

GAO

Briefing Report to the Chairman  
Subcommittee on the Postal Service  
Committee on Government Reform and  
Oversight, House of Representatives

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October 1998

U.S. POSTAL SERVICE

Postal and  
Telecommunications  
Sector Representation  
in International  
Organizations



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General Government Division

B-281192

October 29, 1998

The Honorable John H. McHugh  
Chairman, Subcommittee on the Postal Service  
Committee on Government Reform and Oversight  
House of Representatives

Dear Mr. Chairman:

This briefing report reflects and updates information provided in our July 1998 briefing on U.S. representation in two international organizations: (1) the Universal Postal Union (UPU) and (2) the International Telecommunications Union (ITU). The UPU regulates international postal services, and the ITU coordinates global telecommunications networks and services among governments and the private sector. As agreed with the Subcommittee, the objective of this review was to compare the roles and responsibilities of government and private-sector stakeholders in U.S. policy development and representation in international organizations for the postal and telecommunications sectors. Specifically, we compared representation of the United States in the UPU and in the ITU.

## Background

The House Subcommittee on the Postal Service is concerned about allegations from private delivery companies that the U.S. Postal Service (USPS) gains unfair competitive advantages through its role as the U.S. representative in the UPU. As we previously reported in 1996, the Air Courier Conference of America (ACCA), an association that represents private delivery companies, alleged that the USPS unfairly benefited from its role as a national postal administration, its exclusive access to foreign postal administrations through the UPU, and its role as the U.S. negotiator of UPU agreements and related multilateral agreements.<sup>1</sup> ACCA suggested that because the actions of the UPU lead to laws affecting the international delivery market in general, some party other than the USPS should serve as the leader of U.S. delegations to the UPU. The private delivery companies would also like to be part of the U.S. delegation to the UPU and have a more public process for developing U.S. policies or positions that will be taken at the UPU, particularly on issues related to international postal rates and restrictions on the international delivery market.

<sup>1</sup>See our report, U.S. Postal Service: Unresolved Issues in the International Mail Market (GAO/GGD-96-51, Mar. 11, 1996).

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USPS disagreed with ACCA's allegations and defended its responsibility as the U.S. representative in the UPU on the basis of its statutory authority, 39 U.S.C. 407(a), which states "the Postal Service, with the consent of the President, may negotiate and conclude postal treaties and conventions." Pursuant to that authority, USPS represents the United States in the UPU and enters into UPU agreements subject to ratification by the President. USPS also contended that it would be inappropriate to have private delivery companies, who have no obligations under the UPU agreements, participate directly in an intergovernmental body whose basic purpose is to help postal administrations fulfill national statutory delivery service obligations on an international basis.

The UPU, headquartered in Berne, Switzerland, is a specialized agency of the United Nations (U.N.) that governs international postal service. The UPU Constitution is the basic act of the UPU containing the fundamental rules of the Union. A UPU international agreement, the Universal Postal Convention, supplemented by its Detailed Regulations, sets the common rules for international postal service, including the exchange of letter post mail, that are binding on member countries. Other UPU agreements and regulations apply to parcel post and financial services, such as postal money orders. The main bodies of the UPU include the supreme body, called the UPU Congress, and three permanent bodies: the Council of Administration (CA), the Postal Operations Council (POC), and the International Bureau. The UPU Congress is composed of delegates representing all 189 member countries and is to be convened every 5 years. The UPU Congress is to reevaluate and revise the UPU Constitution, Convention, and agreements. Amendments to UPU's Constitution can only be made at a UPU Congress and are subject to ratification by each member country. The next UPU Congress is to be held in August 1999 in Beijing, China.

The ITU, headquartered in Geneva, Switzerland, is also a specialized agency of the U.N. within which governments and the private sector coordinate global telecommunications networks and services. The ITU Constitution and Convention, a treaty document, is the basic act of the ITU containing the fundamental rules of the Union. The main bodies of the ITU include (1) the supreme body, called the Plenipotentiary Conference; (2) the Council; (3) the General Secretariat; and (4) three sectors: the Radiocommunication, Telecommunication Standardization, and the Telecommunication Development Sectors. The Plenipotentiary Conference, which is to be convened every 4 years, is to make top-level policy and leadership decisions. The Plenipotentiary Conference is

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composed of delegations representing all 188 member countries. The ITU Plenipotentiary Conference adopts and modifies the ITU Constitution and Convention as well as strategic and financial plans. The ITU Constitution and Convention must be ratified, accepted, or approved by each member country. The most recent ITU Plenipotentiary was held in October 1998 in Minneapolis.

The ITU is organized into three sectors: Radiocommunication, Telecommunication Development, and Telecommunication Standardization. This report focuses on one of the three sectors—the Telecommunication Standardization sector—to provide a more in-depth example of how these sectors operate. This sector was chosen for comparison to the postal sector because of similar issues, such as standardization and settlement charges among operators.

Congress is considering proposed legislation that would change the leadership of the U.S. delegation to the UPU from the USPS to the Secretary of State and would require the Secretary and USPS to consult with other government agencies, users, and private providers of international postal and delivery services as appropriate. The Secretary of State has similar representation and consultation responsibilities as required by law in the international telecommunications sector. Some of the similarities in the structures and management of the international organizations for the postal and telecommunications sectors have invited comparisons between the U.S. policy development and representation in the UPU and ITU. However, there are also some key differences that are important to note when making comparisons between these sectors in the United States. For example, the telecommunications sector does not have a public operator or service provider, while the postal sector does. Also, the telecommunications sector has an independent regulator, the Federal Communications Commission (FCC), while the postal sector does not. The USPS is an independent establishment of the federal executive branch. The providers of telecommunications services in the United States are private companies, while the providers of letter and parcel delivery services may include both the USPS and private companies. Although both the postal and telecommunications sectors have statutory obligations to provide universal service to the American public, these obligations are fulfilled by private companies in the telecommunications sector and exclusively by the USPS in the postal sector.

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## Results in Brief

Differences in the roles of government agencies in U.S. international policy development for the postal and telecommunications sectors were related to the agencies' roles and responsibilities as defined under the law. Some agencies had specific, legally defined postal or telecommunications responsibilities, while others had legally defined responsibilities that were not sector specific. For example, USPS had postal-specific responsibilities, while the Departments of State and Commerce as well as FCC had telecommunications-specific responsibilities. However, other involved government agencies did not have issue or sector-specific responsibilities. For example, the Department of Justice has participated in policy development on issues involving its responsibilities for enforcing federal antitrust laws and protecting competition. In addition, the roles of private-sector participants in policy development differed between the two sectors. In the telecommunications sector, in which private-sector participants are regulated by the FCC, participation in U.S. international policy development was more formal. In the postal sector, private-delivery companies are not regulated, and private-sector participation was more informal.

Differences in legal requirements also contributed to differences in the formalization of the processes used to develop U.S. policies for international postal and telecommunications issues. In the telecommunications sector, the process for involving government and private-sector stakeholders in U.S. international policy formulation included regularly scheduled meetings formalized in an advisory committee structure headed by the Department of State and chartered in accordance with the Federal Advisory Committee Act (FACA), title 5 U.S.C., appendix 2. Under the act, the advisory committee was required to meet certain statutory requirements, such as public notification of meetings in the Federal Register, and required documentation, such as detailed minutes of meetings as well as annual status reports to Congress. In the postal sector, the USPS was not subject to FACA or specific legal requirements for consulting with government and private-sector stakeholders in U.S. international policy formulation. The process for developing U.S. policy for international postal issues was more informal, with limited public notice or documentation of meetings, and generally involved holding ad hoc briefings with interested parties.

In comparing U.S. representation to the UPU and ITU, we noted some major differences in the composition of U.S. delegations. In the telecommunications sector, private service providers have been included as part of the U.S. delegations to both the supreme and permanent bodies,

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but this was not the case in the postal sector. Delegations to both the UPU and ITU supreme bodies generally included a head of delegation, deputy head(s), and members, but they differed in composition: The U.S. delegation to the UPU Congress was led by and predominantly made up of USPS officials and staff and a few Department of State officials. In comparison, the delegation to the ITU Plenipotentiary Conference was led by the Department of State and included a broad range of government and private stakeholders. Also, private-sector service providers could participate in most ITU permanent bodies either as part of the U.S. delegation or on their own behalf. In contrast, private-sector providers were excluded from participation in UPU permanent bodies because UPU rules required representatives to be competent in postal matters or be qualified officials of the member countries' postal administrations.

Both international organizations have grappled with adapting their organizations' structures to the evolving competitive postal and telecommunications environments, which have seen rapid changes in the roles of public and private service providers. In the postal sector, the distinction between public- and private-service providers is becoming more blurred as several foreign postal administrations have recently acquired or developed partnerships with private delivery companies. Thus, as in the telecommunications sector, postal delivery services are increasingly being provided by private as well as public service providers. The UPU is reviewing its organizational structure and is to consider proposals at the next UPU Congress that include a "consultative status" for international nongovernmental organizations. Similarly, the ITU is struggling with issues related to how private-sector service providers should participate at ITU plenipotentiaries. For example, one issue that has been discussed in recent meetings held by the Department of State is the potential that conflicts may develop when multinational telecommunications corporations have delegates on more than one country's delegation.

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## Scope and Methodology

To determine the roles and responsibilities of U.S. stakeholders in U.S. international postal and telecommunications policy development and representation to the UPU and ITU organizations, we reviewed relevant U.S. laws, executive orders, regulations, agency documents, correspondence, and the UPU and ITU constitutions, conventions, rules of procedures, and agreements. We interviewed officials at USPS; the Departments of State, Commerce, and Justice; the FCC; the USTR; and OMB about their level of involvement in developing U.S. postal and telecommunications policy. We

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also interviewed key UPU officials to gain a better understanding of the operations and participation in the UPU. Further, we attended preparatory meetings for the upcoming UPU and ITU meetings. Additional details are included in briefing section I, Scope and Methodology. We conducted our review from June through September 1998 in accordance with generally accepted government auditing standards.

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## Agency Comments and Our Evaluation

On September 29, 1998, we provided a draft of this report to the Postmaster General and the Secretary of State for comment. We received written comments from the Postmaster General dated October 16, 1998. These comments are summarized below and included as appendix III. On October 14, 1998, the Department of State's GAO Liaison Officer informed us that the Department had no comments.

USPS generally agreed that the report provides a comprehensive summary of the structure and responsibilities of the UPU and ITU and discusses how pertinent U.S. policies are currently formulated. USPS said that while there are some similarities between the UPU and ITU, the differences in the two organizations are significant and must be taken into account in addressing the question of U.S. involvement in the UPU. USPS noted that the differences reflected the way in which the international postal and telecommunications sectors are governed and the way universal service obligations are met, that is, by government-sector providers in the postal sector and private companies in the telecommunications sector. USPS further stated that the UPU does not fully parallel the ITU, and the ITU does not provide an appropriate model for U.S. representation in the UPU.

As we noted in the report, there are differences and similarities in the postal and telecommunications sectors and their international organizations, but we did not address whether the ITU is an appropriate model for U.S. representation in the UPU. By identifying the processes used to develop U.S. international policy in each sector, we provided information on alternative processes, such as the FACA process, that are used by other government agencies to obtain input from stakeholders. The FACA process is not unique to the telecommunications sector. Likewise, information on U.S. representation in other international organizations may provide alternatives for consideration of the appropriate role and participation of stakeholders.



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We will send copies of this report to the Ranking Minority Member of your Subcommittee, the Chairman and Ranking Minority Member of the House Committee on Government Reform and Oversight, the Chairman and Ranking Minority Member of the Senate Committee on Governmental Affairs, other interested congressional members, the Secretary of State, and the Postmaster General. We will also make copies available to others on request. The major contributors to this report are listed in appendix IV. If you have any questions about this report, please call me on (202) 512-8387.

Sincerely yours,



Bernard L. Ungar  
Director, Government Business  
Operations Issues

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**Abbreviations**

ACCA	Air Courier Conference of America
ATIS	Alliance for Telecommunications Industry Solutions
CA	Council of Administration (UPU)
FACA	Federal Advisory Committee Act
FCC	Federal Communications Commission
GSA	General Services Administration
ITAC	International Telecommunications Advisory Committee
ITU	International Telecommunications Union
NTIA	National Telecommunications Information Administration (Commerce)
OMB	Office of Management and Budget
POC	Postal Operations Council (UPU)
TIA	Telecommunications Industry Association
TSAG	Telecommunication Standardization Advisory Group
U.N.	United Nations
UPU	Universal Postal Union
USPS	U.S. Postal Service
USTR	U.S. Trade Representative
WTO	World Trade Organization

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# Background

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## GAO Report Objective

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- Compare the roles and responsibilities of government and private stakeholders in U.S. policy development and representation in international organizations for the postal and telecommunication sectors
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**Report Objective**

The objective of this review was to compare the roles and responsibilities of government and private-sector stakeholders in U.S. policy development and representation in international organizations for the postal and telecommunications sectors. Specifically, we compared representation of the United States in the Universal Postal Union (UPU) and in the International Telecommunications Union (ITU).

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## GAO USPS' Role as UPU Representative

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- Private competitors alleged USPS unfairly benefited from its role as a national postal administration, its access to foreign postal administrations through UPU, and its role as U.S. negotiator of UPU agreements and related multilateral agreements
  - USPS stated its role was based on statutory authority and UPU regulations not binding on private competitors
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**USPS' Role as UPU  
Representative**

Private competitors alleged that USPS unfairly benefited by its position as lead U.S. delegate to the UPU because the actions of the UPU lead to laws affecting the international delivery market in general. They requested that some other party serve as the leader of the U.S. delegation to the UPU. These concerns were expressed principally through the Air Courier Conference of America (ACCA), an industry group made up of private delivery companies, such as United Parcel Service and FedEx.

ACCA also stated that it desired more participation in UPU meetings. In the past, ACCA requested that the President appoint a representative of ACCA as a member of the U.S. delegation to the 1994 UPU Congress. However, this request was not granted.

USPS responded that since the activities of the UPU were binding only upon the postal administrations of members countries, it would be inappropriate to have private delivery companies participate directly in an intergovernmental body whose basic purpose was to help postal administrations fulfill national statutory universal service obligations on an international basis. Furthermore, the USPS noted that the UPU does not establish obligations or procedures for private delivery companies, nor does it, in any other aspect, regulate such companies.

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## GAO Comparison With the International Telecommunications Sector

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### **Similarities/differences between the two sectors**

- **Similarities**
  - Structure and management of international organizations
  - **Differences**
  - Public vs. private operators
  - Universal services provided by public vs. private operators
  - No regulator vs. independent regulator
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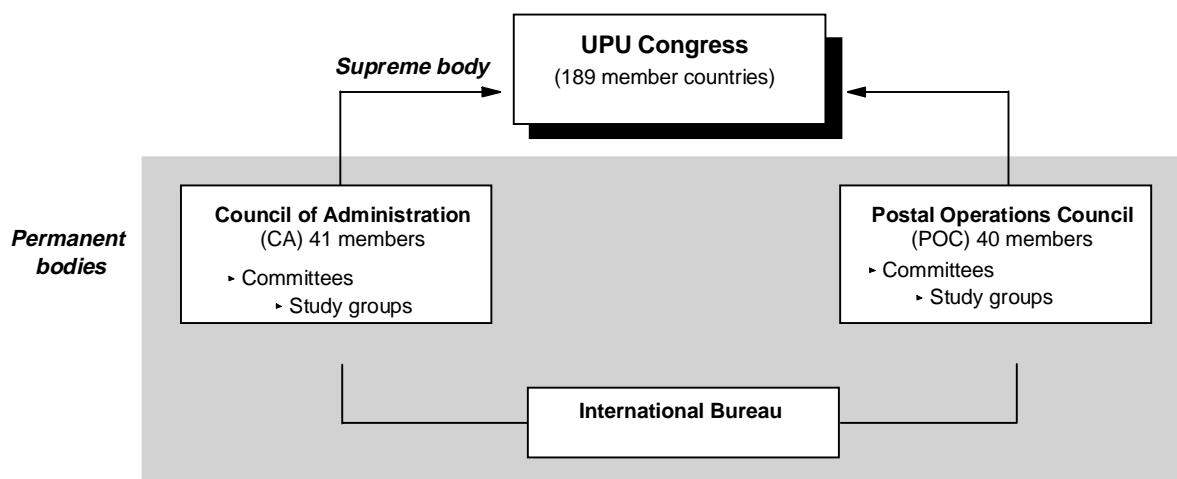
**Comparison With the  
International  
Telecommunications  
Sector**

There are many similarities between the structure and management of the UPU and the ITU. The UPU and ITU are organized and managed as treaty organizations with supreme bodies that meet periodically in plenipotentiary conferences to make changes to their constitutions and conventions. The UPU and ITU use permanent bodies to carry on the work of their organizations in the interval between plenipotentiary meetings. These permanent bodies address policy issues, coordinate work, and facilitate the implementation of the provisions of their Constitutions, Conventions, and administrative regulations. They also perform policy and technical studies through advisory groups, committees, subcommittees, study groups, and working parties.

Although the international postal and telecommunications sectors have some similarities in the structure and management of their respective international organizations, there are some important differences between the two sectors in the United States. For example, the telecommunications sector does not have a public operator or service provider, while the postal sector does. Also, the telecommunications sector has an independent regulator, the Federal Communications Commission (FCC), while the postal sector does not. USPS is an independent establishment of the federal executive branch. Both sectors have a statutory obligation to provide universal service to the American public, but this obligation is fulfilled by private companies in the telecommunications sector and exclusively by USPS in the postal sector.

# GAO International Organization for the Postal Sector: the UPU

## • the UPU Structure



Source: UPU information and CA and POC Practical Guide.

Headquartered in Berne, Switzerland, the modern UPU is an intergovernmental organization and a specialized agency of the United Nations (U.N.) with 189 member countries.<sup>2</sup> The UPU's primary mission is to provide a forum for the development of postal services based on common

<sup>2</sup>The UPU, established by agreement in 1874, is the second oldest treaty organization in the world. The UPU became a specialized U.N. agency by agreement on July 1, 1948. According to current UPU provisions, any U.N. member may join the UPU; sovereign countries that do not belong to the U.N. may join if their request to the UPU is approved by at least two-thirds of the UPU membership.

standards and procedures agreed upon by national postal administrations throughout the world. The acts of the UPU apply only to member national postal administrations and must be ratified by each member country. UPU regulations govern only mandatory services, that is, those required to be provided by its members, but not those services considered to be optional.<sup>3</sup>

The main bodies of the UPU include the supreme body, called the UPU Congress, and three permanent bodies: the Council of Administration (CA), the Postal Operations Council (POC), and the International Bureau.

The UPU Congress is to meet every 5 years. The UPU Congress' main function is legislative, that is, updating the UPU acts and agreements; other functions include developing a long-term strategic plan, electing the member countries for the CA and the POC, and setting the UPU budget. The CA, comprising 41 member countries, meets annually in October in Berne and primarily manages affairs of the UPU between Congresses. It may approve proposals from the POC for adopting regulations or new procedures until a decision is made by the next Congress. The CA also studies issues of interest to the Congress that include, among others, regulatory, administrative, legislative, and legal issues. The POC, comprising 40 member countries, meets annually and is the technical and operational body of the UPU. Dealing mainly with the operational, economic, and financial aspects of international postal services, the POC recommends to member countries standards for technological, operational, or other processes that require uniform practices. The POC also promulgates Detailed Regulations for the UPU Convention and the Agreements and promotes the introduction of new postal products. The United States is a member of both the CA and the POC.

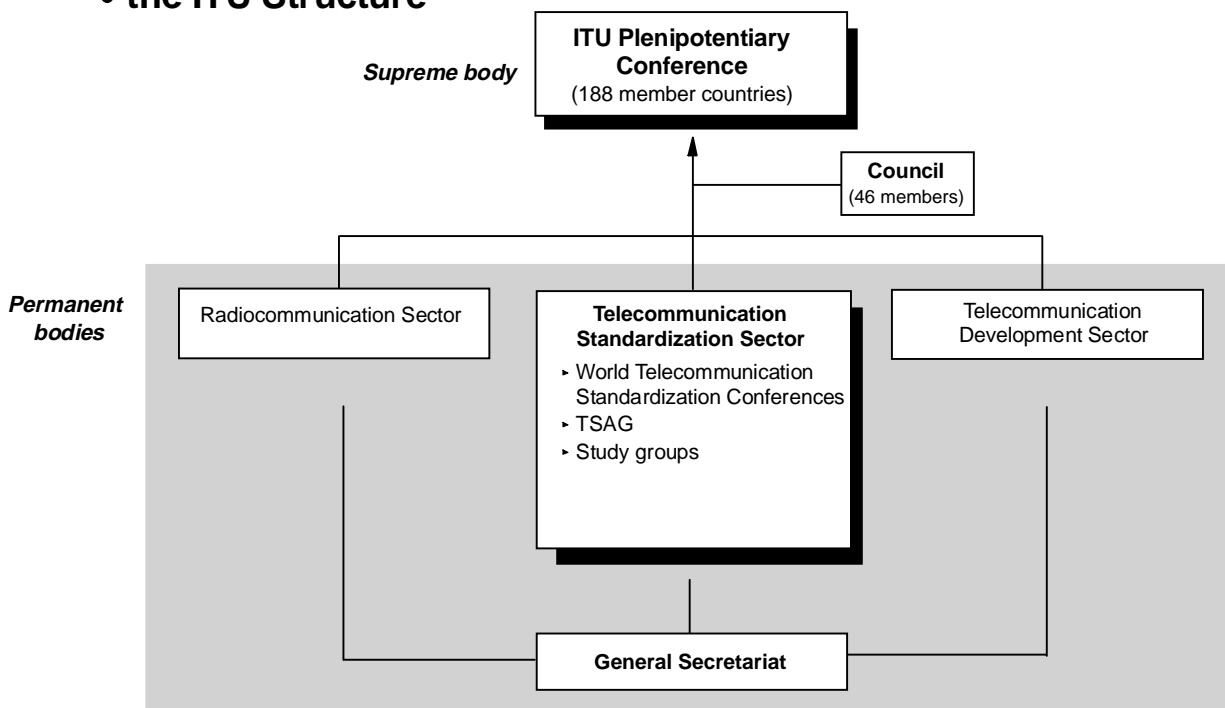
Finally, the International Bureau, located in Berne, provides secretariat and support facilities for the UPU's bodies. It also manages an account settlement process among postal administrations related to the exchange of postal items. In addition, it is responsible for ensuring the representation of the UPU in its external relations with international organizations.

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<sup>3</sup>Mandatory services include the transfer, exchange, and interadministration charges and payment mechanisms for letter products—including, among others, letters, post cards, and printed papers. Optional services include, for example, expedited mail, parcel post, and postal money orders.

# GAO International Organization for the Telecommunications Sector: the ITU

## • the ITU Structure



Source: ITU information.

The ITU, originally called the International Telegraph Union, is headquartered in Geneva, Switzerland. It is a specialized agency of the U.N. with 188 members.<sup>4</sup> Through the ITU, governments and the private sector coordinate global telecommunications networks and services. The main bodies of the ITU include (1) the supreme body, the ITU Plenipotentiary

<sup>4</sup>The ITU, the oldest international treaty organization, was set up on May 17, 1865, with 20 participating countries. Under an agreement with the U.N., the ITU became a specialized agency of the U.N. on Oct. 15, 1947.

Conference; (2) the Council; (3) the General Secretariat; and (4) three sectors: the Radiocommunication, Telecommunication Standardization, and Telecommunication Development Sectors. In this report, we focus primarily on the Telecommunication Standardization Sector.

Plenipotentiary Conferences, to be held every 4 years, comprise delegations representing all members of the ITU. They adopt the policies of the organization and decide on the organization and activities of the ITU in the International Telecommunications Constitution and Convention treaty, which is ratified, accepted, or approved by each member country. The ITU Council comprises 46 members of the union elected by the Plenipotentiary Conference. The Council is to consider, in the interval between Plenipotentiary Conferences, broad telecommunication policy issues as well as Union administrative issues to ensure the union's policies and strategies are effective in the changing telecommunications environment. In addition, the Council is responsible for ensuring the efficient coordination of the work of the Union and effective financial control over the General Secretariat and the three sectors. The General Secretariat provides administrative support and information services for the ITU's bodies and coordinates with other international organizations.

Within the permanent Telecommunication Standardization Sector are the World Telecommunication Standardization Conference, the World International Telecommunications Conference, and the Telecommunications Standardization Advisory Group (TSAG). World Telecommunication Standardization Conferences are held every 4 years. These conferences approve, modify, or reject draft standards, called recommendations because of their voluntary character. They also decide which study groups should be maintained, established, or abolished as well as what issues should be studied. The Director of the Telecommunication Standardization Bureau (provides the staff and administration for the sector) is elected at the Plenipotentiary Conference. TSAG is to review priorities and strategies of sector activities as well as the implementation of the work program, provide guidelines for study group work, and recommend measures to foster cooperation and coordination with other organizations. The United States is a member of the ITU Council and TSAG.

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## GAO Scope and Methodology

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- Reviewed legal authorities
  - Reviewed internal documents
  - Documented roles and responsibilities of agencies and international organizations
  - Interviewed agency officials
  - Observed meetings and conferences
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**Scope and Methodology**

To determine the roles and responsibilities of U.S. stakeholders in U.S. international postal and telecommunication policy development and representation to the UPU and ITU, we reviewed relevant U.S. laws, executive orders, regulations, and agency documents as well as the UPU and ITU constitutions, conventions, rules of procedure, and agreements. We interviewed responsible USPS officials in the International Business Unit and Office of General Counsel. We interviewed responsible Department of State officials in the Bureau of Economic and Business Affairs and the Bureau of International Organization Affairs as well as officials at the Department of Commerce, USTR, OMB, and FCC.

To determine the level of participation by government and private-sector stakeholders in U.S. international policy development and representation in the postal sector, we reviewed letters and other correspondence between the Service and other federal agencies that have been involved in consultations on international postal matters, as well as other key postal stakeholders, and agendas and attendance lists from USPS briefings on international postal policy issues. We interviewed officials at the Departments of State and Commerce, USTR, and OMB about their level of involvement in developing U.S. postal positions as well as key UPU officials to gain a better understanding of UPU's operations and participation in the UPU. Further, we attended the spring 1998 meetings of the UPU's CA working parties and POC and talked to delegates from other countries about their UPU representation. We also attended a USPS briefing in Washington, D.C., for government and private-sector stakeholders concerning preparation for the 1999 Beijing UPU Congress.

For the telecommunications sector, to determine the level of participation by government and private-sector stakeholders in U.S. policy development and representation, we interviewed officials from the Departments of State and Commerce and FCC. We also attended U.S. preparatory meetings at the Department of State in Washington, D.C., for the ITU Plenipotentiary Conference that was held in Minneapolis in October 1998. Further, we reviewed meeting agendas and lists of delegates, observers, and attendees at official and preparatory ITU meetings. We conducted our review from June through September 1998 in accordance with generally accepted government auditing standards.

# U.S. Policy Development: International Postal and Telecommunications Issues

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**GAO** U.S. Policy Development: Comparison of Roles Between the Two Sectors

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- Agency participation in U.S. international policy development differed in the two sectors due to differing legal roles
- Private-sector participation in U.S. policy development was more formalized in the telecommunications sector than in the postal sector

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**U.S. Policy Development:  
Comparison of Roles  
Between the Two Sectors**

Differences in the roles of government and private-sector participation in U.S. international policy development for the postal and telecommunications sectors related to the differences in the agencies' roles and responsibilities as defined under the law. Some agencies had specific legally defined postal or telecommunications responsibilities, while others had general legally defined responsibilities that were not sector specific. For example, USPS had postal-specific responsibilities, and FCC had telecommunications-specific responsibilities. However, the Department of Justice had antitrust responsibilities, and the USTR had trade-related responsibilities, which were not issue or sector specific. Thus, agencies' level of participation in U.S. international policy development for postal or telecommunications issues differed, depending upon their legally defined roles. Private-sector participation in policy development also differed. In the telecommunications sector, private-sector participants were more formally and directly involved in U.S. international policy development, while in the postal sector, private-sector participation was more informal and ad hoc.

Policy development in both sectors generally involved a lead agency, other government stakeholders, and private-sector stakeholders. In the postal sector, USPS has been the lead government agency, supported by the Department of State. Other government stakeholders that have sometimes participated in policy development meetings included the Departments of Commerce and Justice, OMB, and the U.S. Trade Representative (USTR). Private-sector stakeholders have also been informally involved in international U.S. postal policy development. These generally included (1) competitors, such as ACCA; (2) customers and mailer associations, including the Association of American Publishers and the Direct Marketing Association; and (3) suppliers, such as the Air Transport Association.

In international telecommunications, the Department of State has been the lead agency in the coordination of U.S. international telecommunications policy development. The other government stakeholders included the Department of State advisory committees, U.S. International Telecommunications Advisory Committee (ITAC) and its study groups, FCC, National Telecommunications Information Administration (NTIA) in the Department of Commerce, and USTR. Private-sector participants in U.S. policy development in the international telecommunications sector are involved in both a formal advisory role and as direct participants; they have included major industry associations, such as the American Telecommunications Information Solutions, and individual companies, such as AT&T.

## GAO U.S. Policy Development: Legal Roles of Postal/Telecommunications Sectors

- Key Legal Authority for Roles of Government Agencies Involved in Postal Sector

Agency	Key roles	Legal authority
USPS	Lead negotiator of postal treaties	39 U.S.C. 407
State	President's principal adviser on U.S. foreign policy Formulates and executes U.S. foreign policy	22 U.S.C. 2656
USTR	President's principal adviser on trade issues Negotiates trade-related issues with other countries and in WTO	19 U.S.C. 2171
Commerce	Develops policy regarding U.S. service industry competitiveness in foreign commerce	19 U.S.C. 2114b
Justice Department	Enforces federal antitrust laws and protects competition	15 U.S.C. 1-7
OMB	Coordinates and manages the executive branch	31 U.S.C. 1111

Source: U.S. Code.

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**U.S. Policy Development:  
Key Legal Roles of  
Agencies Involved in the  
Postal Sector**

In the postal sector, USPS is the primary agency for the development of postal policy. USPS, an independent establishment of the executive branch, is responsible under the law for providing universal postal services to all communities. Under 39 U.S.C. 407, USPS is the lead agency responsible for negotiating and concluding postal treaties or conventions with other countries. USPS is currently the only U.S. operator providing postal services under the standards and obligations of UPU Convention. The Department of State is the principal adviser to the President on U.S. foreign policy matters, and it coordinates with USPS to ensure that all postal treaties or conventions are in line with U.S. foreign policy.<sup>5</sup> The Department of State also provides guidance and support for U.S. participation in international organizations and is responsible for accrediting U.S. delegations to international organizations.

No other government agencies have legally defined postal-specific responsibilities. However, depending upon the U.S. positions being developed, other key agencies have participated in developing policies for international postal issues related to their general areas of legal responsibility. For example, Commerce, Justice, and OMB have participated in discussions related to proposed U.S. positions on rates for the exchange of international mail before the 1994 Seoul UPU Congress and in recent discussions for the 1999 UPU Congress. The Department of Commerce has responsibility for issues related to U.S. service industries' competitiveness in foreign commerce. For the postal sector, the Department of Commerce has recently been involved in issues of concern to the direct marketing industry. Due to the Department of Justice's responsibility for matters pertaining to antitrust enforcement or protection of competition, Justice officials have also participated in meetings related to competition issues. Finally, USTR, as the principal adviser to the President on trade issues, has been involved primarily in trade-related issues with other countries and in the World Trade Organization (WTO).

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<sup>5</sup>Section 407 (a) of title 39 of the U. S. Code is cited as legal authority and justification for the Postal Service's role as the lead agency in the development and representation of U.S. policy. Section 407(a) states: "The Postal Service, with the consent of the President, may negotiate and conclude postal treaties or conventions . . ." In addition, section 407(b) of title 39 mandates a role for the Department of State stating that "The Postal Service shall transmit a copy of each postal convention concluded with other governments to the Secretary of State, who shall furnish a copy of the same to the Public Printer for publication."

## **GAO U.S. Policy Development: Legal Roles of Postal/Telecommunications Sectors**

- Key Legal Authority for Roles of Government Agencies Involved in Telecommunications Sector

<b>Agency</b>	<b>Key roles</b>	<b>Legal authority</b>
State	Formulates, coordinates, and oversees foreign policy related to international telecommunications issues	22 U.S.C. 2707
Commerce	President's principal adviser on telecommunications policy (NTIA) Develops policy regarding U.S. service industry competitiveness in foreign commerce	47 U.S.C. 902 19 U.S.C. 2114b
FCC	Regulates and develops policies concerning international communications	47 U.S.C. 151
USTR	President's principal adviser on trade issues Negotiates trade-related issues with other countries and in WTO	19 U.S.C. 2171
Justice Department	Enforces federal antitrust laws and protects competition	15 U.S.C. 1-7
OMB	Leads in domestic telecommunications procurement along with GSA	40 U.S.C. 25

Source: U.S. Code.

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**U.S. Policy Development:  
Key Legal Roles of  
Agencies Involved in the  
International  
Telecommunications  
Sector**

The Department of State, by law, is the principal adviser to the President on U.S. foreign policy matters and is the lead agency responsible for formulating, coordinating, and overseeing U.S. international telecommunications foreign policy. State also has a legal requirement to coordinate with other agencies as appropriate, principally FCC, NTIA, and USTR. Further, State is required to coordinate with representatives of the private sector to ensure that their concerns are considered.

Key agencies with legal authority for involvement in policy development in the international telecommunications sector have regularly included the Department of Commerce, the Department of Commerce's NTIA, and FCC. The Department of Commerce develops policies regarding the U.S. service industry's competitiveness in foreign commerce in consultation with other agencies. NTIA is the principal adviser to the President on telecommunications, both international and domestic. FCC regulates and develops policies concerning interstate and international communication and administers the implementation of international telecommunications policies and obligations.

Other agencies, including Justice, OMB, and USTR, have also participated in issues related to their legally defined responsibilities. For example, recently the Department of Justice was involved in reviewing the merger of WorldCom and MCI. In addition, USTR was involved in the negotiation of the WTO Agreement on Basic Telecommunications Services, which went into effect on February 5, 1998. Finally, OMB's focus is generally more domestically oriented as the President's principal adviser on procurement and management of federal telecommunications systems. It is also responsible, along with the General Services Administration (GSA), for developing and establishing policies for the procurement and management of such systems.

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GAO U.S. Policy Development: Comparison  
of Participation and Processes

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**Postal:**

- Ad hoc briefings
- Participation by invitation
- Limited documentation
- No official minutes

**Telecommunications:**

- Formalized committee structure
  - Ongoing meetings
  - Public notice of meetings
  - Required documentation, including minutes
-



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**Comparison of  
Participation in and  
Processes Used for U.S.  
Policy Development**

Differences in legal requirements also contributed to differences in the formalization of the processes used to develop U.S. policies for international postal and telecommunications issues in areas such as committee structure, meeting notifications, and documentation. One of the key areas of differences was that the Department of State was legally required to obtain input from the private sector on international telecommunications policy issues, while USPS was not subject to such legal requirements.

In the international telecommunications sector, government and private-sector stakeholders had more direct involvement in U.S. policy formulation through a structured and documented advisory committee process headed by the Department of State and subject to the requirements of the Federal Advisory Committee Act (FACA).<sup>6</sup> FACA requirements include Federal Register notice of committee meetings, detailed minutes of meetings, public access and participation at meetings, and annual reports to GSA, which then reports to Congress on the activities, status, and any changes in the advisory committees.

In the postal sector, USPS was not subject to FACA. The process for involving government and private-sector stakeholders in international policy formulation was more informal, involving ad hoc briefings with limited public notice or documentation of meetings. These briefings started about 18 months before the UPU Congress convened, as stakeholders began to show an interest in UPU issues. USPS identified agencies and private-sector stakeholders it considered appropriate to be invited, such as private delivery service companies and users of delivery services. Participants were provided with copies of documents for discussion, including U.S. proposals, and were asked to provide their input on issues of interest to them. No formal minutes were kept of meeting proceedings.

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<sup>6</sup>FACA was enacted to ensure that (1) valid needs exist for establishing and continuing advisory committees, (2) the committees are properly managed and their proceedings are as open as possible to the public, and (3) Congress is kept informed of the committees' activities. See our reports, Federal Advisory Committee Act: General Services Administration's Oversight of Advisory Committees (GAO/GGD-98-124, June 15, 1998) and Federal Advisory Committee Act: View of Committee Members and Agencies on Federal Advisory Committee Issues (GAO/GGD-98-147, July 9, 1998).

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GAO U.S. Policy Development: Process in  
the Postal Sector

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**Postal sector:**

- Ad hoc briefings
  - Participation by invitation
  - Limited documentation
  - No official minutes
-

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**U.S. Policy Development:  
Process in the Postal  
Sector**

In the postal sector, the process for involving government and private-sector stakeholders in policy formulation was more informal than that required by FACA. It involved ad hoc briefings with limited documentation. In preparation for the development of U.S. positions to be presented at the 1994 UPU Congress, USPS provided five briefings before the Congress. A USPS official explained that the briefings were scheduled to present information on UPU issues based on the interests of the government and private-sector stakeholders. USPS provided agendas and proposals to invited participants. The official said that participants were encouraged to provide input on the various issues under discussion. Our review of records and discussions with participants indicated that sometimes proposals that were to be discussed at the briefings were circulated prior to the meetings. Generally, minutes of meetings were not prepared. Although participants were provided copies of documentation related to such briefings, this information was not publicly available. USPS also gave one briefing following the UPU Congress to inform stakeholders of the actions taken at the UPU Congress.

According to USPS officials, USPS as lead agency for developing U.S. positions on international postal issues, coordinated its international activities with the Department of State—the President’s representative for foreign affairs. Although other agencies were regularly invited to the briefings leading up to the 1994 UPU Congress, agency officials said their attendance varied, depending upon whether the issues being discussed related to their responsibilities. The Department of State sent a representative to these briefings on a regular basis. The Departments of Commerce and Justice, OMB, and USTR occasionally sent representatives.

Private-sector stakeholders have also been involved in U.S. postal policy development. Some of the private-sector participants that have regularly attended the briefings related to the 1994 UPU Congress have included competitor and mailer associations, such as ACCA, the American Business Press, and the Association of American Publishers. Some of the individual company customers and suppliers that have been involved in the 1994 UPU Congress briefings included Time-Warner, Tritech Services, and Pitney Bowes.

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GAO U.S. Policy Development: Process in  
the Telecommunications Sector

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**Telecommunications sector:**

- Formalized committee structure
  - Ongoing meetings
  - Public notice of meetings
  - Required documentation, including minutes

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In the international telecommunications sector, the Department of State was required to coordinate with other federal agencies and private-sector advisory groups. The process for involving government and private-sector stakeholders in U.S. policy formulation involved a formalized advisory committee structure headed by the Department of State, with regularly scheduled meetings that required public notification in the Federal Register. Required documentation included detailed minutes of the

proceedings as well as annual status reports to Congress through a formal reporting process.

The Department of State established the International Telecommunications Advisory Committee (ITAC), which was chartered in accordance with FACA. FACA and its implementing regulations generally require that (1) agendas and meeting information, such as time, date, place, and purpose, be published in the Federal Register; (2) detailed minutes of each advisory committee meeting be kept;<sup>7</sup> (3) an annual report be sent to GSA, which then is to report to Congress on the activities, status, and any changes in the advisory committees; and (4) the membership of the advisory committee be fully balanced in terms of the points of view represented. ITAC advised the Department of State on matters concerning U.S. participation in ITU conferences and advisory group meetings; it was also the steering committee for U.S. study groups.

Private-sector organizations that participated in policy development through the advisory committee and study groups included major industry associations, such as the Alliance for Telecommunications Industry Solutions (ATIS) and the Telecommunications Industry Association (TIA). ATIS represents private carriers and is chartered to develop and recommend national standards. ATIS is a source of technical support to study groups and working parties. TIA represents U.S. equipment manufacturers and suppliers of communication and information technology products. TIA contributes to voluntary industry standards and sponsors international trade shows and missions to promote industry products. Individual companies, such as AT&T and Rockwell, also participated in these committees and study groups.

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<sup>7</sup>Detailed minutes are to include, among other things, the time, date, and place of the meeting; a list of attendees, names of members of the public who presented oral and written statements, an estimate of the number of other members of the public present, an accurate description of matters discussed and resolutions, if any; and copies of documents received.

# U.S. Policy Representation in International Postal and Telecommunications Organizations

## GAO Comparison of Sector Representation in the Supreme Bodies

- Sector Representation in the UPU Congress and ITU Plenipotentiary Conference

Supreme bodies		
Participants at supreme bodies	UPU Congress	ITU Plenipotentiary Conference
Head of U.S. delegation	USPS	Department of State
Members of U.S. delegation	USPS Department of State	Department of State NTIA (Commerce) FCC Defense Department Private-sector companies

Source: USPS and Department of State documents.

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## Comparison of Sector Representation in the Supreme Bodies

The U.S. delegations to the UPU and ITU supreme bodies are accredited by the Department of State. Delegates to international organizations must have credentials from their governments and were generally selected by their respective governments for their technical expertise. The credentials can grant the delegate (1) full powers—the right to speak, vote, and sign the organization’s acts or (2) only partial powers—the right to speak and/or vote. Both the UPU and ITU have requirements for observer status to the supreme bodies. Observers may also participate, under separate status from membership in country delegations, in international organizations under limited circumstances that may not include the right to speak or vote.

For comparison of the U.S. representation to the UPU and ITU, we reviewed the U.S. delegations to the meetings of the supreme bodies in 1994. These delegations generally included a head of delegation, deputy head(s), and members. However, significant differences existed in the composition of the U.S. delegations to the supreme and permanent bodies of the UPU and ITU, a reflection of the different legally defined roles of the government agencies and private-service providers involved in each sector.<sup>8</sup> Some agencies had specific legally defined postal or telecommunications responsibilities, while others had general legally defined responsibilities that were not sector specific. The U.S. delegation to the UPU Congress was led by and predominantly made up of USPS officials and staff and a few Department of State officials; it did not include private-sector companies.<sup>9</sup> In comparison, the U.S. delegation to the ITU Plenipotentiary was led by the Department of State and included a broad range of government and private stakeholders, mainly from the Department of State, NTIA, FCC, and private-sector companies.

Both international organizations have grappled with adapting their organizations’ structures to the evolving competitive postal and telecommunications environments, which have seen rapid changes in the roles of public and private service providers. In the postal sector, the distinction between public and private-service providers is becoming more blurred as several foreign postal administrations have recently acquired or developed partnerships with private delivery companies. Thus, as in the telecommunications sector, postal delivery services are increasingly being provided by private as well as public service providers.

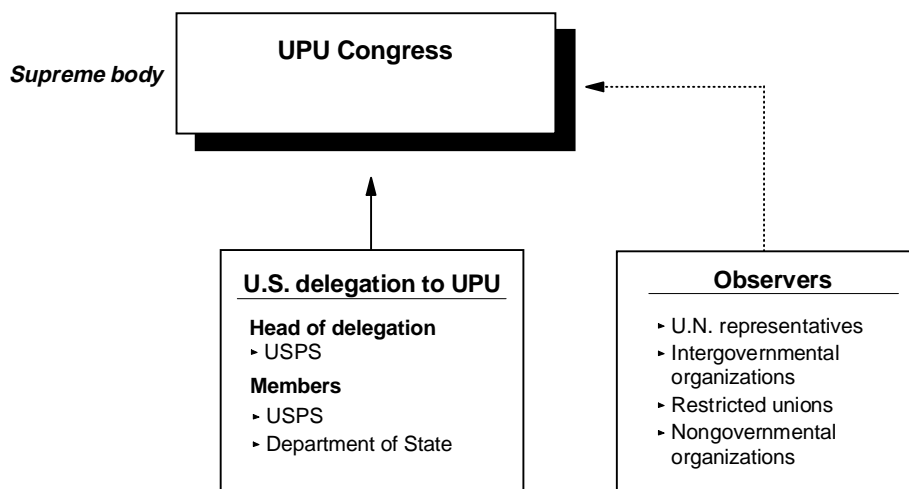
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<sup>8</sup>See br. section II for a discussion of the agencies’ legally defined roles.

<sup>9</sup>A private-sector organization requested that it be included in the U.S. delegation to the 1994 UPU Congress, but the request was denied by USPS.

# GAO Postal Sector Representation in the UPU Supreme Body

- U.S. Participation in the UPU Congress



Legend:  
.....▶ Not part of U.S. delegation

Source: UPU documents.



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**Postal Sector  
Representation in the UPU  
Supreme Body**

The U.S. delegations to the UPU Congresses typically consisted of a head of delegation, a deputy head, delegates and accompanying officials. The composition of the U.S. delegation was identified by USPS and accredited by the Department of State. The head of the U.S. delegation has been a USPS official, usually the Postmaster General. Members of the delegation have typically included other postal officials as well as officials from the Department of State. USPS headed the delegation to the 1994 UPU Congress. Twenty seven of the 32-member delegation to the UPU Congress in 1994 were from USPS; the remaining 5 members of the delegation were from the Department of State. No private-sector representatives were included in the U.S. delegations to the UPU Congress. ACCA had asked to be included, but its request was denied by USPS. ( See app. II for a listing of the U.S. delegation to the 1994 Seoul UPU Congress.)

Observers to the UPU delegation may be allowed, under certain circumstances, to take part in the debates without the right to vote. Observers may include representatives of the U.N. organizations, intergovernmental organizations, and Restricted Unions.<sup>10</sup> For example, at the 1994 UPU Congress in Seoul there were observers from the U.N. International Civil Aviation Organization, the Conference of European Post and Telecommunication, and the Postal Union of the Americas, Spain and Portugal. Nongovernmental international organizations may also request admission to the UPU Congress as nonvoting observers.

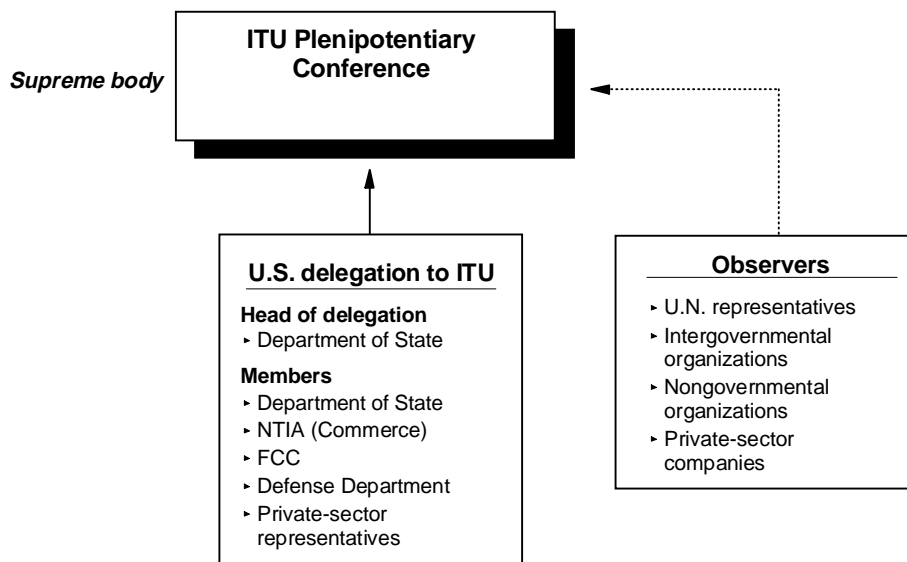
Proposals are being developed for consideration at the next UPU Congress that would include a “consultative status” for international nongovernmental organizations. The proposed consultative status would allow nongovernmental international organizations to be present and deliver opinions, but not vote, in most of the UPU meetings without a formal invitation. It is also proposed that organizations having consultative status would contribute to the costs of the UPU.

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<sup>10</sup>A restricted union is a group of member countries that are formed for the purpose of further advancing cooperation among postal administrations and to improve postal services. There are presently 14 restricted unions covering most of the world's regions.

# GAO International Telecommunications Sector Representation in ITU Supreme Body

- U.S. Participation in the ITU Plenipotentiary Conference



Legend:

.....▶ Not part of U.S. delegation

Source: ITU and Department of State documents.

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**International  
Telecommunications  
Sector Representation in  
the ITU Supreme Body**

The U.S. delegation to the 1994 ITU Plenipotentiary Conference was drawn from the government and private sectors. The Department of State led the delegation to the ITU Plenipotentiary Conferences and designated an appointee from the private sector to head the delegation and gave him temporary special government employee status with ambassador rank. Five deputy heads of delegation were appointed—one from the Department of State, one from FCC, one from NTIA, and two from the private sector. The Department of State attempts to limit the number of delegates from the government to 10. In 1994, there were 6 delegates and 4 advisers, in addition to the head of delegation and the 3 deputies from the government sector, for a total of 14 in the delegation from the government sector.

U.S. delegates were also chosen from the private sector. In 1994 there were 17 private-sector delegates and 6 advisers, in addition to the 2 deputies and the chair of delegation, for a total of 26 in the delegation from the private sector. According to Department of State officials, generally delegates were selected and assigned to attend certain committee meetings based on their knowledge and expertise. (See app. II for listing of U.S. delegation to the 1994 ITU Plenipotentiary Congress.)

Certain organizations are permitted to attend the ITU Plenipotentiary Conference and participate as observers. These observers do not vote and are allowed to speak if called upon by the Chair of the Conference. The ITU is struggling with issues related to how private-sector service providers should participate. For example, one issue that has been discussed in recent meetings held by the Department of State is the potential that conflicts may develop when multinational telecommunications corporations have delegates on more than one country's delegation.

# GAO Comparison of International Representation in the Permanent Bodies

- Sector Representation in the UPU and ITU Permanent Bodies

Permanent bodies	Agency participants	Private-sector participants
<b>Policy Issues:</b>		
CA (UPU)	USPS, Department of State	Private Operators Contact Committee
Council (ITU)	Department of State FCC, NTIA	None
<b>Technical issues:</b>		
POC (UPU)	USPS	None
TSAG and study groups (ITU)	Department of State FCC, NTIA, Department of Defense	Private-sector companies, industry associations, recognized operating authorities, regional standards organizations, and scientific and industrial organizations

Source: USPS, UPU, ITU, and Department of State documents.

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**U.S. International  
Representation:  
Comparison of U.S.  
Delegations to the UPU  
and ITU Permanent Bodies**

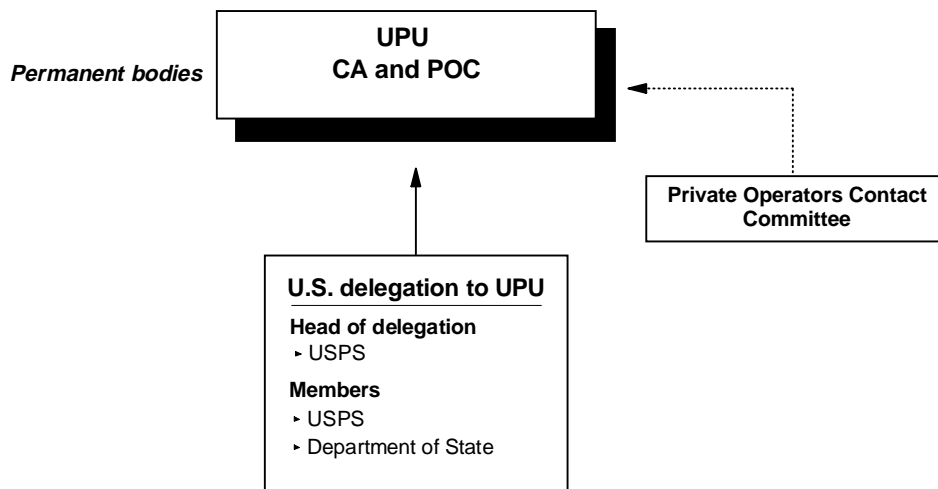
The permanent bodies can be classified, in general, as those bodies that address policy and administrative issues and those bodies that address technical issues. The UPU Council of Administrations (CA) and the ITU Council focus primarily on administrative policy. The UPU Postal Operation Council (POC) and its committees and working parties and the ITU Telecommunications Sector Advisory Group (TSAG) and its study groups and working parties address primarily technical issues.

U.S. delegations to the UPU CA have been made up predominantly of USPS officials and staff. A Department of State official has been included in the U.S. delegation to the UPU CA. One CA committee involves private-sector representatives primarily from associations representing private competitors and was established to address issues of interest to private competitors. In comparison, the delegation to the ITU Council includes no private-sector participants and has been composed of officials from the Department of State, NTIA, and FCC.

The U.S. delegations to the UPU POC meetings have been made up exclusively of USPS officials. In contrast, the delegations to the ITU study groups and working parties have been composed of a broad range of government and private stakeholders. In addition, private-service providers could participate in ITU permanent bodies as sector members on their own behalf, rather than as U.S. delegates. U.S. participation in the ITU study groups and working parties is primarily by the private sector.

# GAO Postal Sector Representation in the UPU Permanent Bodies

- U.S. Participation in the UPU Conferences, Advisory Groups, and Working Parties



Legend:  
.....▶ Not part of U.S. delegation

Source: USPS and UPU documents.

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**Postal Sector  
Representation in the UPU  
Permanent Bodies**

As previously stated, the UPU permanent bodies consist of the CA, with 41 members, and the POC, with 40 members. Individual committees are supported by various study groups that assist in developing proposals to be presented to the next UPU Congress.

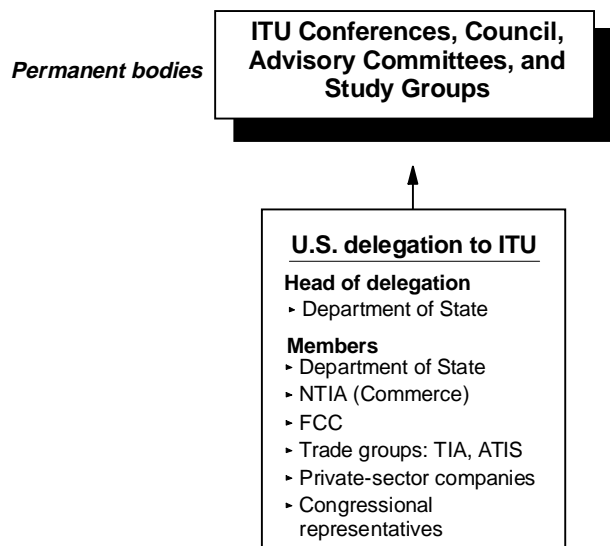
CA meetings were attended by members from postal administrations and/or regulatory agencies. The UPU General Regulations required that each member of the CA appoint a representative competent in postal matters. Both USPS and Department of State officials attend CA meetings on behalf of the United States.

Participants in the POC committee meetings were members of the postal administrations. The UPU General Regulations required that each member of the POC be appointed by the postal administration of his or her country and that the representative be a qualified official of the postal administration.

Private-sector participants, including ACCA, were generally limited to the Private Operators Contact Committee, which is a CA committee.

# GAO International Telecommunications Sector Representation in ITU Permanent Bodies

- U.S. Participation in the ITU Conferences, Advisory Committees, and Study Groups (Telecommunications Standardization Sector)



Source: ITU and Department of State documents.



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**International  
Telecommunications  
Sector Representation in  
the ITU Permanent Bodies**

The Telecommunication Standardization Sector is the part of the ITU permanent body that hosts the World Telecommunications Standardization Conference, which has an advisory body—TSAG—and study groups. World Telecommunications Standardization Conferences, TSAG, and the study groups are open to representatives of administrations, organizations authorized to participate in the work of the union, and representatives of other study groups. Generally, the U.S. delegations to the permanent bodies included representatives from FCC, NTIA, and the Department of State. Private-sector stakeholders attended permanent body meetings as delegates of the member country or separately as sector member representatives. As sector representatives, they could voice positions that may be different from the official U.S. positions. The ITU Council, which focuses primarily on administrative policy, was attended exclusively by representatives from the major government agencies.

World Telecommunication Standardization Conferences are generally held every 4 years. These Conferences may approve, modify, or reject standards (called Recommendations because of their voluntary character), although this approval may also be attained at the study group level. They also approve the program of work for the study groups and review progress on the implementation of the work program, provide guidelines for the work of the study groups, and recommend measures to foster cooperation and coordination. The U.S. delegation to the conferences generally included officials from NTIA and FCC as well as individuals from private-sector companies.

Likewise, U.S. delegations to the advisory committees and study groups generally have included public and private-sector stakeholders. They were assigned as delegates to group meetings, depending on their roles, responsibilities, and expertise. For example, in recent meetings of the TSAG and Study Group 3, Tariff and Accounting Principles, government delegates included officials from the Department of State, NTIA, and FCC; and private-sector delegates included representatives from AT&T, MCI, and Ameritech. State and FCC representatives, along with GTE, Comsat, and Bellcore representatives, among others, were delegates to Study Group 2, Network and Service Operations. In addition, AT&T and several other companies sent additional representatives as sector members participating on their own behalf.

# Comparison of Legal Roles and Responsibilities of U.S. Agencies Involved in the UPU and ITU

Agency/Legal authority	Roles and responsibilities
<b>USPS</b>	
39 U.S.C. 407(a) and (b)	<ul style="list-style-type: none"> <li>• Negotiates and concludes postal treaties or conventions with the consent of the President</li> <li>• Transmits copies of each postal convention concluded to the Secretary of State for publication</li> <li>• Establishes the rates of postage or other charges on mail matter between the United States and other countries</li> </ul>
<b>Department of State</b>	
22 U.S.C. 2656	<ul style="list-style-type: none"> <li>• Serves as President's principal adviser on U.S. foreign policy and is responsible for formulating and executing U.S. foreign policy</li> </ul>
1 Foreign Affairs Manual 331.1	<ul style="list-style-type: none"> <li>• Accredits U.S. delegations to international organizations and conferences</li> </ul>
22 U.S.C. 2707	<ul style="list-style-type: none"> <li>• Formulates, coordinates and oversees foreign policy related to international telecommunications and information policy issues including:</li> <li>• Exercises primary authority for determining U.S. positions and conducting negotiations with foreign governments and international bodies with respect to telecommunications policy</li> <li>• Coordinates with FCC, Department of Commerce, USTR, and other agencies in developing international telecommunications policy</li> <li>• Supervises and coordinates senior interagency policy groups on international telecommunications and information policy, chairing meetings as appropriate</li> <li>• Acts as liaison with representatives of the private sector to ensure that matters of concern are considered by the Department of State or other executive branch agencies</li> <li>• Assists in arranging meetings of public sector advisory groups that are to advise the Department of State and other executive branch agencies of international communications and information policy issues</li> </ul>
<b>Department of Commerce</b>	
19 U.S.C. 2114b	<ul style="list-style-type: none"> <li>• Establishes a Service Industry Development Plan in which it (among other things) develops, in consultation with other federal agencies as appropriate, policies regarding services (including telecommunications) that are designed to increase the competitiveness of U.S. service industries in foreign commerce</li> <li>• Prepares a biannual report to Congress and President analyzing information pertaining to competitiveness collected under the Plan</li> </ul>
19 U.S.C. 2114c	<ul style="list-style-type: none"> <li>• Provides staff support and other assistance for negotiations on service-related issues by the USTR and the domestic implementation of service-related agreements</li> </ul>
47 U.S.C. 902 (NTIA)	<ul style="list-style-type: none"> <li>• Serves as the President's principal adviser on telecommunications policies pertaining to the Nation's economic and technological advancement and to the regulation of the telecommunications industry</li> <li>• Develops plans, policies, and programs relating to international telecommunications issues, conferences, and negotiations in coordination with Department of State and other agencies</li> <li>• Coordinates economic, technical, and operational preparation for U.S. participation in international telecommunications conferences and negotiations</li> <li>• Advises and supports Department of State in developing international telecommunication policies</li> <li>• Establishes, as permitted, interagency committees and working groups composed of representatives of interested agencies</li> <li>• Conducts studies and evaluations on telecommunications research and development and use of federal telecommunications systems</li> <li>• Advises OMB on development of policies on procurement and management of federal telecommunications systems</li> </ul>

(continued)

**Appendix I  
Comparison of Legal Roles and  
Responsibilities of U.S. Agencies Involved in  
the UPU and ITU**

<b>Agency/Legal authority</b>	<b>Roles and responsibilities</b>
<b>Federal Communications Commission</b>	
47 U.S.C. 151	<ul style="list-style-type: none"> <li>• Regulates and develops policies concerning interstate and international telecommunication</li> <li>• Administers the implementation of international telecommunication policies and obligations</li> <li>• Participates in international conferences and provides advice and technical assistance to U.S. trade officials in negotiation/implementation of telecommunications trade agreements</li> <li>• Conducts economic, legal, technical, statistical/other appropriate studies in support of international telecommunications policies and programs</li> <li>• Encourages competition in all communications markets and protects the public interest</li> <li>• Promotes competition in the public interest</li> <li>• Coordinates with Department of State in advisory groups in preparation of negotiations</li> </ul>
<b>Department of Justice</b>	
15 U.S.C. 1-7	<ul style="list-style-type: none"> <li>• Reviews antitrust issues and mergers and enforces federal antitrust laws</li> <li>• Reviews competition issues</li> </ul>
<b>U.S. Trade Representative</b>	
19 U.S.C. 2114c	<ul style="list-style-type: none"> <li>• Negotiates service-related issues (including telecommunications service) with staff support provided by Commerce together with other appropriate agencies as requested by USTR</li> </ul>
19 U.S.C. 2171	<ul style="list-style-type: none"> <li>• Lead responsibility for developing and coordinating implementation of U.S. international trade policy</li> <li>• Lead responsibility for conduct of, and shall be the chief representative of the U.S. for, international trade negotiations, including all negotiations on any matter considered under the auspices of the WTO in which the U.S. participates</li> <li>• Issues and coordinates policy guidance to departments and agencies on basic issues of policy and interpretation arising in the exercise of international trade functions</li> <li>• Acts as principal trade advisor, negotiator, and spokesperson for the President on trade issues</li> <li>• Receives staff/other assistance from Commerce and other agencies for negotiation and implementation</li> <li>• Responsible for complaints regarding unfair trade practices</li> </ul>
<b>Office of Management and Budget</b>	
31 U.S.C. 1111	<ul style="list-style-type: none"> <li>• Coordinates and manages the executive branch</li> </ul>
40 U.S.C. 25	<ul style="list-style-type: none"> <li>• Leads in domestic telecommunications procurement along with the GSA</li> </ul>

Sources: U.S. Code and the Foreign Affairs Manual of the Department of State.

# U.S. Representation at UPU and ITU 1994 Supreme Bodies

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**Table II.1: U.S. Delegation to 1994 UPU Congress**

U.S. Delegation	Agency
<b>Delegation heads</b>	
Postmaster General/CEO	USPS
Senior Director, International Postal Affairs	USPS
<b>Assistant head</b>	
Deputy Postmaster General	USPS
Chief Operating Officer/Executive V.P.	USPS
<b>Delegates</b>	
U.S. Ambassador to Korea	State
Deputy Chief of Mission	State
Senior Adviser to Postmaster General	USPS
Chief Postal Inspector	USPS
Vice President, Controller	USPS
Vice President, Operations Redesign	USPS
Program Manager, UPU Affairs	USPS
Program Manager, Terminal Dues	USPS
Program Manager, Tech. Cooperation	USPS
Manager, International & Military Mail Operations	USPS
Manager, Strategic & International Finance	USPS
Group Manager, External Liaison	USPS
Manager, Administration Office of PMG	USPS
Group Manager, International Product Development	USPS
Attorney	USPS
Program Manager, Classification	USPS
U.S. Postal Inspector, External Liaison Group	USPS
U.S. Postal Inspector, External Liaison Group	USPS
International Postal Affairs Specialist	USPS
International Postal Affairs Specialist	USPS
International Relations Specialist	USPS
Deputy Director, Industrial and Communications Programs	State
Financial Management Officer	State
Second Secretary	State
<b>Advisers</b>	
Manager, Stamp Services	USPS
Marketing Specialist	USPS
Office Manager	USPS
Staff Assistant	USPS

Sources: USPS and UPU documents.

**Appendix II  
U.S. Representation at UPU and ITU 1994  
Supreme Bodies**

**Table II.2: U.S. Delegation to 1994 ITU Plenipotentiary Conference**

<b>U.S. Delegation</b>	<b>Agency or company</b>
<b>Delegation head</b>	
Ambassador	Special Government Employee at State
<b>Deputy head</b>	
Senior Deputy U.S. Coordinator	State
Senior Attorney Adviser	FCC
Director, Int'l Regulation and Technology Division	NTIA
Senior Engineer	Computer Sciences
Executive Director, International Relations	Bell South
<b>Private-sector delegates</b>	
Program Director	SEA Incorporated
Director, International Government Affairs	Iridium
Director, Federal Government Affairs	AT&T
Director, Industry and Government Planning	COMSAT
Assistant VP, Government and International Relations	Southwestern Bell
Senior Partner	Fisher, Wayland, Cooper and Leader
Electrical Engineer	Stanford Telecom
Director, Telecommunications and Standards	IBM
Senior Staff Specialist	MCI International
V.P. and Director, Global Telecommunications Relations	Motorola
V.P. and Regulatory Counsel	American Mobile Satellite Corp.
Senior V.P.	Hill and Knowlton
Deputy to Chief Executive Office	Motorola
Manager, International Public Policy	ICA
Manager, Technical Relations	American Radio Relay League
Director, International Standards	Nynex
Associate Program Manager	Computer Science Corporation
<b>Government agency delegates</b>	
Telecommunications Manager	U.S. Information Agency
Attorney Adviser	State
Director, Telecom Policy, Mexico and Micronesia	State
Multilateral Affairs Officer	State
Senior Legal Adviser	FCC
Associate Administrator	NTIA
<b>Private-sector advisers</b>	
Director, Technical Standards	AT&T
V.P., International Services	AT&T
Manager, Global Telecom	Motorola
International Telecom Partner	Reid & Priest
President	CompassRose International
Executive Staff Member	MCI International

(continued)

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**Appendix II**  
**U.S. Representation at UPU and ITU 1994**  
**Supreme Bodies**

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<b>U.S. Delegation</b>	<b>Agency or company</b>
<b>Government agency advisers</b>	
Senior Counsel	NTIA
Adviser for ITU Affairs	State
Deputy Director, Space & Nuclear	Defense Department
Chairman for the Radio Consultive Committee	State
National Committee	

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Source: ITU documents.

# Comments From USPS

WILLIAM J. HENDERSON  
POSTMASTER GENERAL, CEO



October 16, 1998

Mr. Bernard L. Ungar  
Director, Government Business  
Operations Issues  
United States General Accounting Office  
Washington, DC 20548-0001

Dear Mr. Ungar:

Thank you for giving the Postal Service the opportunity to review and comment on the draft report entitled, U.S. Postal Service: Postal and Telecommunications Sector Representation in International Organizations.

We understand that the objective of this report was limited to comparing the roles and responsibilities of government and private-sector stakeholders in U.S. policy development and representation in the Universal Postal Union (UPU) and International Telecommunications Union (ITU). In our view, the report meets that objective and provides a comprehensive summary of the structures and responsibilities of the two organizations, as well as a discussion of how pertinent U.S. policies are currently formulated. It clearly demonstrates that there are some similarities between these organizations in their structures and functions.

While there are similarities between the UPU and the ITU, the differences between the two organizations are significant. These differences are fundamental to the way in which the international postal and telecommunications sectors are governed, and must be taken into account in addressing the question of United States involvement in the UPU. The report identifies these differences, which we believe will help readers avoid the impression that the ITU provides an appropriate model for United States representation in the UPU.

More specifically, the provision of international postal services is characterized in each member country by one government-sector provider, that has a universal service obligation, and by several private delivery companies, none of whom have any statutory universal service obligation. The telecommunications sector, on the other hand, is characterized by many private companies who share statutory obligations. Consequently, the UPU, as the international organization which coordinates the fulfillment of universal service obligations by each national postal administration, does not fully parallel the ITU, which coordinates standards and universal service obligations among many telecommunications providers in member countries.

We appreciate the opportunity to work with the GAO on this report and would be happy to discuss these comments further.

Sincerely,

A handwritten signature in black ink that reads "William J. Henderson".

William J. Henderson

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WASHINGTON DC 20260-0010  
202-268-2500  
FAX: 202-268-4860

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