



Full statement of Kate Muth, Executive Director, International Mailers Advisory Group, as prepared for the Universal Postal Union High-Level Stakeholder Forum.

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Good Morning. I want to thank the Director General for his vision and this initiative to explore wider postal sector engagement in the UPU. I also want to thank the staff of the International Bureau for their excellent work in putting this event together and for the opportunity to be part of the discussion.

I'd like to take a minute to explain who we are. The International Mailers Advisory Group, or IMAG, is a trade association that represents the interests of, primarily, U.S.-based international mailers and shippers. Our members are made up of consolidators, hardware and software solutions providers, and ecommerce marketplaces. We estimate IMAG members spend more than \$1 billion for postage or shipping each year and they move billions of dollars' worth of goods.

IMAG members use a wide array of shipping and delivery partners, including designated operators, integrators, freight forwarders, and new market entrants. Our members are both partners with each other and competitors to each other. Ultimately, their goal is to provide end-user mailers and shippers with a range of exceptional and efficient services at the lowest possible prices. This includes embracing public-private partnerships where it helps fulfill that goal.

As with any association, members can be split on policy issues. But IMAG's mission is what unites the members. That mission is to address barriers to the efficient flow of information and goods across borders. Our mission aligns perfectly with today's discussion and I am excited to be a part of it.

We believe the UPU needs to be opened more widely to the private sector, which includes mailers and shippers, vendors and suppliers to those mailers and shippers. What exactly that might look like, I hope today's discussion will help us visualize. But I offer a few initial ideas:

- The rationale for opening the UPU can't be primarily for financial reasons, but rather to reimagine the UPU in light of the changes effected by a rapidly growing ecommerce market.
 - o As we consider potential models for private sector participation, IMAG stresses the need for engagement with the full range of private sector players. That means smaller companies with revenues of a few million dollars to those with revenues in the billions of dollars.
 - To that end, any new model must have a reasonable dues schedule, perhaps with a tiered structure, to ensure participation by all market players. That is, if dues are set too high, it precludes smaller or even mid-sized companies and new market entrants from a seat at the table and effectively only opens to the largest providers.
 - Perhaps this is where a role for associations would be valuable, as many of us support a broad range of members, allowing for a wide range of voices.
- IMAG believes a sharp focus on this issue of engagement is absolutely essential. One approach would be to pass a resolution at the Abidjan Congress that calls for a study with clear objectives

and a firm and ambitious deadline for producing actionable items. The study should examine other models, many of which are represented here today. The working group formed to undertake the study should consist of both posts and private sector members (not just as observers but as participants).

- While we stake out longer-term reform, there are some immediate steps that could be taken to engage the private sector and build coalition. Perhaps we could select one or two topics that align with the pillars of the Abidjan strategy and the business objectives of private sector companies and pilot test them to provide a framework for opening the UPU more widely to the private sector. Here are a few suggestions.
 - Better transparency and greater access to UPU data and analytics.
 - Start simply with an overhaul of the website so it is easier to find information.
 - Get rid of the password protection on the site so everyone has access and transparency is enhanced.
 - Earlier and faster communication of changes to country's customs declarations, duties requirements, and prohibited items.
 - Access to the postal network tracking systems.
 - Allow private sector participation on the same basis as postal-operator participation in working groups established to solve technical issues that impact the private sector as well, such as around customs forms, addressing, security issues, in particular around advance electronic data. Governments are increasingly focused on AED, not just for security but for trade facilitation.
 - The U.S. Postal Service has a model for such an approach through a technical advisory committee that includes industry and postal officials to find solutions to operational and technical issues that impact mailers and shippers.
 - The UPU does as well with the technical standards board – expand that concept.
 - Allow access to UPU technology/technical solutions that would allow the private sector to work with posts to build solutions together that:
 - Help stakeholders around the world more broadly participate in ecommerce.
 - Build a global returns solution.
 - Solve urban logistics and sustainability issues, such as urban congestion caused by multiple delivery providers going to the door.
 - I recognize that these are big-ticket issues, but we can start “building the foundation” and getting in the habit of working together so that we can address the very big challenges that confront our sector.

In my final minute, I wanted to note a key question I heard from IMAG members when I encouraged them to be a part of this effort. Many asked me about the value proposition. Or, in business terms, the return on investment. How could they justify within their own companies spending time and resources on this effort if it's not certain that reform will be robust or quick? It is a point well-taken. If this effort is just an academic exercise, companies will have a hard time buying in. And without solid private-sector engagement, there cannot be real reform. And without reform, the long-term viability of the UPU and the wider postal sector are at risk. I hope we all can agree on the importance of a healthy postal sector.