CHAPTER II

INTERNATIONAL POSTAL SCENARIO

(LITERATURE REVIEW)

Geneva (Switzerland) 24th Universal Postal Congress
- 23 July to 12 August 2008
Postal Services – International Scenario, Postal services in Few Countries, Non-traditional Services Offered by Post Offices Worldwide and Global Postal Organisations

All over the world, post offices handle two important responsibilities i.e. satisfying the communication needs of the citizens through mail services and mobilisation of savings through financial services. Some important dimensions of posts offices world-wide are given below:

2.1 SOME IMPORTANT DIMENSIONS OF POSTS- WORLD – WIDE:

a. Postal Network—International Scenario

Table 2.1 Postal Network—International Scenario As on 31.03.2006

<table>
<thead>
<tr>
<th>Country</th>
<th>Permanent post offices (No)</th>
<th>Population served (No)</th>
<th>Average area served (Sq km)</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>63555</td>
<td>20521</td>
<td>151</td>
<td>4,7</td>
</tr>
<tr>
<td>India</td>
<td>155333</td>
<td>6623</td>
<td>21.16</td>
<td>5,3</td>
</tr>
<tr>
<td>Indonesia</td>
<td>20073</td>
<td>10954</td>
<td>94.88</td>
<td>1,1</td>
</tr>
<tr>
<td>Malaysia</td>
<td>1211</td>
<td>20169</td>
<td>272.30</td>
<td>5,9</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>4680</td>
<td>4074</td>
<td>14.02</td>
<td>11,8</td>
</tr>
<tr>
<td>U.K.</td>
<td>15868</td>
<td>3734</td>
<td>15.31</td>
<td>32,4</td>
</tr>
<tr>
<td>USA</td>
<td>37579</td>
<td>7825</td>
<td>256.24</td>
<td>2,1</td>
</tr>
</tbody>
</table>

b. Mail Volume—International Post:

More than 400 billion letters, parcels, newspapers, magazines and advertising mail items are sent through the mail each year. Millions of tons of paper is used in printing postage stamps and in administering and managing 6 million postal workers and 7,00,000 postal outlets all over the world, and it is clear that the world postal network handles a large portion of the earth’s paper. Postal services are also the largest civil motor-vehicle
operators in the world. Their vehicles travel millions of kilometers each year to collect and deliver mail.

c. Financial Services - International Post:

About two-thirds of the world's Posts provide postal financial services and some 60% offer savings bank services. In a number of countries it is experienced that, while work of purely postal nature constitutes about 80 per cent of the total work of the post office producing a revenue equal to 60 per cent of the total earning, agency functions constituting 20 per cent of the total work produces about 40 per cent of the total revenues^3. Postal financial services - in particular postal savings and third-party agency services offered by Posts on behalf of private and public enterprises - give isolated communities access to vital services and thereby contribute greatly to the economic and social development of countries.

d. Posts and Environment Protection:

Apart from the two core activities-mail and financial services post offices are also fulfilling their social responsibilities.

In recent years, Posts have come to realize the effect of their business on the environment. In their efforts to protect the environment, Posts are embarking on recycling programmes, introducing environment-friendly products, using recycled material and participating in various environment awareness programmes. Posts also issue postage stamps to promote the environment, endangered species and nature conservation. A number of Posts have started experimenting with non-polluting resources such as electric vehicles.

These initiatives are shared among Posts at symposia organized by the Universal Postal Union (UPU) and are published in an operational guide intended for member country Posts. The UPU's special project team on the environment provides support to member countries through studies on the environment and by development of environmental policies that
include training and awareness programmes. In this way, the UPU and Posts across the world are not only facing up to their responsibility towards the environment, but they are also putting life into the Memorandum of Understanding between the UPU and the United Nations Environment Programme (UNEP).

e. Posts in Times of Conflict and After Natural Disasters:

A natural catastrophe, an armed conflict, or even extreme poverty often prevents large portions of the world's citizens from communicating through the mail. In such situations, the UPU acts in a cooperative effort to lend assistance. Over the past few years, conflicts in places such as Bosnia, Kosovo, the Great Lakes region of Africa, and East Timor seriously disrupted the postal service, bringing mail links to the outside world to a temporary halt. The UPU helped in each case to develop short-term rehabilitation plans and to introduce measures to provide basic postal services within the limits of the situation.

Posts also play a humanitarian role in the aftermath of natural disasters such as earthquakes and floods. In these trying circumstances, the Post is often used to locate missing relatives, to distribute humanitarian aid and to provide food and shelter to victims.

2.2 POSTAL SERVICES IN FEW COUNTRIES:

A brief review of postal systems in a few countries is given below:

a. United States Postal Service (USPS)


History: ---The U.S. Postal Service has a long and rich history that began in the early days of the colonial period. This historical period gave birth to the first American post office. It did not produce a profit until 1761. This newfound profitability was partly due to the management skills of Benjamin Franklin, who became Co-deputy Post Master General in 1753,
and partly due to a reciprocal agreement between the colonies and England.

In 1792, the new Constitution gave Congress the right to establish post offices. Therefore, Congress created a new postal law that established a new U.S. Post Office. The Act established the nation's postal policy, which stipulated that the Post Office was to be self-supporting (using any profits to expand the postal service), and that Congress was to approve post offices and post roads. Thus Congress would completely control the post office and its growth. The Post Master General (PMG) was given the responsibility of managing the postal service and providing an annual budget to Congress that estimated the needs of the department.

In response to complaints by both rural and urban customers concerning high postal rates in 1851, Congress reduced the rates and stated that same postal service will be continued even if it resulted in postal deficits. Therefore, a customer-service policy, as opposed to a "self-supporting" policy drove the Post Office.

The next phase of the history of the U.S. Postal Service consisted of a series of significant events, including: initiation of mandatory prepayment of postage and the use of stamps in the 1850s; institution of a registered letter service in 1855 and a city free-delivery system in 1863; development of the first railroad post office in 1864, which revolutionized postal service by allowing employees to sort mail as they traveled on trains; introduction of mail delivery to farm homes in 1896 and parcel service to rural areas in 1913; use of automobiles to deliver the mail, replacing horses, in the early 1900s; and initiation of the first regular airmail service between Washington, D.C., and New York in 1918. In 1964, Zone Improvement Plan (ZIP) codes were introduced to identify postal delivery areas in the United States.
Postal Reorganization Act of 1970: The Postal Reorganization Act of 1970, which created the current structure of the U.S. Postal Service, was the most detailed and radical reorganization in two centuries. It brought about two broad changes: ---

- Congress was no longer able to set both postal employee wages and postal rates.
- The "new" Postal Service was able to run more like a business enterprise—for example, it could hire its own personnel.

Other specific changes resulting from the act included:

- Establishment of the Board of Governors to oversee operations
- Creation of the independent Postal Rate Commission to provide advice to the Board of Governors on postal rates and classifications
- Establishment of an independent personnel system and direct collective bargaining between postal management and unions
- Authorization of a general "public service" subsidy equal to 40 percent ($920 million) of the fiscal 1971 appropriations to the Post Office Department till 1979, declining by 1 percent per year till 1984—by which time the Postal Service was expected to be self-sufficient
- Plan for gradually phasing out the preferential rates of mail, assuring that rates covered only those costs directly applicable to the class plus some "reasonably assignable" portion of the system's institutional costs.
- Authorization to modernize the postal system through borrowing money and issuing public bonds up to $10 billion

The years under Postmaster General Marvin Runyon (1992-98), marked a turning point for the Postal Service. From 1995 through 1998 the Postal Service had cumulative earnings of $5.1 billion, compared to cumulative losses from 1971 to 1994 of $9.9 billion. Under Runyon's leadership, the Postal Service successfully set and communicated clear objectives, improved automation and ensured customer satisfaction. It
began using private sector tools, such as accepting credit cards and adopting longer hours, to meet its customers' needs. Independent surveys confirmed that the Postal Service was achieving higher customer satisfaction. According to 1998 Roper Survey, 78 percent of Americans had a highly or moderately favorable opinion of the Postal Service, the highest ranking of 15 federal agencies.

At the end of the twentieth century, the U.S. Congress was seeking ways to clarify the Postal Service's role. As PMG William J. Henderson noted in the 1998 Annual Report, "The potential exists for a redefinition or perhaps even a re-regulation of our services."

**Services provided by USPS are as under:**

**Mail:**
- Express mail--- for guaranteed next-day delivery to most domestic locations.
- Media mail---for shipping books, CDs, DVDs, and other media.
- First class mail --for sending letters, envelopes, and small packages
- Priority Mail for delivering items in an average of 2-3 days
- Parcel Post—-for shipping small and large packages with economical ground delivery service
- Bound Printed Matter-- for sending bound sheets of advertising, editorial, or directory material
- Periodicals Mail-- for sending newspapers, magazines, or other publications.
- Library Mail -- for sending educational materials to or between libraries, schools, or other qualified organizations
- Global Delivery Services -- for shipping or mailing to other countries

**International mail Services**
- Global Express
- Global Priority Mail
- Global Airmail Letter-Post
Global Airmail Parcel Post
Global Economy Letter-Post

Net Post Services
For creating and sending cards, booklets, flyers, and more online
Online Tools are provided to customers to make shipping and mailing easier.

Online Postage
Schedule a pickup
Track & Confirm

Money Orders
Domestic money orders (safe and convenient)
International money orders, up to $700 are accepted in over 30 countries.
Internationally Wire money can be sent to family and friends from participating post offices.

Postal Store
Items available are Pre-inked rubber stamps, Stationery, Forms and labels, artwork, books, games, CDs and DVDs.

<table>
<thead>
<tr>
<th>Table 2.2 Performance USPS: ----2004—05</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year-End</td>
<td>September</td>
</tr>
<tr>
<td>2005 Sales (mil.)</td>
<td>$69,907.0</td>
</tr>
<tr>
<td>1-Year Sales Growth</td>
<td>1.3%</td>
</tr>
<tr>
<td>2005 Net Income (mil.)</td>
<td>$1,445.0</td>
</tr>
<tr>
<td>1-Year Net Income Growth</td>
<td>(52.9%)</td>
</tr>
<tr>
<td>2005 Employees</td>
<td>704,716</td>
</tr>
<tr>
<td>1-Year Employee Growth</td>
<td>(0.4%)</td>
</tr>
<tr>
<td>Competitors</td>
<td>DHL, FedEx, UPS</td>
</tr>
</tbody>
</table>

Economic Perspective:
The Postal Service is not considered a business, but rather a Governmental institution designed to serve the U.S. public. However since
it was accepted as "independent establishment" of the federal Government, one of the main objectives is to assure financial stability and self-sufficiency.

In the 70s this seemed a highly ambitious goal. At that time it had to face operating problems, deficit-producing services, high inflation rate and rising cost of fuel. It received subsidies from the Government to cover its costs, which were discontinued in 1982, and since then it has been self-supporting.

As a self-supporting organization, it must obtain its funds from its operating activities or through borrowing. Under this policy, from 1971 to 1994 losses accumulated to nearly $9 billion. The Postal Service began to achieve positive net income from 1995. During four consecutive years from 1995 to 1998, it reported positive net income and had cumulative earnings of $5.1 billion. Its debt reduced from $9.9 billion in 1992 to $6.4 billion in 1998.

By the year 2000, the Postal Service was losing money again and was saddled with more than $11 billion in debt. In 2001, the organization recorded a net loss of $1.7 billion, followed by a loss of $676 million in 2002. The factors responsible for this loss were weak economic conditions and growing operational costs. The Postal Service also was trying to do more with less, adding some 1.7 million new addresses to its delivery base each year while scaling back its workforce by more than 34,500 employees from 2000 to 2002.

Although postage rates held steady from 1995 to 1999, eventually there was need to increase them in order to offset rising costs. The Postal Rate Commission reviews and recommends postage rates and then board of governors approves them. This process takes a year and a half.

In spite of a sizable growth USPS has faced some security problems. Security problems relating to mail services: 6

Following two incidences made US post think seriously about safety:
In the wake of terrorist attacks against the U.S. on September 11, 2001, mail tainted with deadly anthrax bacteria was circulated in the postal system, causing several deaths.

In response following security measures were taken: ---

- Electron-beam irradiation was undertaken for mail in select locations.
- Ninety million pairs of rubber gloves and 5 million facemasks were supplied to safeguard the employees.
- For protecting customers 145 million postcards were sent to U.S. residents that provided explaining precautions to be taken if suspicious items are received via U.S. Mail.

In 2002, Luke Helder, a 21-year-old college student from Wisconsin planted 18 pipe bombs in rural mailboxes. While no deaths resulted from the pipe bombs, a number of postal workers and residents were injured. During a time span of five days, the USPS dedicated 150 postal inspectors to the case—which covered five states including Colorado, Illinois, Iowa, Nebraska, and Texas—before it was finally resolved.  

**Australia Post**

Australia Post is a Crown corporation founded in 1901 as Postmaster-General’s Department.

**Type of Organisation:**

Australia Post is the Government-owned postal service of Australia. Though many Government-owned utilities like the energy companies and the Commonwealth Bank, have been privatised in Australia over the past two decades, Australia Post has remained in Government hands. Its excellent reputation in the community, its ability to deliver its basic services reliably and at stable prices and the convenience of the transaction services offered through the branch network, make it doubtful that privatisation, or removal of Australia Post's monopoly on basic letters,
will occur in the foreseeable future. (Standard letter prices have increased only 10% over the decade, a substantial reduction when inflation is taken into account).

History:

In 1809, when the first post master of Sydney, Isaac Nichols took the charge, postal services grew throughout the Australian colonies. A regular Sydney-Melbourne overland service began in 1838, as did the issuance of prepaid postage stamps, and by 1849 uniform postal rates were established by agreement between the colonies. Monthly steamship sea mail to the United Kingdom was established in 1856. The separate colonies joined the Universal Postal Union in 1891.

The various colonies that joined to form the Commonwealth of Australia in 1901 had long operated their own postal systems. At federation the Commonwealth was granted the power to operate a central postal system through Section 51(v) of the Australian Constitution. Postal rates became uniform throughout Australia on 1 May 1911. In 1901, the colonial mail systems were merged into the PMG's Department. This body was responsible for telegraph and domestic telephone operations as well as postal mail. The Sydney Mail Exchange introduced mechanical mail-handling equipment in 1930, and was the first service in the world to do so. The PMG's Department became Australia Post in the 1970s.

On July 1, 1975, separate Government commissions were created to undertake the operational responsibilities of the PMG. One of these was the Australian Postal Commission, trading as Australia Post. It later changed its name to the Australian Postal Corporation on January 1, 1989 when it was corporatised, although it still trades as Australia Post.

Over the past 20 years, the organisation has gradually been placed at greater and greater arms length from Government. There are around 4000 outlets of post throughout Australia.
Services Provided:

As a Government-owned organisation it enjoys a monopoly over standard letter delivery.

- It also undertakes selling of a wide range of postal-related goods such as cards, gifts, and stationery.
- Its biggest non-traditional business has been its bill payments service for financial institutions, insurance companies, Government departments, utility companies.

Canada Post

Canada Post (French: Postes Canada) is the Federal Identity. The legal name is Canada Post Corporation (CPC) in English and Société canadienne des postes in French.

Form of Organisation: Canada Post operates as an independent crown corporation. The successor to the Post Office Department of the Government of Canada was created on October 16, 1981 by the Canada Post Corporation Act. Purolator Courier is its subsidiary. It also has franchises operated by a private retailer.

Canada Post Systems Management Limited (CPSML), was founded by the CPC in 1990 to market the company's systems and technology in the global marketplace. As of the end of 2000, there were 80 successful projects in 38 countries.

Number of Outlets: There are 280,000 retail points of deposit for mail; a combination of CPC staffed locations and franchises. In terms of area serviced, Canada Post delivers to a larger area than the postal service of any other nation, including Russia.

Services offered

- Letter services: Letter mail, Incentive Letter mail, Express post, Priority courier, Addressed Admail, Unaddressed Admail, Catalogue Mail, Publications Mail, Purolator Courier
- Parcel services: Regular Parcel, Expedited parcel, Small packets (to international destinations), Express post, Priority Courier, Purolator Courier
- E-Post: an electronic delivery method for routine bills and statements was introduced in 1999.

**Performance:** In 2004 Canada Post handled 10.9 billion mail items. It employed 70,000 people in its traditional mail operations and an additional 12,500 at the 94% owned Purolator Courier parcel delivery subsidiary. Overall revenues in 2004 were $6.7 billion (US $5.6 billion), of which the traditional mail business made up 81%, Purolator 17% and electronic and consulting activities generated 2%. Income after taxes was $147 million (US$121 million).

In 2006, CPC delivered mail to 13 million addresses daily, using a combination of traditional "to the door" door delivery, by 15,000 letter carriers, supplemented by approximately 6,000 vehicle routes in rural and suburban areas, and truck delivery of parcels in urban areas.

**Peculiarity: Labour troubles**

Canada Post has a history of troubled labour relations with its trade unions, particularly the Canadian Union of Postal Workers (CUPW) and the Letter Carrier's Union of Canada (which merged with CUPW in 1989) culminating in periodic strikes which has brought mail service in Canada to a halt. There have been at least 19 strikes and walkouts between 1965 and 2005. A number of these strikes have seen the corporation employ strike breakers and have resulted in back-to-work legislation being passed by the Canadian parliament.

**Pakistan's Postal services**

**Form of organisation:** The Pakistan Post Office was separated from telecommunications in 1962 as a Government department. On 1st August 1992, a presidential ordinance converted the post from a Government
department into a Government-owned corporation. Its autonomy is confined to the postal services proper and fixing rates. The development plans require prior Government approval.

History: Pakistan's own stamps were first issued on 9 July 1948, and the first regular series of definitive stamps were issued on 14 August 1948. Since 1950 a programme to upgrade and modernise the postal facilities in East Pakistan was taken up. Important sub-post offices were upgraded to head post offices. After the official recognition of Bangla as a state language in 1956, the stamps and the stationery were all inscribed in Bangla. New meter franking machines, imported from England, were given to all important post offices, especially in the head post offices. New routes of airmail service were also opened.

Dhaka-Karachi-Dhaka daily flights were started by the Pakistan International Airlines to carry mail from East to West Pakistan and vice versa. The international mail routes were also rescheduled. From 1959, new General Post Offices (GPOs) were established in Dhaka, Khulna and Chittagong. A new complex for Dhaka GPO was built in 1963. With the construction of the Kamalapur railway station in 1969, the Dhaka RMS was moved there. A separate sorting section for airmails was also created. With gradual improvement in the transport facilities and local air routes, internal airmail service was also introduced between Dhaka, Chittagong, Comilla, Saidpur, and Barisal. By 1970, postal mechanisation took a significant turn with the introduction of new types of franking machines and automatic stamps and stationery vending machines. A Philatelic Bureau was established at Dhaka GPO and philatelic counters were opened at 29 head offices.

Services provided:
The Pakistan Post Office offers the following services:

- Delivery of mail within and between urban centers
- Money transfer services throughout the country and abroad
- Payment of military and retirement pensions
- Issuance of driving licenses
- Issuance of vehicle insurance
- Access to life insurance and savings
- Collection of certain taxes

The Postal Services Corporation of Pakistan signed an agreement with Paknet to establish cyber cafes at major post offices from March 31, 2001, to take advantage of the developments in information and communications technology (ICT). Efforts are also underway to train postal staff in the use of computers so that they can provide e-mail facilities to the general public.

The additional services to be provided by the post offices with the use of ICT include facilitation of financial transactions, e-mail, banking services in rural areas in collaboration with various banks, utility bill payment in certain areas in Karachi. A postal aviation facility is also proposed between selected major cities and the United Arab Emirates for the swifter delivery of mail.

Restrictions on parcel weights have also been increased from 20 to 50 kgs while the commission of franchise post offices is being revised to attract new private partners.

Malaysian Post (Pos Malaysia)

Form of Organisation: Pos Malaysia is a company limited by guarantee incorporated under the Malaysian Companies Act 1965. Before 1992, postal services were under the Postal Services Department, a part of the Government. Though Pos Malaysia is corporatised, Government retains its control on postal operations as follows: --

- The Government has issued to the Ministry of Finance Special Rights Redeemable Preference Share (called as “Golden Share”). The Special Share does not confer any right to participate in the capital or profits of the company.
• All the members of the board of directors of Pos Malaysia are appointed by the Minister of Energy, Telecommunications and Post.
• Through this share Government ensures that major postal decisions are consistent with the Government's policy.
• The Golden Shareholder is entitled to receive notices of meetings of the company but does not carry any right to vote at such meetings.
• Important decisions like the alteration of the Articles of Association, the dissolution of the Company, any substantial acquisition and disposal of assets, amalgamation, merger and takeover, appointment of foreign directors cannot be undertaken without the agreement of the Ministry.
• In the event of dissolution of Pos Malaysia Berhad, the Special Shareholder is entitled to the repayment of the paid up capital in priority to any other member.

In 2003 Pos Malaysia restructured its entire operation unit into four specific Strategic Business Units in order to be more focused on customers and marketplace. They are:

• PosMel: --- It provides day-to-day mailing services to general public and retail customers.
• PosLaju: --- It is established to face competition with its foreign competitors.
• PosNiaga: --- This unit is responsible for ensuring accessibility of the postal services to every corner of the country.
• PosLogistik: --- Through this new brand logistics solutions are provided

History

In the early 18th century, postal services were established in what was later known as the Straits Settlements consisting of Penang, Malacca and Singapore. Letters were conveyed through dispatch riders or special messengers.
With the formation of the Straits Settlements in 1826, the first Postal Services Department was established with headquarters in Penang. However, the postal affairs of the Straits Settlements came under the aegis of the Indian Post Office. Adhesive postage stamps came into being in 1854. In 1867, stamps of the Indian series of 1865, overprinted with a crown and in Straits dollars and cents, were introduced.

The Federated Malay States, comprising the States of Perak, Selangor, Pahang, and Negeri Sembilan, were formed on 1 July 1896, and the first definitive set of postage stamps was issued in 1901. It was not, however, until 1 January 1905 that the postal departments within the Federated Malay States were integrated with uniform regulations under a centralized accounting office.

In 1935, the Malayan Postal Union was formed comprising the Straits Settlements and the Federated Malay States. After the Japanese Occupation, the Unfederated Malay States were admitted to the Union. The Malayan Postal Union Agreement was revised and reissued in 1949, as the Postal Union of Malaya Agreement covering the Federation of Malaya and Singapore. This Agreement lapsed on 16 September 1963 with the creation of Malaysia, which included Sabah and Sarawak as well as Singapore. (Singapore left Malaysia on 9 August 1965.)

In the beginning, the post office confined itself to the transmission of letters. It later extended its services to provide for the carriage of newspapers and business documents. The parcel post service and the registration service were introduced in 1875, the insurance service in July 1891. Together with the development of "traditional" postal services, facilities were introduced for the transmission of money, using money orders and postal orders, and for the investment of funds in a Post Office Savings Bank.

With the expansion of the Government machinery, the Postal Department was urged to take on more services for other Government departments and statutory bodies. The Post Office began accepting the
payment of electricity bills in 1946, the sale of dog licenses on behalf of the States Treasuries in 1949, and the payment of pensions in 1953. The Postal Department began selling the Highway Code Booklet for the Transport Department in 1960, and the sale of television licenses through the post offices began in 1964.

**Services Provided:**

- **Letter mail and parcel services:** It includes supplementary services as registration service, bulk mailing, franking service and insured letters service.
- **Remittance services:** It includes domestic ordinary money or postal orders, international money orders, telegraphic money orders. This service is equivalent to bank drafts provided by commercial banks.
- **Agency services:** It includes renewal and withdrawal of licenses for various Government bodies, payment of bills, insurance, statutory and non-statutory contributions made by the public to Employees' Provident Fund, Pilgrims' Fund, others licenses like dog licenses, driving licenses and business registration.
- **Banking services:** Savings function of the Malaysian Post Office was undertaken through Post Office Savings Bank (POSB). Then The National Savings Bank (NSB) was established to assume the functions and responsibilities of the POSB. The NSB made efforts to provide a wider range of banking services, improve saving facilities, launch educational campaigns, and to restructure and streamline its organization to provide better facilities and services to its depositors. Since then, the number of post offices and mobile postal vans has increased dramatically. The bank also began to decentralize its administration by establishing regional branch offices in the major towns.

There are 13 main branches in operation throughout Malaysia. To attract more depositors, the bank introduced automated teller machines (ATMs) in 1983, in line with similar moves by other financial institutions. In
addition, the administration of public relations and marketing offices - previously under the direct supervision of headquarters - was decentralized to the regional branch level.

Privatisation

Transforming Pos Malaysia from a corporatised to a privatized entity has been the subject of intensive discussion since the 1980s when the electricity and telecommunications services were privatised. However, there are some critical issues to be resolved before privatisation. Two of them are:

- **The right and flexibility to fix tariffs:**
  The Minister of Energy, Telecommunications and Post strictly regulates tariffs and rates. Any proposal to increase tariffs particularly in relation to reserve services (postage for letters) is likely to be resisted by the Government. By virtue of holding the "Golden Share," the Government of Malaysia may veto any decision of Pos Malaysia Board to increase tariffs. Hence, Pos Malaysia Berhad does not have the flexibility to determine tariff structures for its services. This would potentially render its commercial operations non-viable.

- **Status of land that is leased to Pos Malaysia:**
  Pos Malaysia leases land from the Government for a fixed tenure on a preferential-rate basis. There is no clear understanding on the status of this arrangement should Pos Malaysia become completely privatised and on whether the preferential lease rates would continued to be charged by the Government.

E-Commerce and E-Government New Initiatives

As an e-governance initiative, computer and Internet facilities are available in the post offices to enable people in rural areas to access computer and Internet services and to attain computer literacy. The project is called 'The Rural Internet Program.' Initially 20 branches were selected
on a pilot basis to provide the use of computer and internet services to the public free of charge. Telekom Malaysia, the telecommunications company, provides free telephone lines. A consortium of private sector computer vendors provides the computer hardware, and Pos Malaysia provides the personnel in its offices. It is hoped that when this pilot project takes off, it could form the basis of developing post offices as computer centers where the rural public can access public services for example, to pay utility bills, apply for passports etc.

Another e-commerce venture that Pos Malaysia has embarked upon is digital signature certification. Under the Digital Signature Certification Act 1999, Pos Malaysia has obtained the status of a certification authority for digital signatures for e-commerce transactions by way of its 30 percent equity participation in a company called Digicert. However, activities in this area are still nascent.

In 2001, Pos Malaysia launched a unique programme:

- It was called as ‘PC-ownership Campaign’ aimed at encouraging the public to purchase of personal computers through withdrawals from the Employment Provident Fund (EPF). The computers range in price from RM2,999 to RM3,499 and come inclusive of modem, CD-ROM player, an anti-virus system, and a one-year warranty.
- Home delivery of the products by the post office is also a special attraction of this campaign. Interested users pay Pos Malaysia for their PCs with a cash check from the EPF and receive their PCs within their areas by parcel post service.
- This is viewed as a welcome opportunity for POSB to train its employees in sales and developing the logistics for sale and forwarding of products. This is in line with its intention to become a point of delivery or a delivery channel for products bought through the Internet.
2.3 NON-TRADITIONAL SERVICES OFFERED BY POST OFFICES WORLDWIDE:

Introduction:

Postal services have social and economic functions that clearly go beyond the business rationale of many other industries. This is especially true in the developing world. A reliable postal system is a critical component of the modern information and distribution infrastructure and can be a key to social and economic development and poverty reduction. The postal infrastructure typically covers the entire country, including remote regions. This network provides basic communication and information services, especially for residential customers and small and medium enterprises.

Mail order, direct marketing, and many other sub sectors depend on reliable postal services. On the other hand, without these mail-intensive industries mail volume will not increase and the economies of scale needed to achieve optimum financial and operational performance will not occur. In a vicious circle, without those operational improvements (including high quality of service standards), volumes will continue to decline.

Furthermore, other industries such as banking and insurance rely heavily on good mail services. Postal services are a huge and often underestimated service sector. These can be growing businesses with a significant economic and social impact. However, considerable modernization is necessary to adapt to the new market environment and to rapid technological changes.

Nontraditional Services Offered by Post Offices

Post offices in many developing countries offer information and communications-technology driven products that go beyond those found in "traditional" postal services.

- **Postal Financial Services:** Traditionally post offices provided only saving services. But now many nontraditional services are
provided. e.g. The South African Post Office has introduced the flexi card that can be used at all post office counters and 72,000 ATMs of other banks. The Israeli Post Office offers foreign exchange facilities and traveler's checks. Both Israel and Pakistan offer money transfer services throughout the country. Recently IP has started (instant Money Orders (IMO) where transit time of money order is reduced through electronic transfer of funds\textsuperscript{16}.

- **Agency services:** --- These are services, such as banking and collection of bills, offered by the post office on behalf of other agencies.
  
  o The Malaysian Government has taken a lead in offering a number of Government related services to the public through the post office distribution network similar to the U.K. model. The services offered by Malaysia Posts include: TV licenses, road tax, driving licenses, registration of business, and payment of water and electricity bills.
  
  o In the United Kingdom, the post office provides information on pensions and other social security benefits. Social security refunds, pension, and other benefit payments can be cashed in at the post office. These services termed the Benefits Agency accounts for one-third of the income of Post in the United Kingdom.
  
  o In Pakistan and Israel, the post office also pays pensions and social security payments. In Pakistan the post office also acts as a conduit for tax collection.
  
  o Some post offices have expanded this service beyond utility bills, to include a wide range of other bills, including private-sector bills, Government bills and taxes.
  
  o The U.S. Postal Service has expanded this service even further to allow payment of any type of bill via the Internet, by entering just the account numbers to be credited and
debited. The U.S. Postal Service also has entered into logistics. This logistic service was used for the transportation of defective computers to the manufacturers for repairs. It has trained its employees to repair these defective computers. The Canadian and Australian post offices offer similar applications but for bills issued by a large number of registered users only.

- The South African Post Office (SAPO) has developed a number of payment systems that take advantage of its unique infrastructure and distribution throughout South Africa. These services include "Pay-a-Bill," which allows the public to pay over 100 different accounts at post office counters such as Telecom accounts, television (SABC) licenses, municipality accounts, mail order houses, financial institutions, loan repayments and credit card accounts.

- **Business Support services:** These include logistics, marketing solutions, etc.

  - **Integrated logistics services for diversification of activities:** Many post offices have resorted to logistics services. These services capitalize mainly on the development of the e-commerce and e-business industry, which created a large demand for delivery of parcels and handling of returns. While private courier companies such as DHL, UPS, etc., offer good parcel delivery services, they are generally unable to deal with returns. Post offices, by contrast, can accept returns at their wide network of outlets. This competitive advantage has allowed post offices to get a large part of the e-business industry’s delivery business. Many post offices have expanded these services from parcel collection and delivery to services that cover logistics in the
entire production chain, including inventory management, invoice management, payment processing, and so on.

- **Marketing Solutions** The Malaysian post office offers corporate mail management services (provided on the client's premises) as part of a total solutions program for all business communication or delivery needs. It also offers Data post - a one-stop mailing service, provides customers with word processing, graphic layout, printing, inserting, enveloping, mail processing and delivery services. The post office also offers Ad mail, which is an unaddressed mail-house drop service that allows businesses to reach every door they want.

The South African Post Office offers Web Shop Couriers, which allows up to 30 kg delivery anywhere in the world. It also provides access to interactive directories of local and national business pages, Internet shopping, electronic office facilities, and a smart card for secure financial transactions.

Hong Kong Post Certification Authority, as a public key infrastructure to facilitate greater e-commerce launched e-cert in January 2000. E-cert is expected to reduce the lack of security that constrains e-commerce today, mainly by addressing e-business concerns of authenticity, integrity, confidentiality. To complement its E-cert launch, Hong Kong Post offers logistic solutions such as collection of goods from suppliers, warehousing and inventory management, order taking, packaging, return of defective goods to suppliers, inventory and delivery status reports, display of product catalogues and collection of payments.

- **Maintaining and Updating Customer Database** Information repository and market/data analysis services allow post offices to maintain an updated database of their
customers' addresses. That allows them to offer business clients updating services of their own customer databases. The Australian post office offers extended market and client-analysis services.

- **E Parcel Services**: The Belgian Post Office offers a traditional parcel delivery service via its EMS-Taxi post division. These services can be accessed online, via e-tracker (an online parcel tracking service) and e-shipper (an online express parcel delivery module). E-shipper allows the user to maintain a database of recipient clients and automatically print invoices. La Poste (the French Postal Corporation) offers various services designed to assist businesses in logistical aspects at all stages in the supply chain. It offers an integrated invoice management software system called Pas.rel. It also offers software applications for inventory management that can track parcels to effective delivery and the collection of payments. Finally it offers parcel delivery, warehousing, and return services.

**Internet and e-business assistance services**

Internet and e-business assistance services were first developed by post offices as an extension of their logistics services since e-business clients increasingly used these. Most post offices offer a secure e-commerce message exchange service to allow businesses to conduct their business over the Internet on a secure site.

Some post offices also offer authentication or certification services of Internet service transactions. Other e-business assistance services are being developed by many post offices, such as assistance to create e-businesses, software packages for the management of e-businesses, dedicated consulting services.
These services have been recently started and are expected to be expanded further.

In terms of general Internet services, many post offices have developed hybrid mail services that enable customers to send paper copies of electronic documents to people not connected to the Internet. The document is e-mailed to the post office, which then prints it. The post office counter closest to the end-recipient then mails the document.

Passports/Licenses delivery services are quite common services offered and depend on the type of licenses required in each country. The most common are passport application services - whereby passport applications can be filed at a post office counter, and sometimes are also screened for common errors by a trained officer. Services to renew passports or driving licenses are also frequently offered.

Other services include e-commerce access on the post office Web site, the sale of lottery products and telephone cards, collection of prepaid cellular phone cards and travel tickets. Australia Post has established 142 business centers where business development managers can advise business customers on all post-related matters.

**E-Governance:** This refers to Government services offered through electronic channels. The benefits of using information and communications technology to provide numerous Government services can be substantial, particularly for a large country such as India. E-Government should help to cut red tape, improve efficiency and reduce costs. This will be particularly beneficial to rural and poorer people in India.
Other initiatives

- The South African Post Office is also piloting e education distance-learning courses, e-mail, and Internet access through public kiosks.

- In common with the hybrid postal services of many other countries, the Israeli post office has introduced Doar tech, a system that converts an electronic message into a hard copy and then posts it at the closest postal unit for onward delivery.

- Malaysia also has self-service automated machines that can be accessed round the clock to meet postal needs (purchasing stamps, weighing) and to pay fines and utility bills, etc.

- With the realisation that many of its monopoly products will be open to full competition in 2007, Singapore Post has initiated a concerted growth effort directed at diversifying into non-monopoly mail products as well as non-mail products. Most products have been developed following the corporatisation of the service after 1992. Since then it has widened its customer base, improved its public image, and strengthened its position in the electronic marketplace. Singapore Post recognizes that its postal outlet network represents a unique access to consumers and has marketed this network to other companies. For example with e-Gift, the Post works with large commercial customers, mailing out gifts on their behalf. In developing new products it has considered the effect of new technology - for example, configuring its Postal automated machines (PAMs) to accept bank debit cards.

- The South African Post Office (SAPO) has entered into an agreement with CompuQuote an e-commerce company, to provide financial services via its electronic delivery channels. These electronic delivery channels include:——
Telephones, faxing and photocopying, Internet-cafe computer facilities, Internet access and value-added financial services

Biometric systems are used to identify and register a prospective user allowing him to use a post office anywhere in South Africa. The user is given an exclusive e-mail address and a secure PIN access number, which allows access to all post office facilities.

A project in partnership with the Department of Communications provides access to the Internet, personal e-mail services, and Government information such as access to passport.

2.4 GLOBAL POSTAL ORGANISATIONS:

The postal service forms part of the daily life of people all over the world. Even in the digital age, the Post remains, for millions of people, the most accessible means of communication and message delivery.

There are mainly four postal organisations working on international level. These are: ---

A. Universal Postal Union (UPU)
B. Asian Pacific Postal Union (APPU)
C. Commonwealth Conference of Postal Administrations (CCPA)
D. ASEAN Postal Business Meeting

Following are the international postal organisation contributing to international postal scenario.

A. **Universal Postal Union (UPU):**

*Introduction:* The UPU is a specialised Agency of the United Nations. It was established in 1874 with the role of coordinating the postal communications system among member countries. 190 countries are members of the UPU. Posts are increasingly using new communication and information technologies to move beyond their core postal business.
They are meeting higher customer expectations with an expanded range of products and value-added services.

UPU is the second oldest international organisation after the International Telecommunications Union. UPU is the primary forum for cooperation between postal services and helps to ensure a truly universal network of up-to-date products and services. UPU fulfills an advisory, mediating and liaison role, and renders technical assistance wherever needed. It sets the rules for international mail exchanges and makes recommendations to stimulate growth in mail volumes and to improve the quality of service for customers.

As a non-political organisation, it does not interfere in matters that fall within the domestic domain of national postal services. For example, Postal organisations take their own decisions regarding postage rates, issue of postage stamps, postal administration and staff.

**The Origin of the UPU**

In 1863, United States Postmaster General Montgomery Blair called a conference in Paris. Delegates from 15 European and American countries met and succeeded in laying down a number of general principles for mutual agreements. But the scope of their decisions was limited and they were not able to settle on an international postal agreement. This task was left to Heinrich von Stephan, a senior postal official from the North German Confederation. He drew up a plan for an international postal union, and at his suggestion, the Swiss Government convened an international conference in Bern on 15 September 1874. The conference was attended by representatives from 22 nations.

On 9th October 1874 the Treaty of Bern, establishing the General Postal Union, was signed. Since then 9th October is celebrated throughout the world as World Post Day. As the Membership in the Union grew its name was changed to the Universal Postal Union in 1878. The 1874 Treaty of Bern succeeded in unifying a confusing international maze
of postal services and regulations into a single postal territory for the reciprocal exchange of letters.

**UPU Mission Statement**

The mission of the UPU is to foster the sustainable development of quality universal, efficient accessible postal services in order to facilitate communication among the people of the world by:

- Guaranteeing the free circulation of postal items through an interconnected single postal territory
- Promoting the adoption of fair and common standards and the application of technology
- Cooperation and interaction among stakeholders
- Facilitating the effective provision of technical cooperation
- Ensuring that the changing needs of customers are addressed

**Importance of the Universal Postal Congress**

The Universal Postal Congress is the supreme authority of the Union and brings together plenipotentiaries of all member countries. It meets every five years.

One of the major accomplishments of Congresses has been to allow member countries to develop and integrate new products and services into the international postal network. In this way, services such as registered letters, postal money orders, international reply coupons, small packets, postal parcels and EMS have been made available to the customers.

The UPU’s strategic plan for 2000-2004 was approved by the 1999 Congress which is known as the Beijing Postal Strategy (BPS). It challenged Posts to seize the opportunities offered by new technologies, new customer demands and new institutional options.

BPS lays out an action plan for Governments, postal administrations and the UPU's bodies over the next five years. It is based on the following six
Objectives:

- To ensure the provision of a universal postal service that allows customers to send and receive goods and messages to and from any point in the world
- To strengthen the quality of the international postal network by providing customers with reliable, secure and efficient postal services
- To increase the cost-effectiveness of the international postal network, providing customers with affordable postal services
- To respond effectively, through improved market knowledge and product development, to the needs and expectations of postal customers
- To enable, through the process of postal reform and development, postal customers to draw maximum benefit from technological, economic and regulatory changes in the postal environment
- To strengthen and broaden cooperation and interaction among the stakeholders of the postal industry

Organisational Structure:

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Congress
  Director General
    Deputy Director General
  Council of Administration
  Postal Operations Council
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The UPU Acts

The Constitution of the Universal Postal Union is the fundamental Act containing the organic rules of the Union. It is a diplomatic Act, ratified by the competent authorities of each member country.
UPU Councils

There are two UPU Councils.

1. **The Council of Administration** (CA)
2. **The International Bureau**

1. **The Council of Administration** (CA)

   It consists of a Chairman and 40 member countries and meets in principle each year at UPU Headquarters in Bern. The chairmanship of the CA is given automatically to the host country of the preceding Congress.

   **Functions of the Council of Administration:**

   It deals with the operational, economic and commercial aspects of the international postal service and studies regulatory, administrative and legislative and legal issues.

   - It ensures the continuity of the UPU’s work between Congresses supervises its activities
   - It ensures that the UPU is able to react quickly to changes in the postal environment; the CA has been given the power to approve proposals by the Postal Operations Council for the adoption of regulations or new procedures until the next Congress.
   - It takes measures that it considers necessary to resolve urgent issues.
   - It approves the biennial budget and the accounts of the Union, as well as yearly updates of the UPU’s Programme and Budget.
   - It is also responsible for promoting and coordinating all aspects of technical assistance among member countries.
   - At its first meeting after each Congress, it revises the Convention and its Regulations, as well as the Postal Payment Services Agreement and its Regulations.
• It promotes the introduction of new postal products by collecting, analysing and publicising the results of initiatives and research undertaken by Posts.

• It makes recommendations to member countries concerning standards for technological, operational or other processes within its competence where uniformity of practice is essential.

2. The International Bureau:

The International Bureau is the UPU's Headquarters located in Bern, Switzerland. It has a full-time staff of about 150 employees representing about 40 different countries. The UPU Regional Advisers are appointed to strengthen the Bureau's ability to assist Posts of developing countries in the most effective manner.

Functions:

• It provides logistical and technical support for the UPU's bodies.

• The International Bureau serves as an office of liaison, information and consultation and promotes technical cooperation among Union members.

• In recent years, the International Bureau has taken on a stronger leadership role in certain activities. These include the application of postal technology through its Postal Technology Centre, the development of postal markets through potential growth areas such as Direct Mail and EMS, and the monitoring of quality of service on a global scale.

• Through its Postal Technology Centre, the UPU has established a number of Regional Support Centers in different parts of the world to support its information technology activities.

UPU's relationship with the United Nations and other international organizations:

The UPU became a specialised agency of the United Nations on 1 July 1948. Since then its relations and active cooperation with other
international bodies have grown and intensified. This has resulted in a number of Memoranda of Understanding and other Agreements with United Nations agencies and programmes, and with other international organizations.

The UPU maintains particularly close ties with United Nations programmes such as the United Nations Development Programme (UNDP) in the field of postal development, the United Nations Drug Control Programme (UNDCP) to help impede the shipment of drugs in the mail, and the United Nations Environment Programme (UNEP) to increase awareness for the environment among Posts. The organization also cooperates with specialised agencies such as the International Telecommunications Union (ITU), the International Civil Aviation Organization (ICAO), the International Labour Organization (ILO), and the World Trade Organization (WTO).

Close working relationships also exist with a number of international organizations such as the International Air Transport Association (IATA), the International Organization for Standardization (ISO), the World Customs Organization (WCO), and INTERPOL in facilitating the flow of international mail. It is also collaborating with the World Bank to promote postal development and reform.

**UPU’s Initiatives:**

a. **Promotion of Postal Development and Reform:**

Postal reform is a strategy to convert Posts from protected Government organizations into competitive, customer-oriented businesses. It depends on the availability of resources and willingness of Government to make it a national priority.

UPU and World Bank studies have shown that regulatory reforms and targeted investments in the public postal operator result in improved financial and operational performance, and contribute to national economic growth. Case studies in developing countries have also
demonstrated that access to outside expertise and financing through cooperative arrangements can contribute significantly to rebuild the postal business. Since its establishment in 1991, the UPU’s Postal Development Action Group (PDAG) has focused its activity on increasing the resources available for postal development and reforms. Through its efforts, international financial institutions have become aware of the need for investment in the postal sector. The UPU’s partnership with the World Bank Group has provided significant resources and has brought valuable development and financial expertise to the postal reform process.

b. Improvement in the quality of the international postal network:

Increased competition and higher customer expectations continue to place pressure on Posts to make improvements to the quality of their services. To complement the large number of quality of service initiatives taken by national Posts, the UPU’s International Bureau undertakes four worldwide quality tests each year, monitoring 900 international links through the use of test letters and parcels. The International Bureau also publishes end-to-end delivery standards against which Posts can measure their progress.

The UPU assists Posts in implementing quality of service improvements by sending consultants to selected countries to ensure that internationally accepted procedures are followed and to make recommendations.

As a part of the terminal dues system adopted by the 1999 Beijing Congress, a Quality of Service Fund (QSF) was created, aimed at improving quality of service in developing countries. The QSF is financed by a 7.5% increase in terminal dues payments made by developed countries and paid out to developing countries in the form of specific quality of service improvement projects.
c. Promotion of stakeholder interaction and customer satisfaction:

Liberalisation has also brought new players into the postal arena. Some countries already have more than one national postal service provider while private operators have an increasingly greater share of the postal market. Customer relationships are also becoming more complex. As a result, the UPU’s stakeholders - have become a large and diverse mixture of interest groups. To accommodate them, UPU is increasingly providing a forum where they can engage in constructive dialogue on challenges facing the postal industry and ensure that the changing needs of postal customers are addressed. The UPU’s Strategic Plan and Customer Charter also urge Posts to respond effectively to the needs and expectations of customers through improved market knowledge and product development. The Direct Mail Advisory Board and the World Association for the Development of Philately, as well as the Telematics and EMS cooperatives are examples of initiatives that are producing positive results through the involvement of external partners.

The annual UPU Customer Day and POC Forum, where postal and external partners share their views on developments in the postal market, also aim at UPU’s desire for stakeholder participation. Through its association with the annual International Postal Technology Conference and Exhibition, POST-EXPO, the UPU has created yet another platform for executives from Posts to openly discuss future challenges.

d. Security in the Postal Services:

Being one of the largest employer groups and one of the largest movers of messages, goods and valuables in the world, the postal network is often used for criminal activities. These activities could, if left unaddressed, negatively affect the safety of employees and customers, the quality of the postal service and the reputation and trust it enjoys.

Through its Postal Security Action Group (PSAG), the UPU helps Posts to improve postal security. It has established a world security
network in partnership with regional and international authorities. This network includes relationships and information sharing among Posts, private courier companies and a number of international and United Nations Organizations.

Through symposia, training courses and information materials, PSAG strives to combat the use of the mail network for illicit drug trafficking and money laundering, mail bombs and child pornography, and promotes the safe transport of diagnostic specimens and potentially infectious substances. The introduction of a worldwide electronic interchange of postal transit data enables Posts to identify irregularities and problem areas in the air shipment of mail. Mail Quality Assurance and Airport Security Reviews have brought Posts, airport authorities, Customs, police, airlines, private courier and cargo services together to address improvements in mail handling and security at major airports.

e. Settlement of International Accounts:

One of the lasting accomplishments of the UPU was to create a "single postal territory" for the exchange of international mail. This meant, among other things, that when postal customers purchased a postage stamp to place on an international letter, the sending Post retained all proceeds from the sale, and the Post in the addressee’s country received no payment for the costs it incurred in delivering that letter. It was commonly accepted at the time that each letter sent abroad would be reciprocated, and by extension, that incoming and outgoing mail would attain a natural balance.

Developing countries were receiving much more mail than they sent, as outgoing mail volumes are closely related to socio-economic development. Thus imbalance between outgoing and incoming international mail was experienced. Developing countries were obliged to process and deliver incoming items at a loss.

The UPU decided in 1969 to compensate administrations for the costs of handling incoming letters and non-parcel mail, and gave the name
“terminal dues” to the payment mechanisms that were put in place. At the Beijing Congress, commitments were made to move toward country-specific terminal dues for all countries which would more accurately reflect costs and market conditions, and which would be in compliance with the World Trade Organization’s principles of free trade.

f. **Role of financial services for the postal business:**

The UPU plays an important role in promoting postal financial services within the framework of international cooperation and through its Cooperation Agreement with the World Savings Banks Institute (WSBI) as follows: ---

- Through the POST*SERFIN action plan, the UPU provides Posts with technical and financial assistance to set up domestic and international postal financial services, to create and develop postal savings and banking services, and to expand and modernise their products.
- It also helps to extend electronic transfers of funds and payments, simplify operational procedures and reciprocal regulations, and encourage technical and information exchanges.
- The UPU has also introduced quality testing of postal payment services and publishes norms for processing and delivery times for international money orders.

g. **Direct Mail Industry:**

To stimulate growth of direct mail volumes, the UPU established the Direct Mail Advisory Board (DMAB), comprising of direct marketing associations, industry leaders and postal executives from around the world. It provides a forum for creative marketing ideas and gives Posts and private partners the opportunity to share experience and information. The DMAB has published a World Guide to Direct Mail Marketing that assists marketers in pinpointing their target audiences, and helps Posts to develop the infrastructure and services that allow effective marketing through the physical mail network.
h. Philatelic Industry:

The issuing, marketing, and sale of postage stamps are domestic matters for Posts. However, the tremendous revenue potential of the philatelic industry, together with the pursuit of profit in today's competitive business environment, has given rise to a number of abusive practices. This includes the issuing of philatelic products without the approval of Posts, the illegal reproduction of stamps and indicia, and the large number of stamps issued solely for profit, without taking the needs and means of collectors into account.

The UPU - World Association for the Development of Philately (WADP) operates as a forum for philatelic industry partners, including Posts, agents, collectors and dealers, and has undertaken a number of awareness activities to combat abusive philatelic practices. The UPU also provides guidelines through the Philatelic Code of Ethics, and regularly distributes information to the world's Posts regarding unauthorised stamp issues.

The UPU today and tomorrow

The same forces affecting the world's Posts - globalization, growing customer expectations, increased competition and progress in communications technologies - have also caused the UPU to review its own mission and role. Although it's fundamental mission of developing social, cultural and commercial communication among the people of the world has remained remarkably constant throughout its history, the UPU has seen the need to reshape its structures in order to meet the needs and expectations of its members.

The future Role of the UPU

- It will continue:
  - To work toward the goal of ensuring that all people have affordable and reliable access to postal services.
to provide technical assistance, training and consultant services in order to improve the quality of the postal service and help implement new systems in developing countries.

- Its future roles will be:
  - To develop and monitor standards for the provision of universal postal service, such as access to service, efficiency, customer satisfaction, security and reasonable pricing.
  - To ensure that the changing needs of customers are addressed effectively.
  - To provide a global forum for its members and external partners.

B. **Asian Pacific Postal Union (APPU)**

APPU is an inter-Governmental organisation of 29 postal administrations of the Asian-pacific region, India being one of them. It is affiliated to UPU. It is a regional postal organisation formed with the purpose of extending facilitating and promoting cooperation in the field of postal services, solving problems faced by postal administration and improving the quality of mail exchange among countries in the region.

Malaysia hosted the 1986 APPU Executive Council meeting from the 7th to 12th November in Kuala Lumpur. The meeting was attended by delegates from 19 member countries as well as observers from the UPU.

**Brief History**

The idea of a restricted union in this part of the world came up first in the late 1950s. In order to give a concrete shape to the idea, in August 1960, after informal discussions, the Philippine Government sent invitations to 18 countries through diplomatic channels for a roundtable in Manila.
Organisation:
The Congress, the Executive Council and the Bureau are the three organs of the Union. The main roles of these three organs are given below.

a. Congress
b. Executive Council
c. Bureau

a. Congress:
Congress, the supreme organ of the Union, is composed of representatives of member countries. These representatives meet in congress not later than two years after holding of each Universal Postal Congress in order to revise the Acts of the Union, if necessary and to consider, other postal problems of common interest to the member countries.

b. Executive Council:
The Executive Council meets, once in each year to ensure the continuity of the work of the Union in the intervals between Congresses, unless the majority of member countries decide otherwise.

The functions of the Council are:

- To perform any duty assigned to it by a Resolution of the Congress
- To lay down the international postal service rules which for the operation of the international postal service between the member countries
- To maintain contacts with postal administration of the member countries with a view to improve the postal services
- To prescribe rules for the administration of the Bureau and to supervise the activities of the Bureau
- To review and approve the annual budget and accounts of the administrative section prepared by the Bureau
• To make useful contacts with the various organs of the UPU, with other specialized agencies of the United Nations with special interests in the area

• To conclude agreements on behalf of the Union with the UPU, and international organizations in relation to technical co-operation, with the concurrence of at least two-thirds of the members of the Union.

• To assemble, prior to each Universal Postal Congress, in accordance with the provisions of Article 115, paragraph 2

• To take necessary steps, with the agreement of the majority of the members of Union, provisionally to carry out such other administrative Acts which are not covered by the Acts of the Union and cannot await the next Congress for the settlement

c. **Bureau:**

The Bureau serves as a medium of liaison, information, inquiry and training for the member countries. The Bureau is composed of the administrative section and the training section. The Bureau provides the secretariat for meetings of the Union, jointly with the postal administration of the country where each meeting is held. The Director of the Bureau is chosen, from among qualified postal officials, by the Executive Council, or in Congress year by Congress. The tenure of office is fixed by the body which selects the Director. The Bureau is under the general supervision of the Executive Council.

The Bureau provides training facilities and advisory services in the training section to improve postal services within Asia and the Pacific. This training section is administered by a Governing Board, composed as per Article 111 of the General Regulations of the Asian Pacific Postal Union. The training section of the Bureau is known as the Asian Pacific Postal College.
Asian Pacific Postal College
The Asian Pacific Postal College, formerly the Asian Pacific Postal Training Centre was established on 10 September 1970 in Bangkok, following the recommendation of the first Congress of the Asian Pacific Postal Union (then the Asian and Oceanic Postal Union) held in Manila in 1965.

C. Commonwealth Conference of Postal Administrations (CCPA):
The Commonwealth Conference of Postal Administrations (CCPA) is a forum for postal operators to assemble once every two or three years. Members of these meetings exchange and review information, discuss ways and means to strengthen postal cooperation, enhance quality of services and promoting postal reforms among member countries.

D. ASEAN Postal Business Meeting:
ASEANPOST was established in 1992 exclusively for the postal operators in Asian countries. Heads of ASEANPOST meet annually to exchange views and share experiences and best practices for postal reforms and business development among member countries. ASEANPOST is comprised of 9 ASEAN member countries and Malaysia holds the chairmanship of ASEAN Postal Business Meeting.

In tune with international postal scenario, DoP has been serving Indian community through its widespread communication network reaching remote places and mobilising savings through its popular saving schemes. It is also offering most of the non-traditional services offered by post offices worldwide. The details of Indian DoP are given in the next chapter.
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