at other United Nations bodies, such as UNCTAD, UNCITRAL and UNECE.

"We have been informed that we are the only world business organization to have applied for observer status at the UPU. Our admission, therefore, should not constitute an administrative burden. Moreover, our admission would accord with public statements you have made – which we strongly support – to the effect that the UPU must be open to comments and dialogue with the international business community.

"Therefore, the ICC requests an amendment of UPU Congress provisions so that the ICC could be admitted as a *general observer* to the Seoul Congress and its Committees. We are currently canvassing support among various governmental authorities around the world so that this request may be formally put to the UPU. In parallel, we would also appreciate a formal response from the UPU Executive Council to the requests expressed in this letter.

"Notwithstanding the ICC's preference for admission as a *general observer* to the Seoul Congress, the ICC requests to be admitted as an *observer* to the following Committees:

Committee 3 (General Affairs and Structure of the Union). The ICC's members wish to observe the extent to which UPU policy discussions are leading to:

- a separation of commercial and governmental functions, so that distortions of trade are minimized; and
- an amendment of its rules, so that the ICC can be admitted as an observer to all UPU meetings of a governmental nature. Please note that for this Committee, as well as the others below, the ICC would be quite willing to provide assistance in ascertaining the needs of the international business community.

Committee 4 (Convention). The ICC membership wishes to see that:

- terminal dues are, as much as practicable, based on costs or domestic postage rates;
- international postage rates are, as much as practicable, based on costs;
- trade-distorting measures are eliminated from the new Convention, or their effects reduced as much as practicable.

Committee 5 (New Services and Markets). The ICC membership wishes to see that the interests and needs of business users are reflected in new services and studies of new services approved by the Congress.

Committee 6 (Quality of Service). The ICC membership wishes to see that the interests and needs of business users are reflected in the quality of service studies and reports approved by the Congress.

Committee 7 (Parcel Post). The ICC membership wishes to see that the needs of business users are reflected in parcel services and studies of parcel services approved by the Congress.

"In closing, I would like to reiterate that the ICC represents approximately 7000 business enterprises and associations in over 130 countries, in all industrial sectors. Each and every one of these members makes use of international postal services, in addition to substantial, daily use of general postal services.

"We hope to have complied with the UPU Executive Council's request for further information as to the ICC's interests in the Seoul Congress. Indeed, we hope to have formulated the most legitimate possible request for constructive dialogue with the UPU on behalf of world business.

"Finally, we request that as Chairman of the UPU Executive Council, you do us the favour of acknowledging receipt of this submission, with an indication of what procedure and time-schedule will be followed in responding to it. We certainly do not wish to unduly impose on your very busy schedule, but we trust that you understand that it would be difficult for us to prepare further action without such information.

"Thank you for your time and your consideration of this letter.

"Signed: Jean-Charles Rouher"

2 The International Chamber of Commerce had already submitted a similar request to the Executive Council (CE 1994 – Doc 20a/Add 2), reproduced in annex 1 hereto.

3 At its meeting of 17 February 1994, the Executive Council had decided not to send an invitation to the International Chamber of Commerce, but to inform it of the possibility for it to refer the matter directly to Congress. A copy of the reply of the Executive Council Chairman is enclosed in annex 2.

4 Congress is invited to give a ruling on this request to attend Congress.

Berne, 4 August 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 91/Annex 1

(CE 1994 – Doc 20a/Add 2)

Preparation of the 21st Universal Postal Congress

(Agenda item 20)

a Memorandum by the Secretary-General

Request to attend Congress submitted by the International Chamber of Commerce

1 By letter dated 31 January 1994, the Secretary General of the International Chamber of Commerce sent the Chairman of the Executive Council the following request:

"INTERNATIONAL CHAMBER OF COMMERCE

The Secretary General

31 January 1994

Mr Thomas Leavey
Chairman of the Executive Council
Bureau international de
L'Union postal universelle
Berne
Switzerland

"Dear Mr Leavey

"On behalf of the International Chamber of Commerce (ICC), I would like to formally request that the ICC be allowed to attend, as an observer, the August 1994 Congress of the Universal Postal Union in Seoul, Korea, pursuant to article 5 of the Rules of Procedure of Congresses of the UPU.

"The ICC, which this year celebrates its 75th anniversary, is the world's leading multi-sectoral business organization. As such, it has enjoyed a long history of productive working relations with the United Nations, various UN specialized agencies, and other multi-lateral organizations such as the GATT, the OECD and the European Commission.

"Thus, the ICC enjoys Class 1 Consultative Status with the United Nations. Examples of recent ICC–UN collaborations include the ICC–UNCTAD Rules for Multimodal Transport, the ICC's UNCID Rules (developed with UNCITRAL and formally adopted by the UNECE EDIFACT programme), the annual ICC–UN–GATT Consultative Meeting, and the ICC's close participation in the organization of the ITU's World Congresses.

"The ICC develops policy positions on behalf of world business within its 18 specialized policy commissions. At G7 Summit meetings, the ICC briefs the host Head of State on the issues of greatest concern to the business community. Please find attached a brief Factsheet with further general information on the ICC.

"Our current interest in world postal issues is a natural product of our desire to address the concerns of business. As an active proponent of telecommunications liberalization, the ICC has become responsive to the business community's need for efficient, cost-effective communications. Postal services obviously play a key role, alongside telecommunications and transport services, in fulfilling these business needs. Without exception, the ICC's approximately 7000 members in over 130 countries rely heavily on the postal services available to them for their participation in international trade.

"The ICC would therefore greatly appreciate an opportunity to brief our business constituency on the work programme of the UPU.

"Should you require any additional information to process this request, please do not hesitate to contact either myself or the ICC policy executive in charge of this dossier (Mr Guillermo Jiménez, tel 33 1 49532928, fax 33 1 49532859).

Yours sincerely,

(signed) Jean-Charles Rouher"

2 The Chairman of the EC informed the Coordination Committee of this request at its last meeting. The Coordination Committee considered that it was not in the Union's interest to accede to it, as it might encourage other non-governmental international organizations to make similar approaches.

3 The Executive Council is invited to give a ruling on this request to attend Congress.

Berne, 16 February 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 91/Annex 2

Union postale universelle

Conseil exécutif

Translation from French

Mr Jean-Charles Rouher
Secretary General of the
International Chamber of
Commerce
38 Cours Albert 1er

F 75008 PARIS
FRANCE

Our ref: 2100(A) Berne, 18 February 1994

Subject
Request to attend the 21st Universal Postal Congress

Dear Sir

In reply to your letter of 31 January 1994, I wish to inform you that the Executive Council of the UPU has carefully considered your request to attend, as an observer, the next Universal Postal Congress, which will be held at Seoul (Republic of Korea) from 22 August to 14 September 1994.

The Executive Council felt that it was not in a position to rule on the basis of your request. As you know, article 5 of the Rules of Procedure of Congresses limits the admission of non-governmental international organizations to meetings of Committees where questions of interest to these organizations are being discussed and at the discretion of the Committee concerned.

If you wish, a more precise request from your organization, indicating the particular points of interest to it, could be submitted to Congress direct. The latter would decide on its eligibility and would determine, if appropriate, the Committees entering into consideration. These Committees would then establish the particulars regarding participation, specifically the meetings during which observers for the International Chamber of Commerce would be admitted.

Thanking you for your understanding, I remain,

Yours faithfully,

(signed) T E LEAVEY

Chairman of the Executive Council

Congress – Doc 92

APPEAL IN PLENARY MEETING

Temporary non-application of the mandatory rotation of members of the Council of Administration

In accordance with article 24, paragraph 2, of the Rules of Procedure of Congresses, the delegation of Japan wishes consideration to be given, at one of the plenary meetings on 2 September 1994, of proposal 015 concerning the temporary non-application of the mandatory rotation of members of the Council of Administration.

The above proposal was rejected at the 2nd meeting of Committee 3 on 29 August 1994.

In accordance with article 24, paragraph 3, of the Rules of Procedure of Congresses, the Chairman of Congress considers it desirable to consider this appeal before considering the draft Acts submitted by the Drafting Committee.

The arguments put forward by Japan in favour of presenting this appeal are reproduced in annex 1.

Seoul, 1 September 1994

Congress – Doc 92/Annex 1

015 (Executive Council proposal)

Committee 3 decided that 16 countries which represent almost 10 percent of the Union's membership, cannot run for the election of the Council of Administration because of the principle of the mandatory rotation.

One of the main purposes of the restructuring of the Union is to increase the UPU's ability to respond speedily to a changing environment. The responsibilities, functions and working methods of the two new Councils have dramatically changed.

Therefore, the activities of the new Councils in the coming 5 years will have a tremendous impact on the future direction of the Union.

Taking all these changes into account, the POC will start as a completely new organization, and with new members.

For the election of the POC, the door is open to all Union members. Contrarily, in the case of the CA, the door is open to only 90 percent of the Union members. For the remaining 16 members, the door is closed. This situation cannot be justified and it is contrary to the solidarity of all members.

I should like to make one point clear; we are not seeking the abolition of the principle of the mandatory rotation. We just ask the comprehension of the Plenary to our request to open the door to all members for elections of not only the POC but also of the CA.

In Committee 3, the question of the practical application of the mandatory rotation at the next Congress was discussed. With the explanation by the representatives of the EC and the International Bureau, no practical problems seem to arise, because we already have a precedent in the Brussels Congress.

Before I conclude, I should request all participants here to understand that these 16 countries have been deeply involved in and have actively contributed to the preparation of the Union's restructuring. All of them, with their profound knowledge of the management of the Union, have a strong intention to continue their support of the activities of the Union in one way or other.

I should also like to draw the attention of the Plenary to the fact that, if this proposal is rejected, there will be no developed country from the Asia–Pacific region. Such a situation must be avoided.

I earnestly request the Plenary to give the chance to these 16 countries to run for the CA election. Under the new structure of the Union, the two new Councils should have a fresh start with members elected from all members.

Congress – Doc 93

Draft resolution

Postal relations on the Korean peninsula

Congress,

Recognizing
the spirit of the Constitution which calls for the member countries to develop communications between their peoples through the efficient operation of postal services and to contribute to the attainment of the noble aims of international collaboration in the cultural, social and economic fields,

Reaffirming
the scope of the Union as defined in article 1 of the Constitution according to which the member countries shall comprise a single postal territory for the reciprocal exchange of letter-post items and freedom of transit shall be guaranteed throughout the entire territory of the Union,

Recalling
the urgent appeal made in resolution C 37/Lausanne 1974 to the Governments of the member countries to refrain as far as possible from interrupting or hindering postal traffic, especially the exchange of correspondence containing messages of a personal nature, in the event of dispute, conflict or war,

Noting
that the direct exchange of postal items does not exist within the Korean peninsula,

Seizing
the opportunity of its meeting in Seoul,

Requests

the Democratic People's Republic of Korea and the Republic of Korea to institute postal exchanges between them as soon as possible,

Instructs

the Director-General of the International Bureau to take such action as he may consider appropriate in this area,

Also requests

the member countries of the Union to support the full implementation of the Constitution on the Korean peninsula, including the freedom of postal exchanges between the North and the South.

Congress – Doc 94/Rev 8

COMMITTEE 7 (PARCEL POST)

Final Protocol to the Postal Parcels Agreement

Proposals received after conclusion of the Committee's work

Proposals Nos:

33. 2.2	33. 10.93	33. 1.1	33. 2.4	33. 2.5
33. 4.2	33. 10.94	33. 2.3	33. 9.9	33. 2.6
33. 9.1	33. 10.95	33. 4.3	33. 9.10	33. 4.7
33. 9.2	33. 10.96	33. 8.6	33. 10.109	33. 5.1
33. 9.3	33. 11.1	33. 9.5	33. 10.110	33. 9.11
33. 9.4	33. 11.4	33. 9.6	33. 10.111	33. 9.12
33. 10.91	37. RE 1.1	33. 9.7	33. 10.112	33. 9.13
33. 10.92		33. 10.1	33. 10.113	33. 10.123
		33. 10.97	33. 10.114	33. 10.124
		33. 10.98	33. 10.115	33. 10.125
		33. 10.99	33. 10.116	33. 10.126
		33. 10.100	33. 10.117	33. 10.127
		33. 10.101	33. 10.118	33. 12.100
		33. 10.102	33. 10.119	33. 12.101
		33. 12.92	33. 11.5	33. 12.102
		33. 12.93	33. 12.94	33. 12.103
		37. RE 3.91	33. 12.95	33. 12.104
		33. 10.2	33. 10.120	33. 12.105
		33. 10.103	33. 12.96	33. 9.14
		33. 10.104	33. 4.5	
		33. 4.4	33. 4.6	
		33. 9.8	33. 10.121	
		33. 10.105	33. 10.122	
		33. 10.106	33. 12.1	
		33. 10.107	33. 12.97	
		33. 10.108	33. 12.98	
		37. RE 3.92	33. 12.99	
		37. RE 3.93		

Seoul, 13 September 1994

Congress – Doc 95

Reservations to amendments to the Acts adopted between Congresses

Memorandum by the Secretary-General

1 According to article 22, paragraph 6, of the Constitution, the Final Protocols of the relevant Acts shall contain the reservations to the Convention and its Detailed Regulations, as well as to the Agreements and their Detailed Regulations.

2 In application of that provision, any country wishing to benefit from a reservation must submit a proposal which is ratified by the appropriate body.

3 Between Congresses, all proposals concerning the Convention, Agreements and their Final Protocols are subject to the procedure described in article 121 of the General Regulations and are in particular subject to a written vote.

4 For the Detailed Regulations, to which amendments are made between Congresses, as appropriate, by the Postal Operations Council, a special reservation procedure was provided for in article 13 of the Rules of Procedure of the Executive Council and will be included in the Rules of Procedure of the Postal Operations Council.

5 In contrast, no provision regulates the procedure for presenting reservations in the event of amendments to the Convention and the Agreements between Congresses. In that connection, it should be emphasized that these Acts have not been amended between Congresses since the 1969 Tokyo Congress.

6 The introduction of a declaration procedure would be simpler than a reservation procedure. In the same way as a member country can declare that it will not be bound by the signature of an Act given at Congress, it could also declare that it will not be bound by an amendment to the Acts adopted between Congresses. Any such declaration, presented unilaterally, would be notified by the Director-General of the International Bureau to the Governments of member countries, in accordance with the same procedure as provided for in article 122 of the General Regulations.

7 At the next Congress, the country concerned could submit a formal proposal to amend the Acts or make a reservation.

Seoul, 6 September 1994

A C BOTTO DE BARROS

Secretary-General

Congress – Doc 96

APPEAL IN PLENARY MEETING

Liability of postal administrations. Indemnities for postal parcels

In accordance with article 24, paragraph 2, of the Rules of Procedure of Congresses, the delegations of Great Britain, Japan and Norway, supported by 10 delegations (Austria, Bulgaria (Rep), Denmark, Finland, Germany, Hungary (Rep), Ireland, Poland (Rep), Sweden and Switzerland) wish consideration to be given in plenary meeting of proposal 30. 25.8 concerning article 25, paragraph 2, of the Postal Parcels Agreement.

The above proposal was rejected at the third meeting of Committee 7 on 31 August 1994.

In accordance with article 24, paragraph 3, of the Rules of Procedure of Congresses, the Chairman of Congress considers it desirable to consider this appeal before considering the draft Acts submitted by the Drafting Committee.

The arguments put forward by the delegations of Great Britain, Japan and Norway in presenting this appeal are given in annex 1.

Seoul, 6 September 1994

Congress – Doc 96/Annex 1

Liability of postal administrations. Indemnities for postal parcels

In accordance with the Rules of Procedure of Congresses, article 24, paragraph 2, the delegations of Great Britain, Japan and Norway with the support of Austria, Bulgaria (Rep), Denmark, Finland, Ireland, Germany, Hungary (Rep), Poland (Rep), Sweden and Switzerland wish to have consideration of proposal 30. 25.8 as regards article 25, paragraph 2, of the Parcels Agreement reopened in a plenary meeting.

The proposal in question was rejected by 50 votes to 35 at the third meeting of Committee 7 on 31 August 1994. The delegations cited in this document are concerned that those in favour of the proposal were not afforded adequate opportunity to express their views before this proposal and the Executive Council proposal 30. 25.7 on the same subject were put to the vote.

Consequently, in giving consideration to the important issue of the change of structure of the indemnity amounts included in both proposals, the other issue of a percentage increase to the indemnity amounts above that included in proposal 30. 25.7 was not afforded full debate.

Several other proposals had been submitted suggesting different percentage increases, but based on the existing text using weight steps. These fell when 30. 25.7 was adopted. In rejecting proposal 30. 25.8 and adopting 30. 25.7 delegations clearly opted for the new structure. However, it is felt that inadequate opportunity was given to discussion of the other theme of proposal 30. 25.8, namely the principle of a percentage increase in the indemnity amounts above the minor increase brought about by 30. 25.7.

Given the competitive environment facing the international postal parcel service, many countries wish to make their parcel service better able to face this competition by increasing indemnities. It is therefore felt that this subject should be given further consideration.

Congress – Doc 97

APPEAL IN PLENARY MEETING

Creation of a French Language Group

In accordance with article 24, paragraph 2, of the Rules of Procedure of Congresses, the delegations of Belgium, Bulgaria (Rep), Burkina Faso, Chad, Côte d'Ivoire (Rep), Czech (Rep), France, Gabon, Hungary (Rep), Italy, Mali, Portugal, Romania, Senegal, Slovakia and Switzerland wish consideration to be given in plenary meeting to proposal 15. 107.2/Rev 1 concerning article 107, paragraphs 1, 2, 3 and 6, of the General Regulations.

The above proposal was adopted by 85 votes to 34, with 25 abstentions, at the seventh meeting of Committee 3 on 7 September 1994.

In accordance with article 24, paragraph 3, of the Rules of Procedure of Congresses, the Chairman of Congress considers it desirable to consider this appeal before considering the draft Acts submitted by the Drafting Committee.

The arguments put forward by the above-mentioned countries in presenting this appeal are given in annex 1.

Congress – Doc 97/Annex 1

APPEAL IN PLENARY MEETING

Creation of a French Language Group

In accordance with article 24, paragraph 2, of the Rules of Procedure of Congresses, the delegations of Belgium, Bulgaria (Rep), Burkina Faso, Chad, Côte d'Ivoire (Rep), Czech (Rep), France, Gabon, Hungary (Rep), Italy, Mali, Portugal, Romania, Senegal, Slovakia and Switzerland wish the discussion of proposal 15. 107.2/Rev 1 dealing with article 107, paragraphs 1, 2, 3 and 6, of the General Regulations to be reopened in plenary meeting.

The above proposal was adopted by 85 votes to 34, at the seventh meeting of Committee 3 on 7 September 1994.

The Committee 3 vote does not seem to conform to the fundamental principles of equity and logic which are essential for the smooth functioning of an international organization like the UPU.

By virtue of article 6 of the Constitution, French is the official language of the UPU, ie the language of reference in which the official version of all texts is drawn up, for all member countries. Consequently, translation into French of all documents is an obligation linked to the official language and not a privilege granted to French-speaking countries. This situation conforms to the rule in all United Nations specialized agencies.

On the other hand, the language groups, as defined in article 107, paragraphs 2, 6 and 7, of the General Regulations are created on the initiative of countries which do not speak the official language to enable them to receive texts and documentation in the language of their choice. The setting up of a language group and membership thereof are on a voluntary basis and cannot therefore be the subject of a unilateral decision by Congress.

It is therefore a serious misinterpretation, in basic contradiction to the very concepts of official language and language group, to now want to impose on a group of countries the financing of obligations linked to the official language of an international organization.

Consequently, the plenary meeting is requested to reconsider this matter, bearing in mind the fact that a decision about such a difficult issue as languages cannot be taken under the conditions which prevailed in Committee 3, but must, on the contrary, be approached in a spirit of consensus, for instance, as part of the general study on languages for which the Council of Administration has already been responsible.

Congress – Doc 98

APPEAL IN PLENARY

Mailing letter-post items abroad

In accordance with the Rules of Procedure of Congress,(article 24, paragraph 2), the delegations of Barbados, Bahamas, China (People's Rep), Ghana, Great Britain, India, Indonesia, Netherlands, New Zealand, Malaysia, Poland (Rep), Romania, Russian Federation, Singapore, Switzerland and United Arab Emirates, wish to have proposal 20. 26.3/Rev 1, which was considered in Committee 4, reopened in Plenary as regards article 26 of the Convention.

Rev 1 of the proposal from Japan and the United States of America introduced a new concept for ABC mail in paragraph 4 whereby a destination administration could require a payment which may not exceed the higher of the following two amounts: either 80 percent of the domestic tariff for equivalent items, or 0.14 SDR per item plus 1 SDR per kg. This was approved by the Committee.

A previous proposal from the United States of America was withdrawn. This would provide for a payment for ABC mail within the limits authorized in the Convention and Detailed Regulations for bulk mail. This proposal was reintroduced from the floor by New Zealand. This appeal argues that this latter approach should replace that approved by the Committee. The reasons are set out below.

The amendment from Japan and the United States of America was available only on the morning of the meeting. It is likely that the implications were not fully understood and this is reflected in the number of administrations abstaining (22).

Whereas the initial proposal from the United States of America was consistent with the decisions taken earlier by the Committee on terminal dues, the revised proposal is not fully consistent.

For terminal dues the bulk mail tariff-linked will bear a charge in 1996 of the lesser of 60 percent of the domestic tariff or 125 percent of 0.14 SDR per item plus 1 SDR per kg. At the discretion of the Postal Operations Council these rates could be increased to 80 percent of the domestic tariff or 200 percent of 0.14 SDR per item plus 1 SDR per kg by the year 2000. This provides for a phase-in period and for an effective ceiling.

The proposal adopted for article 26 in paragraph 4 does not provide for a phase-in period or provide any effective ceiling. The domestic rate to be used is not well defined.

The approach taken for terminal dues is to put principles in the Convention and detailed rates in the Detailed Regulations. The proposal approved is contrary to this approach. In fact it pre-empts any future decisions by the POC on this matter.

The new approach to ABC mail under 20. 26.3/Rev 1 could result in the terminal dues package being circumvented in the relatively high cost countries.

In the terminal dues package great care was taken to protect the financial position of the developing countries. We know that developing countries are not always aware of whether their mail

contains remail. The proposal adopted opens up the possibility of the developing countries to being liable for unconstrained high rates of payment.

Mail classed as ABC is an increasing component of international business mail. As major companies form multinational groups it is common practice for much of their mailing to be made from a central point. This is not done to exploit the pricing in the terminal dues system, but for administrative convenience. Thus, a review of the definition of the mail referred to in paragraph 4 is required before such a radical last minute change is made. (Currently, the country of destination must decide at its discretion whether ABC mail is remail or not.) Opening this mail to the payment of unconstrained domestic rates does not take into account the legitimate needs of our major customers in terms of equality of treatment and equality of access, as has been adopted for terminal dues.

Congress has now had time to consider the proposal in detail and should be allowed to express its views on the following two proposals:

- 20. 26.3/Rev 1 from Japan and the United States of America;
- the proposal by New Zealand to delete from 20. 26.3/Rev 1 in paragraph 4 the words "and which may not exceed the higher of the following two amounts: either 80 percent of the domestic tariff for equivalent items, or 0.14 SDR per item plus one SDR per kg" and substitute the words: "within the limits authorized in the Convention and Detailed Relgulations for bulk mail."

Seoul, 12 September 1994

Congress – Doc 99

APPEAL IN PLENARY MEETING

Conditions for approval of proposals submitted between Congress concerning the Convention and its Detailed Regulations, the Parcels Agreement and its Detailed Regulations, the Money Orders Agreement, the Giro Agreement, and the COD Agreement

In accordance with the provisions of article 24, paragraph 2, of the Rules of Procedure of Congresses, the delegation of Germany and the United States of America wish consideration to be given in plenary meeting of proposals 20. 57.3, 20. 57.4, 30. 41.3, 30. 41.4, 40. 13.3, 40. 13.4, 50. 17.3, 50. 17.4 and 60. 9.3.

Proposals 20. 57.3, 30. 41.3, 40. 13.3 and 50. 17.3 were adopted at the meeting of Committee 3 on 7 September 1994. The delegations cited in this document are concerned that these proposals were adopted before the members of Committee 3 had an opportunity to consider questions which were subsequently raised about them and before suggestions could be offered to resolve these questions.

The countries supporting this appeal wish to have the following two points included in the relevant provisions of the Convention, the Agreements, and their Detailed Regulations regarding conditions for approval of proposals submitted between Congresses to amend the Acts:

- The addition of a requirement that at least one half of the member countries of the Union or parties to the Agreement, as the case may be, must provide a response to a consultation carried out in response to a proposal submitted between Congresses for a substantive amendment.
- The addition of a requirement that a reservation to an amendment adopted between Congresses must be the subject of a consultation and must be approved by a majority of the votes.

The first condition will assure that no proposal for a substantive change may be adopted between Congresses without the participation of at least one half of the members of the Union in the consultation.

The second condition will provide for reservations to amendments adopted between Congresses on condition that they are the subject of a consultation and that they are approved by a majority of votes cast in response to the consultation.

An example of the revised text is attached.

Seoul, 12 September 1994

Congress – Doc 99/Annex 1

Convention – Proposal

Article 57

Conditions for approval of proposals concerning the Convention and its Detailed Regulations

UNITED STATES OF AMERICA, GERMANY

20. 57.4

Amendment to proposals 20. 57.3 and 20. 57.4

Paragraph 3. Amend as follows:

3 To become effective, proposals introduced between Congresses relating to this Convention must obtain:
3.1 two thirds of the votes if they involve (remainder unchanged);
3.2 a majority of the votes if they involve (remainder unchanged);
3.2bis at least one half of the member countries of the Union must provide a response to the consultation carried out under 3.1 and 3.2;
3.3 (no change).

Add the following new paragraph 3bis:

3bis Notwithstanding the provisions under 3.1, any member country whose national legislation is as yet incompatible with the proposed amendment may, within 90 days from the date of notification of the latter, make a written reservation to the Director-General of the International Bureau stating that it is unable to accept the amendment. This reservation shall be accepted by the other members of the Union if it is approved by a majority of the votes cast in response to a consultation on the reservation.

Congress – Doc 100

Communication from the Secretariat

Signing of the Acts

1 The ceremony of signing the Acts will take place on Wednesday, 14 September 1994, from 9 am to 5 pm in Hall B at KOEX.

2 To streamline this ceremony, Plenipotentiaries are requested to show their Congress badges to the Secretariat staff appointed for that purpose.

3 The times allocated to delegations for signing the Acts are as follows, where possible:

– from Malaysia to Western Samoa	from 9 am to 11 am
– from Senegal to Zimbabwe and from Afghanistan to Saudi Arabia	from 11 am to 1 pm
– from Argentina to Ecuador	from 1 pm to 3 pm
– from Eritrea to Madagascar	from 3 pm to 5 pm

4 For information, it is pointed out that no reservation or declaration may be made on the pages of signatures. However, delegations may submit to the Secretariat (room 064) any declarations which will be included in the "List of Declarations" published in volume III of the final Documents of the 1994 Seoul Congress.

Seoul, 12 September 1994

NB. – To make things easier for delegations in special circumstances, Plenipotentiaries authorized to sign the Acts may, **in exceptional cases**, sign the Acts from Tuesday, 13 September 1994 in room No 053.

Congress – Doc 101

Declaration made on signature of the Acts

On behalf of the Argentine Republic:

"Argentina reiterates the reservation made on ratification of the Constitution of the Universal Postal Union signed in Vienna, Austria, on 10 July 1964, by which the Argentine Government expressly stated that article 23 of the Constitution neither referred to nor included the Islas Malvinas, South Georgia, the South Sandwich Islands or Argentine Antarctica. The Argentine Republic therefore reaffirms its sovereignty over those territories which form an integral part of its national territory. It also recalls that the United Nations General Assembly adopted resolutions 2065 (XX), 3160 (XXVIII), 31/49, 37/9, 38/12, 39/6, 40/21, 42/19 and 43/25, in which the existence of a dispute about sovereignty is recognized and in which the Governments of Argentina and the United Kingdom of Great Britain and Northern Ireland are requested to enter into negotiations with a view to settling the dispute and finding a peaceful and final solution to the problems outstanding between the two countries, including all questions concerning the future of the Islas Malvinas, in accordance with the Charter of the United Nations.

"Similarly, the Argentine Republic points out that the provision contained in article 30, paragraph 1, of the Universal Postal Convention on the circulation of postage stamps valid in the country of origin will not be considered obligatory for the Republic where any such postage stamps distort Argentina's geographic and legal reality, without prejudice to the application of paragraph 15 of the joint Argentine-British Declaration of 1 July 1971 on communications and movement between Argentina's continental territory and the Islas Malvinas, approved by exchange of letters between the two Governments on 5 August 1971."

Congress – Doc 101/Add 1

Declaration made on signature of the Acts

On behalf of Belgium, the Kingdom of Denmark, the French Republic, the Federal Republic of Germany, the United Kingdom of Great Britain and Northern Ireland, the Channel Islands and the Isle of Man, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain:

"The delegations of the member countries of the European Community will apply the Acts adopted by this Congress in accordance with their obligations pursuant to the Treaty establishing the European Community."

Congress – Doc 101/Add 2

Declaration made on signature of the Acts

On behalf of Austria, Finland, Iceland, Norway and Sweden:

"The delegations of Austria, Finland, Iceland, Norway and Sweden will apply the Acts adopted by this Congress in accordance with their obligations pursuant to the agreement establishing the European Economic Area."

Congress – Doc 101/Add 3/Rev 2

Declaration made on signature of the Acts

On behalf of the People's Democratic Republic of Algeria, the State of Bahrain, the Republic of Indonesia, the Republic of Iraq, the Islamic Republic of Iran, Kuwait, the Lebanese Republic, the Socialist People's Libyan Arab Jamahiriya, Malaysia, the Islamic Republic of Mauritania, the Islamic Republic of Pakistan, the State of Qatar, the Kingdom of Saudi Arabia, the Republic of Sudan, the Syrian Arab Republic, the Republic of Tunisia, the United Arab Emirates and the Republic of Yemen:

"The above-mentioned delegations,

"Considering
the fourth Geneva Convention (1949) relative to the Protection of Civilian Persons in Time of War,

"Recalling
that Zionism exhibits all the characteristics of imperialism owing to the fact that it is a constant source of conflict and of war with the (adjacent) countries of the Middle East,

"Noting
that, by its basic philosophy, Zionism practises an avowed expansionism because it is occupying territories recognized de facto and de jure as belonging to free and independent countries which are members of the international community,

"Aware
that the Palestinian people are suffering the horrors of the conditions of occupation which are imposed on them and that, as a consequence, their defence is a just cause as it is designed to restore their human and social rights and their right to self-determination and to construct their own independent State on the territory of Palestine,

"Considering
that Israel is the spearhead of this philosophy of imperialism, expansionism and racism,

"Confirm

their declaration to No IX made at the 1964 Vienna Congress, their declaration No III made at the 1969 Tokyo Congress, their declaration No III made at the 1974 Lausanne Congress, their declaration No V made at the 1979 Rio de Janeiro Congress, their declaration No XXVII made at the 1984 Hamburg Congress and their declaration No III made at the 1989 Washington Congress

"And reaffirm

that their signature to all the Acts of the Universal Postal Union (1994 Seoul Congress) as well as any subsequent ratification of those Acts by their respective Governments are not valid vis-à-vis the member inscribed under the name of Israel and in no way imply its recognition."

(Countries' signatures)

Congress – Doc 101/Add 4

Declaration made on signature of the Acts

France expresses its disagreement with the decision taken by the 21st Universal Postal Congress concerning the creation of a French language group. It does not recognize the legal validity of this decision from the viewpoint of the letter and the spirit of the Constitution of the Universal Postal Union.

It therefore does not consider itself bound by any commitment implied by the creation of this group.

Furthermore, it deeply regrets that this particularly sensitive question has been hastily dealt with, without prior in-depth study or any legal opinion, and without the effort to find the consensus that is essential to giving a ruling on a matter of this importance under proper conditions.

Congress – Doc 101/Add 5

Declaration made on signature of the Acts

"The delegation of Israel to the 21st Congress of the Universal Postal Union rejects unreservedly and in their entirety, all declarations or reservations made by certain member countries of the Union at the Union's 15th Congress (Vienna 1964), 16th Congress (Tokyo 1969), 17th Congress (Lausanne 1974), 18th Congress (Rio de Janeiro 1979), 19th Congress (Hamburg 1984), 20th Congress (Washington 1989) and 21st Congress (Seoul 1994), purporting to disregard Israel's rights of membership in the UPU, as incompatible with the status of the State of Israel as a member of the UN and the UPU. Further, these declarations were made with the intention of not applying the provisions of the Acts of the UPU, and therefore contravene the letter and spirit of the Constitution, Convention and Agreements.

"The delegation of Israel accordingly considers these declarations and reservations as illegal and null and void."

Congress – Doc 101/Add 6

Declaration made on signature of the Acts

In accordance with the letter and spirit of the UPU Constitution, the delegation of Israel considers that the Congress resolution on postal relations on the Korean peninsula is mandatory in universal postal relations.

Congress – Doc 101/Add 7

Declaration made on signature of the Acts

"The Government of the United Kingdom of Great Britain and Northern Ireland has no doubt as to United Kingdom sovereignty over the Falkland Islands, South Georgia and the South Sandwich Islands and the British Antarctic Territory. In this context attention is drawn to article IV of the Antarctic Treaty to which both the United Kingdom and Argentina are parties.

"The United Kingdom Government therefore does not accept the declaration of the Argentine Republic claiming to contest United Kingdom sovereignty over the above-mentioned territories, nor does it accept the declaration of the Argentine Republic concerning article 30, paragraph 1, of the Universal Postal Convention (Congress – Doc 101).

"As regards other matters mentioned in the declaration of the Argentine Republic, the position of the United Kingdom Government is reserved."

Congress – Doc 101/Add 8

Declaration by the delegation of the former Yugoslav Republic of Macedonia

"The governmental delegation of the Republic of Macedonia accepts the Final Acts adopted by the 21st UPU Congress held in Seoul from 22 August to 14 September 1994 subject to their official ratification by the Republic of Macedonia."

Congress – Doc 102

COMMITTEE 4 (CONVENTION)

Final Protocol to the Convention

Proposals received after the conclusion of the Committee's work:

23. 1.91
23. 3.91
23. 7.1
23. 7.2
23. 7.3
23. 7.4
23. 7.5 (conditional)
23. 7.6 (conditional)
23. 8.4
23. 10.93
23. 10.94
23. 10.95
23. 10.96
23. 10.97
23. 10.98
23. 10.99
23. 10.100
23. 10.101
23. 10.102
23. 11.2
23. 13.91
23. 19.6
23. 19.7
23. 19.8
23. 19.9
23. 19.10
23. 19.11
23. 19.12
23. 19.13
23. 19.14
23. 19.15
27. RE 0.91
27. RE 7.1

Seoul, 13 September 1994

Congress – Doc 103

Permanent Mission of the
Democratic People's
Republic of Korea in Geneva

Ambassador
Permanent Representative

Geneva, 13 September 1994

Mr A C BOTTO DE BARROS
Director-General of the International
Bureau of the Universal Postal Union

Dear Sir

I acknowledge with thanks receipt of your letter of 7 September 1994 and hereby notify you of the reply by Mr Kim Hak Sop, Minister of Posts and Telecommunications of the Democratic People's Republic of Korea, to the letter you sent him through the intermediary of the Universal Postal Union's International Bureau in Berne.

I would ask you to circulate the letter of reply as an official Congress document.

Please accept, Sir, the assurances of my highest consideration.

Ri Tcheul

Ambassador
Permanent Representative

Congress – Doc 103/Annex 1

Pyongyang, 12 September 1994

Dear Sir

I acknowledge with thanks receipt, through the Mission of the Democratic People's Republic of Korea in Geneva, of your letter kindly informing us of the resolution adopted by the 21st Universal Postal Congress about correspondence between North and South Korea. The following is our position on the matter.

We have always welcomed the execution of correspondence between North and South Korea. In that, our position has not changed.

Since the country was first divided, we have on many occasions proposed to South Korea that exchanges in the Posts and telecommunications sector between North and South Korea be encouraged, by taking the necessary practical measures.

However, our initiatives, inspired by affection for our compatriots and humanitarian considerations, were not greeted favourably by the authorities of South Korea.

In South Korea, there is a "National Security Law" describing the Democratic People's Republic of Korea and its people as an "anti-State organization" as well as a "member of an anti-State organization" and forbidding contact, correspondence and telecommunications with the North.

Today, the South Korean authorities pursue and arrest anybody who has contacts with the North by letter, telephone, telex or telefax on the grounds of having committed "anti-State acts".

In reality, correspondence between North and South Korea does not require mediation by anybody.

However, if you are willing to help us solve this problem, I would request you to raise your voice against the anti-national and anti-human conduct of the South Korean authorities and in favour of the abolition of the "National Security Law" in South Korea.

I am confident that you will support our opinion and trust that you will continue your efforts to develop and extend cooperation between the Ministry of Posts and Telecommunications of the Democratic People's Republic of Korea and the Universal Postal Union.

Yours faithfully,

Mr A C Botto de Barros
Director-General
of the International Bureau
of the Universal Postal Union
3000 Berne 15

Signed:

Kim Hak Sop

Minister of Posts and Telecommunications
of the Democratic People's Republic of Korea

Congress – Doc 104

Embassy of the
Republic of Korea
Berne

Universal Postal Union
Mr A C Botto de Barros
Director-General
Weltpoststrasse 4

3015 BERNE

Berne, 2 November 1994

Dear Sir

Upon instructions from my Government, I have the honour to refer to the resolution, "Postal relations on the Korean peninsula" adopted by the 21st Universal Postal Congress in Seoul on 6 September 1994.

The Government of the Republic of Korea welcomes the adoption of the resolution by the Congress which calls, among others, for the institution of direct postal exchanges between South and North Korea as soon as possible. The resolution is based on the spirit and purpose of the Constitution of the Universal Postal Union which requests the member states to contribute to the attainment of the noble aim of international collaboration through the efficient operation of postal exchanges.

It is pursuant to the spirit and purpose of the UPU Constitution that the Government of the Republic of Korea has put forward a proposal to the Democratic People's Republic of Korea for the establishment of direct postal exchanges on several occasions, in particular, in the "Proposal for 20 Pilot Projects" of 1982 and the "July 7th Special Declaration" of 1988.

The South Korean government guarantees and encourages direct postal exchanges under the South–North Interchange and Cooperation Act, and furthermore proposes to set up a Postal Exchange Center in Panmunjom especially aimed at promoting a direct exchange of postal items among those family members separated between South and North Korea.

It is regrettable however that, in a letter by Kim Hak Sop, Minister of Telecommunications of the Democratic People's Republic of Korea, dated 12 September 1994, addressed to the Director-General of the UPU, North Korea once again attempted to exploit the issue of the postal exchange for political propaganda against South Korea, demonstrating complete disregard for the call of the international community contained in the resolution.

Having repeatedly turned down South Korea's proposals, North Korea claims that South Korea's National Security Law prevents communication and exchange of correspondence between South and North Korea and calls for its abolishment.

However, North Korea's claim has no ground in that South Korea's National Security Law does not deal in any way with postal exchanges. The strict purpose of the National Security Law is to punish those activities of espionage or other subversive acts.

In this connection, it should be pointed out that North Korea itself is the possessor of a severe security law under the name of the Penal Code which provides for harsh punishment of all anti-state activities.

My Government, once again, reaffirms its commitment to do its utmost to realize direct postal exchanges. It is sincerely expected that North Korea will also make efforts to bring about an early establishment of the direct postal exchange in accordance with the resolution, adopted unanimously at the Universal Postal Congress in Seoul.

I would be grateful if you would arrange for this letter to be circulated as a document of the UPU.

Please accept, Sir, the assurances of my highest consideration.

(signed) Dae-Wan KANG

Ambassador