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OPERATIONS AND TECHNOLOGY COMMITTEE (OTC)
24th, 28th AUGUST 2023 ARUSHA, TANZANIA

SUPPLY CHAIN WORKING GROUP (SCG) REPORT

1. Subject Supply Chain Working Group (SCG) Report	References/Paragraphs PAPU Action Plan 2022-2025
2. Decision expected <ul style="list-style-type: none">• Adopt the Report;• Consider Recommendations of the Working Group.	

1.0 INTRODUCTION

The Supply Chain Working Group (SCG) met virtually on 28th April 2023. During the Working Group's meeting, a number of issues on the agenda were discussed and deliberated on, as indicated below.

2.0 THE MAIN ISSUES TABLED AND DISCUSSED

The following salient issues were deliberated during the meeting:

- a) Status of Implementation of the Supply Chain Working Group Action Plan:**
 - i) Security Workshop Report;
 - ii) Operational Efficiency and E-commerce Development Project (ORE 3);
 - iii) Electronic Advance Data (EAD) and Customs Declaration System (CDS) Workshop Report;
 - iv) Mail Transportation:
 - Report on Transport webinar;
 - Report on PAPU-AFRAA Task Force meeting.
- b) Key Issues from the UPU Supply Chain Committee**
- c) Supply Chain Success Stories: Sharing of experiences and benchmarking**
 - i) E-commerce;
 - ii) End-to-end digitalized distribution service (Track and Trace).

3.0 REPORT SUBMISSION

The detailed report for the Working Group meeting is annexed herewith.

4.0 DECISIONS EXPECTED

The report is submitted for the Committee to:

- Adopt the Report;
- Consider Recommendations of the Working Group.



SUPPLY CHAIN WORKING GROUP (SCG) REPORT

Virtual Meeting, 28th April 2023

1.0 INTRODUCTION

The Supply Chain Working Group (SCG) virtual meeting was held on 28th April 2023 from 0900 hours to 1130 hours GMT.

2.0 REMARKS

2.1 Welcome Remarks by the Chairperson

The Chairperson, Mr. Jasson Kalile of Tanzania, called the meeting to order and commenced the deliberations for the day at 09:10 GMT by greeting and welcoming all participants to the meeting.

2.2 Opening Remarks by the PAPU Secretary General

The Secretary General, Dr. Sifundo Chief Moyo, expressed gratitude to the Chairman, Mr. Jasson Kalile, for his guidance and leading the work of the Supply Chain Working Group. He thanked participants for sparing time to attend the meeting.

The SG stressed that the Working Group was created to deliberate on matters relating to the mail supply chain, including collaboration with various stakeholders. The matters include, among others: Customs, Mail Security, Mail Transportation, E-commerce, Quality of Service, and compliance with UPU standards in mail exchange. The Working Group's mandate is, therefore, the backbone of postal operations and the post's existence. According to the Consolidated Action Plan for the Period 2022-2025, the Supply Chain Working Group is mandated to fulfill the following broad objectives:

- ✓ Champion quality of service improvement in international mail circulation;
- ✓ Manage relations and encourage the signing of Service Level Agreements (SLAs) with national supply chain partners;
- ✓ Encourage the exchange of Electronic Advance Data (EAD) with supply chain stakeholders;
- ✓ Facilitate compliance with standards in the mail value chain;
- ✓ Ensure participation of Designated Operators in projects geared at improving operational efficiency and e-commerce development;
- ✓ Share information, experience on developments, and international best practices in the postal industry.

With dwindling mail volumes, not only in Africa but globally, these initiatives are being shared and implemented to ensure that the African Post adapts and keeps abreast with global developments in the postal sector to remain relevant in this e-commerce and digital era. The PAPU Supply Chain Working Group is, therefore, the right platform for African Designated Operators to discuss and be guided on issues of common interest in the postal supply chain.

Lastly, the Secretary General pledged the unwavering support of the General Secretariat to the work of the Working Group and wished them fruitful deliberations.

3.0 CONFIRMATION OF BUREAU

3.1 Working Group Bureau

The Working Group Bureau was confirmed as follows:

- Chairperson: Tanzania
- 1st Vice Chairperson: Malawi
- 2nd Vice Chairperson: -
- Rapporteur: -
- Secretariat: PAPU General Secretariat

A call to fill the vacant positions was made, and emphasis was made on regional balance, noting that only Eastern and Southern regions were represented in the Bureau. When no country expressed interest, a request was made for members to email the General Secretariat expressing their interest even after the meeting.

3.2 Participation

3.2.1 Member States

The meeting was attended by over 80 participants from the following PAPU Member States: Angola, Burkina Faso, Côte d'Ivoire, Democratic Republic of Congo (DRC), Egypt, Lesotho, Malawi, Nigeria, Senegal, Tanzania, Tunisia, Uganda, and Zimbabwe.

3.2.2 Sub-regional Postal Organizations

Southern Africa Postal Operators Association (SAPOA) was in attendance.

3.2.3 PAPU General Secretariat

The PAPU Secretary General, Dr. Sifundo Chief Moyo, and the General Secretariat Team attended the meeting.

4.0 ADOPTION OF THE AGENDA

The General Secretariat presented the draft agenda, which was adopted unanimously.

5.0 STATUS OF IMPLEMENTATION OF THE SUPPLY CHAIN ACTION PLAN

A number of activities were undertaken in the implementation of the Supply Chain Working Group Action Plan.

5.1 Advanced Security Workshop Report

The General Secretariat reported on the Advanced Security Training Workshop for Postal Security Experts held from 28th to 30th September 2022 in Arusha, Tanzania. The workshop, which was sponsored by the United States Postal Services (USPS), was organized in collaboration with the UPU World Customs Organization (WCO) and International Narcotics Control Board (INCB).

The main recommendations stemming from the workshop were;

- a) Designated Postal Operators should initiate the Self-assessment process for S58 and S59 compliance certification;
- b) Designated Operators should respond to requests for information in a timely manner and also provide adequate, accurate/complete information through the Regional Postal Security Managers (RPSMs);
- c) Staff should undertake online training courses under the UPU Trainpost to enable members to develop their respective country-specific and hazard-specific DRM plans;
- d) Designated Operators should develop and /or update Business Continuity Plans (BCPs) for their respective organizations;
- e) Designated Operators should familiarise themselves with the DRM Guide, which is accessible on the UPU Website;
- f) Countries should compile Damage Reports and submit them to IB immediately after the disaster has struck;
- g) The workshop called for the strengthening of collaboration between UPU, WCO, and INCB, with a view to identifying synergies that can be explored to enhance security and facilitation of flawless customs procedures, thereby improving supply chain integration.

Countries were urged to attend the UPU/WCO conference in Japan from 6th to 8th June 2023.

Emphasis was made on updates and follow-ups on implementing recommendations after each workshop. The RPSM, Mr. Bennie Saka, who was in attendance, gave a regional update on the progress made by countries after the workshop.

The SG recommended that the reporting should be upgraded and a dashboard developed for each Working Group, which is shared with sub-regional bodies. During Working Group meetings, the General Secretariat will report on the implementation status.

5.2 Operational Efficiency and E-commerce Development Project (ORE 3)

The General Secretariat reported Operational Readiness for E-commerce (ORE3) start-up workshops held from 13th to 15th December 2022 in Abuja, Nigeria, for the Africa region and from 20th to 22nd November 2022 in Cairo, Egypt, for the Arab region.

The main recommendations and Action Points from the workshop were:

- a. Country Project Managers should make use of ORE Workspaces to access important documents and information shared on the project;
- b. DOs should use quality monitoring tools to assess their performance and take corrective measures;
- c. Country Project Managers should prepare Country Roadmaps and Action Plans and immediately commence implementation of the project;
- d. DOs should develop and sign MoUs with their national Customs authorities in line with the WCO–UPU guidelines for an MoU at the national level;
- e. From 1st January 2023, CARDIT and its AR (“**applicable regulations**”) flag is required for destinations requiring EAD;
- f. ITMREF (M53) and REFRSP (M54) messages should be exchanged from 1st March 2023;
- g. Designated Operators must constantly update the different compendia to ensure efficient operations and supply chain integration (Transport Compendium, Customs Compendium, Letter Post Compendium, Parcel Post Compendium ...).

The document was adopted unanimously.

5.3 EAD and CDS Workshop Report

The General Secretariat reported on the Electronic Advance Data (EAD) and Customs Declaration System (CDS) Workshop held from 21st to 23rd February 2023 in Zanzibar, United Republic of Tanzania. The workshop was organized within the framework of the Operational Readiness for E-commerce (ORE) project.

The main recommendations from the workshop were:

- a) Member States should continuously report on compliance with EAD and implementation of workshop recommendations through feedback meetings;
- b) DOs should upgrade their CDS and IPS systems to the latest versions;
- c) DOs should do the necessary configurations to be able to exchange ITMREF and REFRSP messages;
- d) PAPU should take up matters with the Specialized Technical Committee (STC) for Ministers in Charge of Posts and ICT regarding how customs matters can be tackled at the regional level as well as at the DO level;
- e) PAPU should encourage DOs to reach the EAD performance achievement level of at least 90% - 95% per country by the end of the year 2023 through the Supply Chain Working Group.

The report was unanimously adopted.

5.4 Mail Transportation

The General Secretariat reported on mail transportation matters which included the UPU Transport Webinar and the Report of the PAPU-AFRAA Task Force meeting.

5.4.1 Report on Transport Webinar

The General Secretariat reported on the Transport Webinar held virtually on 30th November 2023. The webinar on **Mail Transport Challenges and Solutions** was held by the UPU in collaboration with the International Air Transport Association (IATA).

The objective of the Webinar was to apprise the Member States of the new developments in the mail transportation industry and allow for opportunities to share experiences on best practices. Designated Operators were encouraged to attend such webinars to keep abreast with current developments in the mail transportation industry.

5.4.2 Report on PAPU-AFRAA Task Force Meeting

The PAPU- AFRAA Task Force presented its report to the Working Group. The detailed report will be presented to the Committee by the Task Force Chairperson.

In summary, the Task Force reported on the following main issues:

- a) Recapping of the Terms of Reference (ToRs) for the Task Force;
- b) Action Plan for the Period 2022-2025;
- c) Service Level Agreements between DOs and Airlines;
- d) Exchange of EDI Messages with Airlines;
- e) Payment of Conveyance Dues by DOs;
- f) Report of the Q4 AFRAA Cargo Task Force Meeting.

The recommendations from the Task Force meeting were:

- i) DOs should enter into formal agreements with airlines using the UPU/IATA Framework Agreement and its Guidelines;
- ii) DOs should exchange electronic information with airlines to achieve mail visibility and paperless exchange of information (Paperless Transport);
- iii) DOs should ensure that they settle mail conveyance dues with airlines to maintain efficient transportation of mail and cordial relations;
- iv) AFRAA should facilitate the exchange of Electronic Advance Data (EAD) with African airlines to ensure visibility of mail in the supply chain as well as compliance with UPU Regulations;
- v) PAPU and AFRAA should fulfill the conditions of the MoU and continue collaborating to ensure the efficient conveyance of African mail.

The Task Force report and its recommendations were adopted as presented.

6.0 KEY ISSUES FROM THE UPU SUPPLY CHAIN COMMITTEE

Nigeria, Africa lead country on Postal Operations Council (POC) Committee 1: Supply Chain made a presentation on critical issues from the Committee.

The main areas covered in the presentations were:

- Addressing
- Customs;
- Transport;
- Postal Security
- Proposed amendments to the regulations;
- Enrolment in TrainPost courses.

Member States are urged to ensure that their staff enrolls in relevant TrainPost courses to develop and build the capacity of Designated Operators in different supply chain matters.

7.0 SUPPLY CHAIN SUCCESS STORIES: SHARING OF EXPERIENCES AND BENCHMARKING

7.1 E-commerce

Malawi shared experience with E-commerce through implementing the Operational Readiness for E-commerce Project.

The presentation covered:

- Malawi's participation in Universal Postal Union Operational Readiness for E-commerce Project;
- Parcels and Small Packets volume 2020 – 2021;
- Malawi's Readiness for E-commerce;
- Malawi's Road to Acquiring an E-commerce Platform;
- Way forward- support from Government.

7.2 End-to-end digitalized distribution service

Senegal made a presentation on their innovation of an end-to-end digitalized distribution system.

The presentation covered the following main areas:

- Personalized mail distribution follow-up against receipt (Key account invoices);
- Printing barcoding and enveloping of invoices;
- Delivery;
- Scanning of delivery information;
- Track and Trace invoices by partners;
- Information on distributed invoices;
- Distribution Reports;
- Statistical Consultation;
- Statistical display in real-time.

Senegal was congratulated for their innovation and development of the system, which could be used for the tracking and tracing of parcels and small packets to ensure the visibility of items in the domestic supply chain. The platform stores information on delivery, returned items as well as delivery standards. Tracking can be done in real-time, which has improved delivery and customer satisfaction.

Member States should emulate and take up such African innovations for the future of the post.

8.0 DATE AND VENUE OF NEXT MEETING

The General Secretariat informed the meeting that the date and venue of the next meeting of the Supply Chain Working Group (SCG) will be communicated once consultations were finalized.

The Chairperson of the Working Group is expected to present the Working Group's Report and its Recommendations to the Operations and Technology Committee meeting to be held during the 41st Administrative Council Session.

9.0 ANY OTHER BUSINESS

No other business was discussed.

10.0 CLOSING

In his closing remarks, the Secretary General, thanked participants for their attendance and active participation and the General Secretariat staff for the logistical arrangements. He reaffirmed the General Secretariat's support in the work of the Supply Chain Working Group.

The Chairperson thanked everyone and wished them success in their endeavors.

The 1st Vice Chair thanked the SG for his support. He stressed that Africa is emerging strong, evidenced by the presentations on experience sharing and innovations made during the meeting. He emphasized the visibility of mail within the international postal network and the exchange of CARDIT/RESBIT messages with airlines.

He wished everyone well and closed the meeting at 12:06 hours (GMT).