Dear Reader

The most important and challenging item on the postal agenda within the next months is for sure the forthcoming UPU Congress in Doha.

This congress in times of declining markets, technical innovation and changing customer needs does not only set the basic regulations for the next four years worldwide, but also organizes the elections for Director General and Deputy Director General for the next term.

In this Newsletter, we would like to give the readers the possibility of getting to know the candidates for Director General and Deputy Director General of the UPU, to be elected at the 25th Congress in Doha in October 2012.

On the following pages you will find the answers of the candidates in parallel so that you may directly compare the statements given.

I hope that this newsletter meets your interest and I am looking forward to participating in a very interesting UPU Congress this year.

Yours sincerely

Ulrich Dammann
(CERP Chairman)
Questions to the candidates for the position of Director General of the UPU

Serrena Bassini

Personal background

I have 54 years old, married with 2 sons of 25 and 26 years. I am a lawyer, with a master degree in International Public and Private Law.

At the Uruguayan Postal Office I had worked for 15 years, first as a trainer in operations and international affairs. Later on I was given the responsibilities as Director of Legal and International Affairs.

Since 1996 I have the enormous pleasure to work at PUASP. I can assure you that the PUASP region is very heterogeneous. We have industrialized countries from North America and Europe, developing countries on different levels and less developed countries.

In 2005 I was the first women elected in my region as Secretary General, to manage this Regional Intergovernmental Organization. I am working every day with Governments, regulators, operators. During my management I have fostered in the PUASP a forum for regulators and ministries.

There is lot in common between managing PUASP and the UPU. We have in common the big heterogeneity between members; both the DG and the SG are elected by Congress and by the countries.

I am used to manage personal and budget and used to work with cooperation, and more than 30 years of postal experience guarantee my work. I'm proud to have dedicated my entire life to the postal sector.

In my free time I like to share with my family (weekends) and also with my parents. They are 86 years old and my father is very proud with my postal career. He began to work as a postman.

Bishar A. Hussein

Nationality: Kenyan

Official designation: Ambassador

Current responsibilities: Chairman - CA- UPU: 2008-2012

Academic qualification: Bachelors of Arts (Nairobi) 1984


Chairman: 24th UPU Congress 2008

Chairman: Nairobi Postal Strategy Conference 2010


28 years public service: in postal and diplomatic service.
Today's society evolves at speeds never seen before. As a result, we need to make structural reforms in all aspects. The postal sector is a live proof of this fast evolution, so the UPU as the governing body of the sector must adapt to the actual needs.

It is necessary to transform the UPU into an inclusive organism (an umbrella organization), focus on the core of the postal sector, and thus play an important role in the postal development.

This change is only possible integrating, creating an environment of smooth interaction and involving all the wider sector stakeholders.

It is necessary to change the paradigms, not seeing the new technologies as a competitor of the postal services, but understand that new technologies and postal services are complementary and in the future only the means that provide value for society will survive. Accordingly, the separation between governance and operations must be a “natural border”. Governance should seek to improve efficiency and sustainable development and operations should provide the means to achieve it.

I believe that in a situation like today’s it is very important that we reinforce governance in order to better support operation issues that will eventually allow boosting our market and products and at the same time to design a strategy that observes the established rules.

There has been considerable effort during this congress cycle to separate the governance and operational issues of UPU. However, total separation of the functions of the CA and POC is not feasible given the inter-governmental nature of our Union. The thrust of the proposals going to congress is to push most operational matters to POC and give it the necessary autonomy and flexibility to make decisions to respond effectively to the changing needs of the postal business and market, while the CA will concern itself with political issues mainly on governance, policies and enactment of international postal treaties/agreements that binds all UPU members.

There will always be some degree of overlap of responsibilities between the two Councils work. We will only make efforts to limit the areas of overlap and encourage faster decision making process in both UPU bodies. I foresee the need for more coordination between CA and POC (joint CA/POC groups) to deal with matters touching on overlapping functions and responsibilities (“difficult borders”).

How to successfully implement the postal strategy?

We will approve in Doha our Road Map to 2016. Listening to all the debates we have had during these years, the aim of the DPS is assure that the postal sector (and the UPU) remain relevant in the global economy and lead the changes needed to keep fulfilling both the business challenges and the social needs around the world.

During the last cycle we have all agreed on a common strategy for the organization.

For the first time ever, we have also included in the document the indicators that would allow us to better monitor and evaluate the implementation of the strategy. The challenge now will be not only to see how we are doing in each indicator, but to be able to make decisions based on the results obtained.

From my point of view it’s essential to streamline the decision making progress taking more effective decisions.

The UPU resources are limited and we have to...
prioritize, we should focus our efforts on the projects that are achieving results. We cannot wait 4 years to analyse the results achieved. difficulty in the successful implementation of the Doha Postal Strategy during the next cycle.

How to successfully manage the IB and its staff?

Serrena Bassini

I have experience in managing an international bureau at PUASP. The UPU IB’s is bigger but I believe that in some way they have similar needs. In both we find different cultures, different ways of approaching the same issues.

At the IB we have very good and talented professionals and we have to take the best of them. As in many companies, especially in these difficult times, it is key to boost productivity and flexibility.

As we will evaluate the results achieved by our members and the UPU within the DPS, I believe we should reinforce the program to evaluate our staff performance. It is also key to keep working on continuing education programs in order to allow the IB team to get used to new techniques of management.

In any organizational transformation is vital the participation of its staff. First of all more and more even today, UPU’s International Bureau is asked to give expert advice – from detailed technical to strategic level. This growing need can only be satisfied if UPU disposes of the necessary skilled staff, and in this case we should promote an equal geographical distribution in the human resources.

I have learned during my experience as in management an intergovernmental organization such PUASP that the human resources are very important. One of my first’s steps will be to meet with IB staff, I am much convinced that with the actual structure of the IB we can develop new tools to support the development of Postal Sector worldwide. There are a lot of professional and value people working in the IB.

Bishar A. Hussein

The IB is an important body of the UPU that is critical to the overall success of the work of the other Union bodies (POC, CA and CC). It is the nerve center of the Union.

The IB is composed of competent international staff organized along well defined organizational structures and managed by clear rules and regulations. The functional responsibilities of the different directorates, technical units down to the individual’s functions are clearly spelt out. However, there is need for continuous re-alignment of the IB structures and individual skills, abilities and aptitudes to the overall work decided upon by the congress. This is the role of the IB top management.

The professional management of IB require an enabling social environment where the human capital will be respected, and empowered to deliver the highest standard of work. The IB will be set up as a truly disciplined international secretariat that will be held to the highest ethical, moral and professional standards. They will be required to perform at their optimal efficiency in the face of limited resources.

How to enhance the UPU activity in a world lead by e-substitution?

Serrena Bassini

We are living a new postal environment, with a declining core market and increasing competition, and the change of mentality of consumers. A new digital landscape, a change in the worlds of communications and commerce, we are living a digital revolution, with new digital economies. The postal sector as an essential component of the global economy continues to ensure a vital communication connection between individuals UPU member countries are already adopting new technologies to drive e-business and develop innovative products and services that meets or surpass what the competition offers. UPU and the post has a long hisotry of innovations and technological adaptability. The UPU will focus
and businesses in the entire world. The UPU needs to adapt to the new reality, change and evolve to meet the consumer’s needs, and the postal service (the whole sector) needs to modernize its role to accommodate for the digital age. Posts are ideally placed to facilitate information flows and there is a new to offer innovative, value-added business solutions, and integrates payments and delivery solutions. Challenges as engage innovations by developing ICT infrastructures; optimize transfers from migrants; and take into account the Postal sector in the national and regional priorities, can be achieved with synergy of actions between all institutions taking part in the definition of the strategies for promoting postal financial services.

The postal service can build a digital platform that facilitates communications and commerce for postal, governmental, social and commercial actors. The UPU objective is to expand the Postal Platform, to provide for all citizens access to efficient, accessible, safe and affordable services, facilitating electronic interconnectivity between postal operators, UPU members, and the one with other global networks.

The UPU can provide the ambient to set up Working Groups between all actors, to cooperate and work formalizing patterns of collaboration, and establish a dynamic services convention.

How to deal with the (ever more) limited financial resources available?

Serrena Bassini

The financial resources are as you say more limited, the UPU as a leader need to find the way in this aspect, as leaders are responsible for acquiring and maintaining resources for their organization. These efforts tend to be more successful when requests deal with issues of high national priority and when an explanation is provided as to how the additional resources will be used.

The UPU should support more cooperation on more projects, with more resources. As an organization it can help the postal operator to improve and try to visualize the future and try to obtain outside resources through various mechanisms - for example, through banks, including the international development banks and the World Bank.

In the DPS we have done a good job on prioritization. In addition as I said before, we have included a set of indicators to monitor and evaluate our performance of the different programs. We have to be able to effectively apply the prioritization approved and also taking into account the results achieve at mid-term be able to take decisions in order to focus our resources in those pro-

Bishar A. Hussein

UPU will continue to depend on its traditional source of revenues (country contributions and donations) to finance its core activities and operations. However these resources are either stagnating or shrinking due to the increasing economic difficulties faced by most countries. Member countries will be encouraged to increase or at least maintain their current levels of contributions.

UPU will also have to seek alternative ways of sourcing for additional funds to finance its new activities. I foresee the increased use of the cooperative concept in developing new products and services to enable UPU maintain its market leadership.

UPU member countries have to introduce more efficient ways of doing business in order to
grams achieving results. All of the UPU’s work must bear in mind that its members are all very different in the stage they have reached and the problems they face. Better optimization of the resources in projects for the development of the sector must be a strategy to follow in this issue; also the transparency of the actions of the IB will be a very important feature, because in difficult economic times the transparency of decisions and actions is a must.

The issue of opening up the UPU to the new operators and the wider postal sector. Would you try to give priority to this issue and promote its discussion, and how?

Serrena Bassini

The UPU has been working in this issue from a long time, we all know that we are working in a complex environment with new trends and challenges affecting our sector. UPUs works with a lot of stakeholders, Governments, Operators, Regulators, etc many of this stakeholders come from different situations (Developing Countries, Least Developing Countries, Island Countries and Industrialized Countries) and many of them have, at some point, different priorities and interest, even some have opposing interest.

I believe that the UPU should keep working on adapting its structure and its way of working to the changing environment. I would like to see, and I would like to work for having, an open discussion about how to integrate the wider sector in our organization. However the final decision on this, remain at the members level.

More and more, especially in Industrialized Countries the regulation affecting the operations and development of DO is increasing. Customs and Security issues will be key in the following years. Integrating the wider sector in the UPU would allow us to better explain the particularities of the DO, and would also foster innovation and integration.

Bishar A. Hussein

Protectionism is not viable option for UPU and the Posts. The reality of globalization and effects of competition cannot be ignored. Opening up of UPU to new operators and the wider postal sector may be viewed as a strategic move that aims at transferring best practices and sharing experiences and positive contributions. UPU has already acquired considerable experience with activities of CC. However, UPU must not let go its fundamental principles and values while opening up. These new comers should only be admitted if they will add value to UPU.

With digital diversion, the continued drop in letter mail and the growth of parcel traffic which is increasingly dominated by private carriers, isn’t it especially important to include the wider sector in the emerging international regulatory environment?

Serrena Bassini

We need to integrate all kinds of Postal Service to enable Operators to benefit from the full value chain: all mail services have electronic and financial parts. DOs today already cooperate with non-DOs and compete at the same time, depending where they

Bishar A. Hussein

Global business dynamics dictate that adaptation and innovation become the way to do things. The Demand shift from letter mail to parcel is attrib-
can find a win-win. Establishing a common rule set for interacting and a common set for electronic information exchange will help save costs on both sides but has no negative effects on DOs. I am convinced the postal sector has a role to play in future - the postal network is the biggest network in the world. Working with the private sector to pursue shared opportunities is something that I see as particularly important for postal operators and the UPU. It’s important to solve the major security concerns that existing in the world’s supply chain, along with the need to respond to the communications challenge represented by the Internet and the move towards social networking. I am convinced that the public operator and private operator should work together, because we share the same problems, we share the same concerns.

**It won’t be long before private carriers and the posts will at last have parity treatment at Customs world-wide, and the same electronic pre-advice requirements.** And these technological demands and developments will continue, with posts lagging behind and at a self-imposed competitive disadvantage, unless they acknowledge and embrace the wider sector.

Serrena Bassini

We have discussed about prioritization and our members have expressed themselves. For me, form a business point of view it will be key to keep working developing and improving electronic products, parcels and added value services and from a regulatory point of view, the UPU should play a greater role and improve its relations with other bodies like WCO, and other regional institutions which regulations may affect the way we work in the UPU (EC, US TSA, etc). Besides, I have the experience in Latin-American Region to manage the Exporta-Facil project. We work with governments is its promotion of the project, which seeks to boost national exports by making it easier for small businesses to ship products across national borders. We are very pleased with this initiative. Governments see these projects, and they can visualise the real importance that the postal sector has for the economy of their country. Working on cross-border issues is also key to improving the security and safety of the global postal network, an area that UPU needs to play a big role.

Bishar A. Hussein

UPU and the post are alive to the trend and have been actively engaged with the customs. I believe most member countries are keeping their fingers on the pulse so to say. I have no doubt that UPU and the Post have the capacity to adapt to any new requirements be they electronic or otherwise. Technology is a focus in UPU and as such UPU will not lag behind or be at a disadvantage. Embracing the wider sector may be an advantage to the post but not necessarily the panacea since the Union has its own goals and strategies.
The UPU as an Intergovernmental Organization should have a modern and transparent management method, where members have the opportunity to decide, having clear common objectives instead of particular interests.

As UPU Director General I need to achieve and attract Union for the wider postal sector actors, focus on consider new services and products opportunities. We must know and evaluate where we are to know what we need to became.

I see the UPU working as a key player, providing tools and showing the designated operators how to be able to seize growth opportunities.

Good governance rules will be essential to achieve transparency and a regional balance. I don’t want to revolutionize the UPU, but adapt a gradual line of action where the results of a well-balanced progress are taken into account.

I see the UPU as an Organism activator and facilitator of productive politics focused on the new tendencies.

My primary goals and objectives are to:

- Manage the IB professionally in order to deliver the goals, objectives and programs of the UPU strategy that will be approved by the 25th Congress.
- Study Congress decisions; re-align IB internal structures, personnel and resources accordingly in the most optimal way for efficient delivery of the Union's mandate.
- Create an enabling environment for the IB staff to perform at their very best. IB will deliver efficient secretarial services to the Union Bodies in the timeliest manner.
- Work with governments, regulators, Designated Operators, Restricted Postal Unions and the private sector to ensure the efficient implementation of the Doha postal strategy and advancement of the cause of the Union.
- Ensure efficient management of the UPU resources.
- Engage my diplomatic skills to build consensus and stronger cohesion among the Union members and raise the awareness of the UPU in the international arena.
- Lead the team that will take the UPU to the next level.

What roles will the future DG assign his/her Deputy Director, and what they would define as their job description?

Serrena Bassini

The Deputy Director assists the Director General and develops it in an important performance where the DG takes advantage of the Deputy experience and knowledge, establishing a perimeter support that considers the attitudes of one or the other.

A close relationship between the two authorities of the UPU will maximize and make effective the implementation of the strategy.

This way of working will allow the General Director to establish aligned objectives with the Union priorities for both authorities to act together with members governments to strengthen the postal sector.

According to the UPU Regulations, the DG has the overall responsibility for the management of the IB. The role of the DDG is a very important first line support for the DG. The DDG plays key roles in the day to day management of the IB to ensure effectively delivery of services particularly in the areas of Human resources, finance and administration of the Bureau and represent the DG in international meetings and functions. The DDG will also assist the DG in managing the Union bodies’ meetings and activities.

Bishar A. Hussein
How can the future DDG influence the development of the IB, and UPU in general?

Serrena Bassini
From my point of view, working together both authorities of the UPU can influence in a modern and transparent management of the organization. A more precise definition shall be established according to the profile of the elected Deputy, in order to optimize the results of the union. The DPS is a planning tool for the next period and its necessary to count with the support and commitment of the DDG to evaluate the implementation of it. Finally both elected authorities must work together for the integration and sustainable development of countries with the respect of democratic and multicultural aspects.

Bishar A. Hussein
The DDG can influence the developments of the IB and UPU by providing knowledge, expertise, experience, support and advice to the DG, and good leadership to the IB staff. The DGG will be part of a strong team that will deliver the mandate of the Union.

Questions to the candidates for the position of Deputy Director General of the UPU

Pascal Clivaz
I am a candidate for the post of UPU Deputy Director General by conviction. I am the candidate chosen by the Swiss government and by Swiss Postal authorities. My life history has prepared me for this prestigious yet demanding role which requires competence, knowledge and commitment. I have fully measured the scope of the task and the expectations that are associated with it and I am ready for it.

I am the current Director of Finance and Strategy at the UPU and I have been working for the UPU International Bureau for seven years. I have previously spent 10 years contributing to converting PTT Switzerland into one company: Swiss Post. At Swiss Post I was successively an Intern, Scientific Collaborator, Deputy Manager, and in 2000, Director of International and Regulatory Affairs. My professional background has also allowed me to work at the European Commission.

Dennis Delehanty
Personal background

I am Dennis Delehanty, the current Director for Postal Affairs at the U.S. Department of State. I have dedicated much of my 33 years of public service to the crucial work of the Universal Postal Union, working to improve the performance of postal and contracted private operators in the delivery of international postal items. Through my international work, I have had the opportunity to learn six major UPU languages. My postal experience includes working as a postal operator with the United States Postal Service, leading the State Department’s international postal responsibilities, and seven years as an Express Mail Service (EMS) expert at the UPU’s Secretariat. These first-hand experiences within the national postal service, government delegation, and UPU
(DG XIII) in the department responsible for postal questions in 1998. I have therefore a domestic, European and international postal experience at management level.

I graduated in law from the University of Freiburg. I led different public and private mandates in the postal world as well as at the UPU, where I notably led Swiss delegations and presided over the Commissions at the CA and the Congress. I have also been participating in CERP working groups for several years as a Swiss representative or an organiser of the CERP plenary session in Interlaken, Switzerland. Lastly, I have been a member of PostEurop’s Board.

In private, I have been the administrator and president of a regional bank’s Management Board, member of the third Swiss banking group and also the administrator of an important Swiss cooperative company.

Further elements of my background are available at the site www.pascalclivaz.ch.

Secretariat have provided me with insights on how the UPU can best help postal operators meet the new challenges and take advantage of the opportunities of today’s marketplace.

Throughout my career, I have contributed to strengthening a truly global universal postal network that ensures quality and affordable communications among the world’s citizens. I was a primary catalyst behind the creation of the UPU’s EMS Cooperative, which has improved the delivery performance of EMS by postal administrations worldwide. I have also served on the Board of Trustees of the UPU Quality of Service Fund for five years, chairing the Board’s Finance and Investment Committee. In addition, I have led U.S. delegations to numerous international postal meetings, and for the past decade have served as the principal State Department official responsible for U.S. international postal policy and U.S. participation in the UPU, the Caribbean Postal Union (CPU) and the Postal Union of the Americas, Spain, and Portugal (PUASP). This experience has enabled me to gain a broad perspective on the postal sector.

Additional details about my career achievements, education, qualifications, and postal experience can be found at this link: http://www.state.gov/p/io/ipp/upu/index.htm.

What are your ideas to deal with the following issues:

How to successfully implement the reform of the Union and to better distinguish between operations and governance, the so called “difficult border”?

Pascal Clivaz

It is the member states that constitute the Universal Postal Union who develop the organisation and its structures in order to properly incorporate the sector’s new directions. Personally, I prefer the expression ‘adapting structures’ to ‘reform’. In an organisation like the UPU where there are certain disparities we must avoid creating differences and misunderstandings. The future must be conceivable without any ruptures but with all new members. The UPU must also reflect the current postal sector in all of its diversity; it is the key to successful development integrating all of the actors, governments, regulators, designated operators and other stakeholders.

Things seem clear to me here, too, because of the distinction between governance and operation. The roles must be well defined and the dia-

Dennis Delehanty

Achieving a clearer separation between regulatory and operational functions is one of the stated goals of the UPU. I fully support the text in proposal 18 for the Doha Congress, which was developed by the Reform of the Union Project Group and which would instruct the CA, during the next Congress cycle, to “study all functions of the Council of Administration and the Postal Operations Council with a view to defining those of a governmental nature and those of an operational nature.”

As part of this effort, one important step forward would be to identify those programs in the UPU Programme and Budget that are governmental or
logue organised. We see in the majority of countries that not only communication works between the State and historic operator, but that it is also necessary for postal development. Why will this be different at the UPU? The International Bureau’s executive team will need to aim to favour the bridges, dialogue and coherence between the operational pillars and governance.

Further, the Council of Administration should continue to study the organizational structures of the international organizations in other related sectors, such as transportation (International Civil Aviation Organization (ICAO), and the International Air Transport Association (IATA)) and telematics (International Telecommunications Union (ITU)) to determine whether those structures offer models for possible application within the UPU context.

How to successfully implement the postal strategy?

Pascal Clivaz
The regional approach, through regional round tables that I set up as Director of Strategy at the UPU in 2007, then reissued in 2011, constitutes the first proof that it will be necessary to work by including the maximum number of member countries in the procedure for formulating and implementing the UPU strategy. This logic should be continued by involving the restricted Unions, like the CEPT for Europe, in order to ensure that we have a coherent approach. The UPU’s strategy must be inclusive and its implementation decentralised. Following the current situation’s example, success also depends on resources and results based management. All those elements are key to a successful implementation of the UPU postal strategy.

Dennis Delehanty
The current UPU approach towards implementation of its strategic plan is sound, a policy of a “global strategy implemented regionally”. In this age of financial constraints, the UPU needs to rely more heavily on a coordinated approach with the restricted unions wherever possible. I strongly support the efforts made in recent years to achieve greater coordination and synergies with the restricted unions in the implementation of the UPU strategy, and the drafting and preparation of regional development plans are an important component of these efforts. However, it is of utmost importance that regions themselves be consulted closely in the preparation of the priorities in the regional development plans, just as the member countries as a whole are now consulted about the priorities in the overall UPU strategy (e.g. the draft Doha Postal Strategy).

Measuring the attainment of the main goals in the strategy is an essential part of implementation of the strategy. To this end, the UPU must be committed to using sound metrics that connect achievements to goals. While some indicators have been developed to measure progress towards achieving the goals in the Doha Postal Strategy, the UPU should consider whether an iteration of the “report card” approach employed successfully by the EMS Cooperative since 1999 could also be applied to measure implementation of the Doha Postal Strategy.
How to successfully manage the IB and its staff?

Pascal Clivaz

There are now more than 260 people working for the UPU. Human resources are its first asset. Therefore it is obvious that the International Bureaus’s management needs to have excellent control of the risks of the organisation, in a political, strategic, judicial, financial and human sense.

Yet above all, it needs expert and practical knowledge of modern management methods. I have been practising these questions as a manager for nearly 15 years; first of all at Swiss Post in charge of finances and staff at the General Secretariat, then in my current functions where managing UPU human resources is also my daily business.

There are not only risks at a recruitment level, even if errors are critical at this phase. There are also problems elsewhere: working conditions, social welfare with professional knowledge of the mechanisms or even training to refresh knowledge or how to manage professional conduct in an intercultural environment– these are the genuine questions that are being asked.

Dennis Delehanty

I have extensive personal experience with, and understanding of, the special human resources requirements and conditions that apply in international organizations such as the UPU.

I worked for seven years at the International Bureau in Bern (from 1986 to 1992) responsible for EMS (Express Mail Service), have led large U.S. delegations to numerous international postal meetings, and have chaired scores of meetings of UPU and restricted union working groups on postal issues. Further, from 2010 to 2012 I chaired the CA Reflection Group on Human Resources, which produced a major body of work on human resources issues at the International Bureau, and a major resolution on these issues for consideration by the Doha Congress.

In the recruitment of IB staff, it is of crucial importance that IB managers seek the most capable and highest-qualified individuals with solid postal experience (and abilities in other areas) as well as pay attention to the importance of achieving equitable geographic distribution and gender balance.

It is important for the CA to exercise its oversight responsibilities in regard to human resources by maintaining a discrete working group on the subject, ideally under the proposed Committee 3 on supervision of UPU finances and IB administration.

More generally, decisions at the IB – just as in any organization – should be made at the lowest hierarchical level that is practically possible. This of course means that IB staff must be prepared to take on more responsibility and a greater decision-making role. In order to maintain the IB’s ability to meet its priorities, decentralized decision-making processes should be implemented to streamline and speed up work.

Finally, IB staff must keep uppermost in mind that their salaries are paid by the member countries, and their first priority is therefore to serve the member countries.
Our strategy to be adopted in Doha proves this, the UPU has already fully incorporated this phenomenon. The UPU did not wait to launch major initiatives to anticipate the innovative methods of these new consumption models. The example of the ‘Post’ project perfectly illustrates this ability to anticipate and innovate. What the UPU is doing today can be found in several regions and countries around the world. Developing economic postal models that include electronic and financial dimensions proves that innovation, or even diversification, are not the prerogative of industrialised countries. On the contrary, developing countries sometimes fare better due to their flexibility. In this context, the UPU could continue to be used as a platform for innovation in the postal world.

As an international institution, the UPU must be able to adapt to the evolving needs of its member countries – and their regulators and operators – as the postal sector undergoes dramatic changes. While one can analyze trends of today and predict that letter post volumes may continue to fall, a similar prediction cannot so easily be made with regards to the rate of such decline. It is not simple to predict the pace of growth of e-commerce and the concurrent growth expected for express, parcels and small packets. This picture is even further complicated by the onset of postal digital services, which are expected to balloon in the coming years. The work of the UPU must therefore become more nimble and flexible to stay abreast of – and adapt to – the transformative changes we expect to see in postal markets over the next decade.

How to enhance the UPU activity in a world lead by e-substitution?

How to deal with the (ever more) limited financial resources available?

The UPU must be sensitive to the growing financial stresses on its member countries, particularly in this period of prolonged recession and slowdown in economic growth, as well as the decline in letter post volumes worldwide. For many small countries, the mandatory contributions to the UPU are prohibitively expensive, and the number of countries in arrears and thus under UPU sanctions is a sobering phenomenon that deserves serious attention by the CA.

In this environment, it is not realistic to contemplate significant increases in the mandatory UPU budget. To ensure that the UPU revenues are sufficient to pay for UPU activities, there appear to be three choices: attract additional funding for extra-budgetary activities (the EMS Cooperative, Telematics Cooperative, UPU*Clearing are examples of this approach); work to achieve greater efficiencies at the International Bureau; or restrict the work performed by the UPU through its mandatory budget to its most pressing priorities. It is significant to note that between the mid-1990s to mid-2000s, the UPU budget was fixed at zero nominal growth. However, with the creation of the entities mentioned above and others, such as the Direct Mail Advisory Board, the total income of the UPU increased during that same period by as...
All that remains are the difficulties associated with obligatory contributions. I have invested time and resources so that we can keep control over our debtors. It was worth it. However, it is not enough because the crises have hit us, too. Therefore we will need to follow up consultations in order to best adapt the contributions system and bring it closer to the economic criteria that better reflect the real weight of the countries' economy.

It is typically a responsibility that a Deputy Director General must accept in the supporting role to the Director General.

## The issue of opening up the UPU to the new operators and the wider postal sector. Would you try to give priority to this issue and promote its discussion, and how?

**Pascal Clivaz**

The postal sector has multiple realities. Opening the market, or rather the domestic postal markets and to designate the operator in charge of the universal service is the member countries' responsibility. It is their role to bring the debate to the UPU and the UPU's to organise this debate in a neutral manner. Nobody can impose a behaviour or a political choice on how to organise the postal market upon Switzerland's or the United States' national market. In terms of integrating new stakeholders, we already have a framework, the consultative committee whose role and place need to be further develop in order to better integrate all players of the postal world. Thus the priority is not to launch a dogmatic debate because the situation is different in each country. It is essential to make sure that the unique postal territory concept works, to maintain the universal postal service and to organise it.

**Dennis Delehanty**

Active collaboration between postal and private operators already has a fairly long history within the UPU, which began with the collective EMS contracts conducted under the auspices of the UPU nearly 20 years ago. The 2004 Bucharest Congress formed the Consultative Committee, which gave a voice to the private sector within the Council of Administration and many other UPU groups. Since the 1990s, the postal operators of many UPU member countries have concluded business arrangements with private sector operators across a range of services. Thus, the UPU and its member countries – and member operators – already have opened up to new operators and the wider postal sector. As member countries, regulators and operators adjust to the rapidly changing postal market, where express items, parcels, and small packets – as well as digital and other services – represent an increasingly larger share of revenues, the UPU will need to pay greater attention to the concerns of new market players.

## With digital diversion, the continued drop in letter mail and the growth of parcel traffic which is increasingly dominated by private carriers, isn’t it especially important to in-

**Pascal Clivaz**

Nature tells us that we must constantly adapt. This is why I do not like the word ‘reform’, but prefer ‘adaptation’. The UPU is the place of debate. As I said previously we must completely incorporate all the actors of the postal markets which not only includes the private carriers but also the clients, or the representatives of postal workers or the e-commerce industry. All those actors can be gathered around the concept of a unique postal

**Dennis Delehanty**

It is critical to include the wider sector in the emerging international regulatory environment. However, one must also be cognizant that developments in postal regulation in Europe and other regions, and particularly liberalization of postal markets, have probably done more to drive the
territory which is now formed by the 192 member countries of the UPU. The postulate in 1874 remains fully valid; by going from 22 to 192 countries the UPU has had to create adequate conditions in order to allow a multilateral debate and the implementation of global solutions. It is thanks to the UPU that it is now so simple to exchange letters and parcels around the world. So there is nothing stopping it now from continuing this path and entrusting this role to the UPU which has the best capacities and know-how. In order to be global and effective, the UPU must incorporate all of the actors in the postal sector in the broad sense, including the private sector and the regulators. And in this context, let’s not forget the role of the UPU in the development of postal financial services which for numerous posts are today the way to respond to the drop in letter mail traffic.

It won’t be long before private carriers and the posts will at last have parity treatment at Customs world-wide, and the same electronic pre-advice requirements. And these technological demands and developments will continue, with posts lagging behind and at a self-imposed competitive disadvantage, unless they acknowledge and embrace the wider sector.

Pascal Clivaz

It is the member countries’ will and the accession of the competition principles that have created this factual state. It is the consumers, the citizens, the users of the services and above all the economies that are at risk. Thus the different actors need to talk and connect with each other as well as define the international exchange conditions. That is exactly what we have started to do in the recent years at the UPU level through partnerships with customs organisations such as the WCO or airlines and air transports organisations (IATA and ICAO). The UPU is not a union of postal operators, it is an intergovernmental organisation. However that despite facing competition, the operators in charge of the universal service still have strong assets, such as the network, the know-how and the trust from clients. Those assets are real opportunities for the historical postal operators in a competitive environment. All those important issues require proper debates and discussions at the global level. With this in mind, as Director of UPU Strategy, I have asked for the Ministerial Conference scheduled for 8 October this year to be held in Doha to discuss and provide us with the way forward on those issues.

Dennis Delehanty

Over the past 15 years, postal operators have made great strides in improving their performance in tracking EMS items and parcels in response to customer needs and requirements imposed by the EMS Cooperative for EMS items and by the UPU Congress and Postal Operations Council for parcels. The information transmitted currently, however, tracks item identifiers and dispatch-level data. The challenge now for postal operators is to collect and transmit the item-level data that appear on the customs declarations that accompany the mail items. The collection and transmission of this data is needed to safeguard the security of postal dispatches and of the aircraft that transport international mail. Several proposals up for discussion at the Doha Congress would set forth plans to drive the collection and transmission of item-level customs data by postal operators. It is hoped that these initiatives will become among the more important achievements of the Doha Congress.