



Proposal of a general nature

---

## **UNITED ARAB EMIRATES**

### **Resolution**

#### **Classification of countries and territories for terminal dues and Quality of Service Fund (QSF) purposes**

Congress,

Having adopted  
the provisions of the new UPU terminal dues system,

Considering  
that Bucharest Congress resolution C 13/2004 instructed the Council of Administration to establish an acceptable system for the classification of countries,

Having observed  
that the need for preferential terminal dues rates decreases with the country-specific potential to self-finance postal development and increases with the country-specific difficulties in serving the postal territory and with the postal service level provided,

Further noting  
that the gross national income per capita reflects the potential to self-finance postal development and that the average costs per letter reflect the difficulties in serving the postal territory,

Bearing in mind  
that the special needs of small developing countries/territories i.e. small island developing countries/territories ~~and~~, land-locked countries/territories in similar circumstances and countries with special population measures as a result of foreign workers' attraction to these countries have to be fully taken into consideration,

Recognizing  
the special needs of least developed countries for preferential treatment,

#### *Decides*

- to adopt the methodology for the classification of countries in five groups, based on the value of their postal development indicator, determined as a weighted combination of the gross national income per capita (75%) and the normal average cost per letter (25%) estimated econometrically;
- to adopt a four-year classification cycle as of 2010;

- on the classification of countries in five groups for terminal dues and quality of service fund purposes, as shown in the following list. The provisions concerning terminal dues rates and levels of contribution and access to QSF funds are specified in the Convention,

*Authorizes*

the Council of Administration to decide on the temporary downward reclassification of countries due to war or extremely severe economic crisis.

**Reasons.** – Depending on the country classification, which is based on the PDI and GNI, small developing countries/territories i.e. small island developing countries/territories, land-locked countries/territories in similar circumstances and countries with special population measures with a high percentage of foreign workers will be classified under groups 1 and 2. The nature of these countries with special population measures which attract foreign workers hugely affects the concentration of wealth on a specific small part of the population, bearing in mind that foreign workers with low income make up the largest percentage of postal customers. The special needs and circumstances of such countries have to be considered, so that they are given a re-classification and the chance of a sufficient transition period.

**Supported by.** – Bahrain, Jordan, Kuwait, Lebanon, Morocco, Qatar, Saudi Arabia, Sudan, Syrian Arab Rep., Yemen.