

Programme and Budget 2022

Finance Directorate (DFI)
Directorate of Executive Office (DIRCAB)





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Table of contents

	Page
Preface	5
Part I – Context	7
1 Abidjan Postal Strategy and Business Plan 2021–2025	9
2 From the 2021–2025 business plan to the P&B 2022	10
Part II – Budget 2022	15
1 Overview of 2022 budget by programme	17
2 Programme sheets	20
Strategic pillar 1 – Forum	20
Strategic pillar 2 – Provider of technical solutions	28
Strategic pillar 3 – Knowledge centre	36
Functional support	42
3 Budget by type of expense and revenue	52
Annexes	57
1 System for financing the Union budget	59
1.1 Introduction	59
1.2 The three pillars of the Union budget structure	59
1.3 How the three pillars function	59
1.4 Determining the value of the contribution unit under the system for financing the Union budget	60
2 Member countries, contributions	61
2.1 Introduction	61
2.2 Contributions over time	61
3 Distribution of member countries according to their contribution class for 2022	62

Preface

Since the Istanbul Congress, the UPU's annual budget document, referred to in the UPU Financial Regulations as the Programme and Budget (P&B), has been prepared on the basis of a four-year business plan approved by Congress, with revisions every year, in particular to take account of the annual regular budget ceiling. The underlying idea is to establish goals and set up a work plan, and ensure that the latter can be funded.

The Abidjan Strategy and Business Plan 2021–2025 was approved by Congress in August 2021 precisely for this purpose. It is very comprehensive, including not only key performance indicators (KPIs), targets and estimated funding needs, but also detailed deliverables and deadlines. In this sense, it promotes greater efficiency through enhanced preparedness, capitalizing on the working methods that were introduced at the beginning of the 2017–2020 cycle.

The P&B comprises detailed budget information for every goal, programme and project undertaken by the organization for the year ahead, including details on how the various initiatives will be financed, i.e. through the regular budget and/or extrabudgetary funding.

The present document has not been prepared merely as a requirement under the UPU Financial Regulations. Its purpose is also to meet the essential informational needs of the UPU stakeholders, with a view to accuracy and transparency in the allocation of human and financial resources to the various activities of the Union.

This document is structured in two main parts. Part I presents the overall context, with a brief summary of the Abidjan Postal Strategy and Business Plan, and an explanation of how that document is used to generate the P&B. Part II comprises the main information on the 2022 budget, including an overview of the budget, individual budgets by programme (called “programme sheets”), and an aggregated breakdown by type of expense and revenue.

Finally, the annexes provide further information on the system for financing the Union budget, as well as the 2022 distribution of member countries according to their contribution class.

Bishar A. Hussein
Director General

Part I – Context

1 Abidjan Postal Strategy and Business Plan 2021–2025

The UPU has drafted an ambitious roadmap for 2021–2025, the Abidjan Postal Strategy, which was approved by the 27th Congress. The Abidjan Postal Strategy is the culmination of an extensive and inclusive process, in which a wide array of stakeholders from over 170 member countries and territories actively took part in various rounds of data analysis, consultation, outreach, discussion and drafting.

This new strategy reaffirms the UPU's mission enshrined in its Constitution, which is “to stimulate the lasting development of efficient and accessible universal postal services of quality in order to facilitate communication between the inhabitants of the world”.

Achieving this mission in line with the United Nations Sustainable Development Goals requires a long-term vision, an advocacy message called “Postal Vision 2030”, which calls upon all key postal sector stakeholders to take action in a number of areas. Governments are thus invited to reduce gaps in postal development by utilizing the postal network for socio-economic development. Regulators are encouraged to harmonize and enhance the frameworks under their responsibility. Operators are expected to boost their performance through diversification and operational improvements. And other stakeholders are encouraged to integrate further with the postal world, which will also trigger changes in the UPU's role.

In order to support Postal Vision 2030 throughout the 2021–2025 period, the UPU, as a UN agency, must coordinate its action around three main strategic pillars, which encapsulate what the organization will aim to become and achieve by 2025:

- i Strategic pillar 1 – Forum;
- ii Strategic pillar 2 – Provider of technical solutions;
- iii Strategic pillar 3 – Knowledge centre.

The aim of the first pillar will be to strengthen the UPU's mandate as the foremost forum for postal sector stakeholders. The second pillar, will seek to reinforce the UPU's role as a provider of affordable technical solutions for postal sector stakeholders. And the third pillar will be aimed at enabling the UPU to become the prime knowledge centre of the postal sector.

The aims of each pillar will be delivered through various types of UPU solutions, summarized in the table below:

<i>Strategic pillar 1 – Forum</i>	<i>Strategic pillar 2 – Provider of technical solutions</i>	<i>Strategic pillar 3 – Knowledge centre</i>
1.1 Events and meetings of technical working groups	2.1 Consulting and capacity building	3.1 Research and insights on market trends
1.2 Treaties and international agreements	2.2 IT solutions	3.2 Focused analysis on various topical issues
1.3 Settlement mechanisms	2.3 Standards	3.3 Data storage and protection

Overall, ensuring success through the three strategic pillars demands a greater focus on new products and services, greater financial strength through new funding models, efforts towards building a diversified and highly competent workforce, and increased regionalization.

To facilitate implementation of the strategy, a number of work proposals have been drafted for each type of UPU solution under each strategic pillar. These work proposals include details of expected outputs to be attained by the end of each year, an estimate of the financial resources required, and a series of deliverables to be completed by the time each council meets. Further details of these elements are included in the document containing the Abidjan Business Plan work proposals.

During the 2021–2025 period, the results of this comprehensive plan will be monitored, evaluated and reported upon through regular strategy implementation reports. This, in turn, could potentially lead to adjustments in the business plan, subject to new circumstances that may arise during the 2021–2025 period, especially in terms of funding.

2 From the 2021–2025 business plan to the P&B 2022

The business plan for 2021–2025 forms the basis for the P&B 2022, which is submitted for CA approval. In this manner, a direct link is established between the strategy, the detailed work planned for the cycle, and the specific budget required for implementation.

The structure of the budget is in line with that of the strategy and business plan: budgetary sections are organized into strategic pillars (goals), categories of UPU solutions (programmes), and work proposals. A specific number (OPP – “objective/programme/proposal”) is assigned to each work proposal, allowing it to be easily traced back to the corresponding pillar and category of UPU solution in the strategy. For instance, work proposal 2.3.1 is the first work proposal within the third category of UPU solution (standards) of strategic pillar 2 (Provider of technical solutions).

Moreover, for the purposes of this document, functional support activities (HR, finance, etc.) are given their own specific strategic pillar number, namely, 4.

The table below provides an overview of all work proposals, sorted by strategic pillar and category of UPU solution.

Strategic pillar 1 – Forum

<i>Category of UPU solution/programme</i>	<i>Work proposal/OPP</i>	<i>Description</i>
1.1 Events and meetings of technical working groups	1.1.1	Integration of stakeholders from the private sector and public institutions
	1.1.2	PT 1 – Development of philately
	1.1.3	Quality of service improvement – Secretariat
	1.1.4	Quality of Service Fund – Secretariat
	1.1.5	Standardization activities – Secretariat
	1.1.6	Operational standards and compliance – Secretariat
	1.1.7	Operations and accounting – Secretariat
	1.1.8	Addressing solutions and standards – Secretariat
	1.1.9	Addressing and GIS integration – Secretariat
	1.1.10	Product development, e-commerce and integration – Secretariat
	1.1.11	Customs – Secretariat
	1.1.12	EMS Cooperative – Secretariat
	1.1.13	Security – Secretariat
	1.1.14	Transport – Events
	1.1.15	.POST events and meetings
	1.1.16	DE 3 – Digital events
	1.1.17	FI 3 – Postal financial inclusion advocacy
	1.1.18	PFS 4 – Development of postal payment services – Best practices
	1.1.19	REM 2 – Remuneration governance, development and integration
	1.1.20	Consultative Committee – Wider postal sector engagement
	1.1.21	DM 1 – Direct marketing events
	1.1.22	ESD 3 – Events for the environment and sustainable development
	1.1.23	PPR 3 – Events and meetings on universal service, regulation and postal policy
	1.1.24	Trade 3 – Trade events

<i>Category of UPU solution/programme</i>	<i>Work proposal/OPP</i>	<i>Description</i>
1.1 Events and meetings of technical working groups (cont.)	1.1.25	Organization of CA/POC sessions
	1.1.26	Organization of Congress
1.2 Treaties and international agreements	1.2.1	Quality of service improvement – Treaties
	1.2.2	Quality of Service Fund – Treaties
	1.2.3	Operational standards compliance – International agreements
	1.2.4	Operations and accounting – Treaties and international agreements
	1.2.5	Addressing and GIS integration – Treaties and international agreements
	1.2.6	Product development, e-commerce and integration – Treaties
	1.2.7	Customs – International agreements
	1.2.8	EMS Cooperative – International agreements
	1.2.9	Security – Treaties and international agreements
	1.2.10	Transport – Treaties and international agreements
	1.2.11	PFS 1 – Development of the postal payment services regulatory framework
	1.2.12	REM 1 – Remuneration governance, development and integration
	1.2.13	PPR 1 – Treaty obligations for universal service, regulation and postal policy
1.3 Settlement mechanisms	1.3.1	UPU*Clearing
	1.3.2	PPS*Clearing – Extension
	1.3.3	Dispute settlement mechanism
	1.3.4	Quality of Service Fund – Settlement mechanisms
	1.3.5	EMS Cooperative – Settlements
	1.3.6	Transport – Settlement mechanisms
	1.3.7	REM 5 – Remuneration implementation and management
	1.3.8	QS Link remuneration

Strategic pillar 2 – Provider of affordable technical solutions

<i>Category of UPU solution/programme</i>	<i>Work proposal/OPP</i>	<i>Description</i>
2.1 Consulting and capacity building	2.1.1	National postal policies and investment in socio-economic development
	2.1.2	Harmonization of the postal sector regulatory frameworks
	2.1.3	Improvement of the delivery performance of DOs
	2.1.4	UPU cooperation frameworks and facilitation services
	2.1.5	Legal capacity building for postal sector stakeholders
	2.1.6	Quality of service improvement – Capacity building
	2.1.7	Quality of Service Fund – Capacity building
	2.1.8	GMS – Capacity building
	2.1.9	Operational standards compliance – Consulting
	2.1.10	Addressing and GIS – Capacity building

<i>Category of UPU solution/programme</i>	<i>Work proposal/OPP</i>	<i>Description</i>
2.1 Consulting and capacity building (cont.)	2.1.11	Product design, e-commerce and integration – Capacity building
	2.1.12	Customs – Capacity building
	2.1.13	EMS Cooperative – Capacity building
	2.1.14	Security – Capacity building
	2.1.15	Transport – Capacity building
	2.1.16	DE 4 – Digital – Capacity building
	2.1.17	FI 2.1 – Advisory services for postal financial inclusion
	2.1.18	FI 2.2 – Technical assistance for postal financial inclusion
	2.1.19	PFS 2 – Extension of the worldwide postal payment services network
	2.1.20	REM 4 – Remuneration implementation and management
	2.1.21	DM 3 – Direct marketing capacity building
	2.1.22	ESD 1 – Capacity building for the environment and sustainable development
	2.1.23	PPR 4 – Capacity building in universal service, regulation and postal policy
	2.1.24	Trade 4 – Trade capacity building
	2.1.25	Gender equality
	2.1.26	DRM, sustainable development and network utilization (country proposal – Japan)
	2.1.27	Reduction of greenhouse gas emissions in the postal sector (country proposal)
2.2 IT solutions	2.2.1	Quality of service improvement – IT solutions
	2.2.2	GMS – IT solutions
	2.2.3	Addressing solutions and standards – IT solutions
	2.2.4	Customs – IT solutions
	2.2.5	EMS Cooperative – IT solutions
	2.2.6	Security – IT solutions
	2.2.7	Transport – IT solutions
	2.2.8	.POST IT solutions
	2.2.9	PFS 3 – Development of technical solutions relating to postal payment services
	2.2.10	DM 2 – Direct marketing for IT solutions
	2.2.11	ESD 4 – IT for the environment and sustainable development
	2.2.12	IT support for IB and UPU meetings
	2.2.13	Telematics Cooperative
	2.2.14	Digitalizing communication between the IB and UPU stakeholders
2.3 Standards	2.3.1	PT 3 – WNS and certification
	2.3.2	PT 4 – Production and sales of international reply coupons
	2.3.3	Standardization activities – Development and maintenance
	2.3.4	Operational standards compliance – Maintenance
	2.3.5	Operations and accounting – Standards maintenance
	2.3.6	Addressing solutions and standards – Development
	2.3.7	Product development, e-commerce and integration – Standards

<i>Category of UPU solution/programme</i>	<i>Work proposal/OPP</i>	<i>Description</i>
2.3 Standards (cont.)	2.3.8	Customs – Standards
	2.3.9	EMS Cooperative – Standards
	2.3.10	Security – Standards
	2.3.11	Transport – Standards

Strategic pillar 3 – Knowledge centre

<i>Category of UPU solution/programme</i>	<i>Work proposal/OPP</i>	<i>Description</i>
3.1 Research and insights on market trends	3.1.1	Postal market surveys in developing countries and regional trends
	3.1.2	National regulatory framework studies and postal services
	3.1.3	Institutional research into postal economics
	3.1.4	Product development, e-commerce and integration – Research
	3.1.5	EMS Cooperative – Market insights
	3.1.6	DIG 2 – Digital transformation and innovation research
	3.1.7	FI 1 – Research and insights into postal financial inclusion
	3.1.8	REM 3 – Remuneration research and intellectual output
	3.1.9	DM 4 – Direct marketing research
	3.1.10	ESD 2 – Research into the environment and sustainable development
	3.1.11	Trade 2 – Research
3.2 Focused analysis of various topical issues	3.2.1	Quality of service improvement – Focused analysis
	3.2.2	Addressing and GIS – Analysis
	3.2.3	EMS Cooperative – Analysis
	3.2.4	DE 1 – Digital analysis
	3.2.5	PPR 2 – Analysis of universal service, regulation and postal policy
	3.2.6	Trade 1 – Trade – Analysis
3.3 Data storage and protection	3.3.1	PT 2 – Distribution and maintenance system for the universal philatelic collection
	3.3.2	Operational standards compliance – Data storage
	3.3.3	Addressing solutions and standards – Data storage
	3.3.4	EMS Cooperative – Data storage and protection
	3.3.5	Global UPU data storage and protection

Functional support

<i>Category of UPU solution/programme</i>	<i>Work proposal/OPP</i>	<i>Description</i>
4.1 Executive Office	4.1.1	Cabinet and council affairs
	4.1.2	Governance and internal control
	4.1.3	Strategic planning
	4.1.4	Communications
4.2 Finance	4.2.1	Finance support function
	4.2.2	Resource mobilization

<i>Category of UPU solution/programme</i>	<i>Work proposal/OPP</i>	<i>Description</i>
4.3 Human resources	4.3.1	Training and development
	4.3.2	Human resources policy
	4.3.3	HR administration – Benefits and payroll
4.4 Legal	4.4.1	Legal support
4.5 Logistics	4.5.1	Language services
	4.5.2	General services

In addition to the work proposals, the P&B includes payment of the Union guarantees to the Provident Scheme, as decided by the Abidjan Congress.

Non-operating expenses

<i>Category</i>	<i>OPP</i>	<i>Description</i>
5.1 Servicing of employee liabilities	5.1.1	Servicing of employee liabilities

Part II – Budget 2022

1 Overview of 2022 budget by programme

	Regular budget		Voluntary funding		Sales of products and services			Total (CHF)
	Staff	Other	Staff	Other	Staff	Other	Total	
Strategic pillar 1 – Forum								
1.1 – Events and meetings of technical working groups	2,757,525	461,580	1,029,375	413,100	900,000	–	900,000	5,561,580
1.2 – Treaties and international agreements	1,253,900	175,331	480,500	50,000	–	–	–	1,959,731
1.3 – Settlement mechanisms	471,600	17,200	390,375	–	181,805	341,445	523,250	1,402,425
Total strategic pillar 1	4,483,025	654,111	1,900,250	463,100	1,081,805	341,445	1,423,250	8,923,736
Strategic pillar 2 – Provider of technical solutions								
2.1 – Consulting and capacity building	3,459,585	2,388,745	1,656,575	3,149,619	–	30,000	30,000	10,684,524
2.2 – IT solutions	1,983,498	2,091,038	559,875	1,567,500	9,985,200	5,007,560	14,992,760	21,194,671
2.3 – Standards	584,750	9,315	692,875	50,000	–	314,000	314,000	1,650,940
Total strategic pillar 2	6,027,833	4,489,099	2,909,325	4,767,119	9,985,200	5,351,560	15,336,760	33,530,135

	Regular budget		Voluntary funding			Sales of products and services			Total (CHF)	
	Staff	Other	Total	Staff	Other	Total	Staff	Other		Total
Strategic pillar 3 – Knowledge centre										
3.1 – Research and insights on market trends	1,935,718	214,768	2,150,486	355,875	232,700	588,575	–	20,000	20,000	2,759,061
3.2 – Focused analysis of various topical issues	436,400	30,000	466,400	360,875	200,000	560,875	–	–	–	1,027,275
3.3 – Data storage and protection	197,525	92,185	289,710	240,875	145,000	385,875	–	20,000	20,000	695,585
Total strategic pillar 3	2,569,643	336,953	2,906,596	957,625	577,700	1,535,325	–	40,000	40,000	4,481,921
Functional support										
4.1 – Executive Office	3,334,800	496,400	3,831,200	–	25,000	25,000	–	–	–	3,856,200
4.2 – Finance	2,000,300	213,963	2,214,263	–	–	–	–	–	–	2,214,263
4.3 – Human resources	1,488,000	921,704	2,409,704	–	–	–	–	–	–	2,409,704
4.4 – Legal	973,200	31,500	1,004,700	–	–	–	–	–	–	1,004,700
4.5 – Logistics	3,954,800	3,191,200	7,146,000	132,000	80,000	212,000	–	–	–	7,358,000
Total functional support	11,751,100	4,854,767	16,605,867	132,000	105,000	237,000	–	–	–	16,842,867

	Regular budget		Voluntary funding		Sales of products and services			Total (CHF)		
	Staff	Other	Total	Staff	Other	Total	Staff		Other	Total
Non-operating expenses										
5.1 – Servicing of employee liabilities		3,723,500	3,723,500							3,723,500
Total non-operating expenses		3,723,500	3,723,500							3,723,500
Grand total	24,831,600	14,058,430	38,890,030	5,899,200	5,912,919	11,812,119	11,067,005	5,733,005	16,800,010	67,502,159

2 Programme sheets

Strategic pillar 1 – Forum

The first strategic pillar of the Abidjan Postal Strategy comprises three categories of UPU solutions, which can be called programmes for the purpose of the preparation of the budget:

- Programme 1.1 – Events and meetings of technical working groups;
- Programme 1.2 – Treaties and international agreements;
- Programme 1.3 – Settlement mechanisms.

Detailed explanation sheets for these programmes are presented below.

Programme 1.1 – Events and meetings of technical working groups

Mandate and objectives

Through the first category under the first strategic pillar (Forum), the UPU will pursue its historic calling to become the unique global forum where all key postal sector stakeholders can meet to share best practices, devise strategies and gather support to achieve socio-economic development and the vision for the sector. This objective will be implemented through 24 work proposals. In order to monitor implementation, progress will be measured through a varied set of outputs. These include indicators such as the number of thematic forums organized, new members joining information-sharing platforms, and the degree of awareness-raising on specific themes conducted with external stakeholders. A detailed list of outputs can be found in the business plan for 2021–2025.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
1.1.1	Integration of stakeholders from the private sector and public institutions	CA
1.1.2	PT 1 – Development of philately	CA
1.1.3	Quality of service improvement – Secretariat	POC
1.1.4	Quality of Service Fund – Secretariat	CA & POC
1.1.5	Standardization activities – Secretariat	POC
1.1.6	Operational standards and compliance – Secretariat	POC
1.1.7	Operations and accounting – Secretariat	POC
1.1.8	Addressing solutions and standards – Secretariat	POC
1.1.9	Addressing and GIS integration – Secretariat	POC
1.1.10	Product development, e-commerce and integration – Secretariat	POC
1.1.11	Customs – Secretariat	POC
1.1.12	EMS Cooperative – Secretariat	POC
1.1.13	Security – Secretariat	POC
1.1.14	Transport – Events	POC
1.1.15	.POST events and meetings	POC
1.1.16	DE 3 – Digital events	CA & POC
1.1.17	FI 3 – Postal financial inclusion advocacy	CA
1.1.18	PFS 4 – Development of postal payment services – Best practices	POC

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
1.1.19	REM 2 – Remuneration governance, development and integration	CA & POC
1.1.20	Consultative Committee – Wider postal sector engagement	CA
1.1.21	DM 1 – Direct marketing events	POC
1.1.22	ESD 3 – Events for the environment and sustainable development	CA
1.1.23	PPR 3 – Events and meetings on universal service, regulation and postal policy	CA
1.1.24	Trade 3 – Trade events	CA
1.1.25	Organization of CA/POC sessions	CA & POC
1.1.26	Organization of Congress	Congress

No.	Regular budget					Voluntary funding					Sales of products and services					Total (CHF)
	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	
	D	P	G			D	P	G			D	P	G			
1.1.20	0.15	12	3	2,000	230,315											230,315
1.1.21	0.2	0.25			8,420		2	2		54,000						62,420
1.1.22	0.125	2	1		45,763		3			48,000						93,763
1.1.23	0.5	4	1	15,521	101,571		5			80,000						181,571
1.1.24	0.25	2.5	0.75	22,000	75,775											75,775
1.1.25	8.1	2.4	12	2,641	352,051		4			64,000						416,051
1.1.26																
Total	25.25	91.2	67.3	461,580	3,219,105		41.75	29.5	413,100	1,442,475		36	55.2	900,000		5,561,580

Programme 1.2 – Treaties and international agreements

Mandate and objectives

In offering the second category of solutions under the first strategic pillar (Forum), the UPU will rekindle its role as a place where governments can find multilateral solutions to global and regional bottlenecks, and thus reinvigorate the concepts of the universal service obligation and the single postal territory. This is expected to be achieved through 13 work proposals. As with the previous category, implementation of these work proposals will be monitored through quantifiable outputs. These include indicators such as the number of countries becoming signatories to the Postal Payment Services Agreement, assessment of the current state of UPU remuneration systems, and the amendment of General Regulations articles to improve rationalization and harmonization. A detailed list of outputs can be found in the business plan for 2021–2025.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
1.2.1	Quality of service improvement – Treaties	POC
1.2.2	Quality of Service Fund – Treaties	CA & POC
1.2.3	Operational standards compliance – International agreements	POC
1.2.4	Operations and accounting – Treaties and international agreements	POC
1.2.5	Addressing and GIS integration – Treaties and international agreements	POC
1.2.6	Product development, e-commerce and integration – Treaties	POC
1.2.7	Customs – International agreements	POC
1.2.8	EMS Cooperative – International agreements	POC
1.2.9	Security – Treaties and international agreements	POC
1.2.10	Transport – Treaties and international agreements	POC
1.2.11	PFS 1 – Development of the postal payment services regulatory framework	CA & POC
1.2.12	REM 1 – Remuneration governance, development and integration	CA & POC
1.2.13	PPR 1 – Treaty obligations for universal service, regulation and postal policy	CA

Budget 2022

No.	Regular budget						Voluntary funding						Sales of products and services						Total (CHF)
	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)				
	D	P	G			D	P	G			D	P	G						
1.2.1		2.5	2.9		71,900												71,900		
1.2.2							4	8.5			157,500						157,500		
1.2.3		1.75			28,000												28,000		
1.2.4		3.5			56,000												56,000		
1.2.5		1.8			28,800												28,800		
1.2.6		7	4		156,000												156,000		
1.2.7		2	3		65,000												65,000		
1.2.8							2	16			243,000						243,000		
1.2.9		1	0.5	3,726	25,226												25,226		
1.2.10		1	0.5	405	21,905				50,000		50,000						71,905		
1.2.11	0.25	8	2	112,000	267,525												267,525		
1.2.12	1.25	17	4	38,000	381,625												381,625		
1.2.13	0.5	15	5	21,200	327,250		5				80,000						407,250		
Total	2	60.55	21.9	175,331	1,429,231		11	24.5	50,000	530,500	50,000						1,959,731		

Programme 1.3 – Settlement mechanisms

Mandate and objectives

The final category of solutions under the strategic pillar of “Forum” allows the UPU to enhance its offering of mechanisms through which postal sector stakeholders can settle transactions and differences in a manner that is most beneficial and efficient to all parties involved. This can be achieved through eight work proposals for the 2021–2025 period. Implementation will be monitored and evaluated through a number of outputs. These include indicators such as the number of members of UPU*Clearing and PPS*Clearing, as well as the number of matters processed by the UPU through its formal dispute settlement mechanism (expert determination, mediation and arbitration). A detailed list of outputs can be found in the business plan for 2021–2025.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
1.3.1	UPU*Clearing	CA
1.3.2	PPS*Clearing – Extension	CA
1.3.3	Dispute settlement mechanism	CA
1.3.4	Quality of Service Fund – Settlement mechanisms	CA & POC
1.3.5	EMS Cooperative – Settlements	POC
1.3.6	Transport – Settlement mechanisms	POC
1.3.7	REM 5 – Remuneration implementation and management	POC
1.3.8	QS Link remuneration	POC

Budget 2022

No.	Regular budget				Voluntary funding				Sales of products and services				Total (CHF)	
	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)		
	D	P			G	D			P	G				D
1.3.1		6		96,000							12	78,945	260,750	356,750
1.3.2		6		96,000								262,500	262,500	358,500
1.3.3														
1.3.4						4	8.5		157,500					157,500
1.3.5						1.25	16		232,875					232,875
1.3.6		1	0.5	21,500										21,500
1.3.7	1	12	4	275,300										275,300
1.3.8														
Total	1	25	4.5	488,800		5.25	24.5		390,375		12	341,445	523,250	1,402,425

Strategic pillar 2 – Provider of technical solutions

The second strategic pillar of the Abidjan Postal Strategy comprises three categories of UPU solutions, which can be called programmes for the purpose of the preparation of the budget:

- Programme 2.1 – Consulting and capacity building;
- Programme 2.2 – IT solutions;
- Programme 2.3 – Standards.

Detailed explanation sheets for these programmes are presented below.

Programme 2.1 – Consulting and capacity building

Mandate and objectives

Through the first category of solutions under the second strategic pillar (“Provider of technical solutions”), the UPU will seek to offer postal sector stakeholders quality advice, training and technical cooperation options to support them in navigating the challenges and opportunities of a fast-changing sector. This objective will be implemented through 24 work proposals. In order to monitor implementation, progress will be measured through a varied set of outputs. These include indicators such as the number of countries benefiting from addressing assistance, cross-cutting projects to strengthen supply chain infrastructure and quality of service improvement, and annual use by stakeholders of OSCAR (the UPU’s Online Solution for Carbon Analysis and Reporting). A detailed list of outputs can be found in the business plan for 2021–2025.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
2.1.1	National postal policies and investment in socio-economic development	CA
2.1.2	Harmonization of the postal sector regulatory frameworks	CA
2.1.3	Improvement of the delivery performance of DOs	CA
2.1.4	UPU cooperation frameworks and facilitation services	CA
2.1.5	Legal capacity building for postal sector stakeholders	CA
2.1.6	Quality of service improvement – Capacity building	POC
2.1.7	Quality of Service Fund – Capacity building	CA & POC
2.1.8	GMS – Capacity building	POC
2.1.9	Operational standards compliance – Consulting	POC
2.1.10	Addressing and GIS – Capacity building	POC
2.1.11	Product design, e-commerce and integration – Capacity building	POC
2.1.12	Customs – Capacity building	POC
2.1.13	EMS Cooperative – Capacity building	POC
2.1.14	Security – Capacity building	POC
2.1.15	Transport – Capacity building	POC
2.1.16	DE 4 – Digital – Capacity building	CA & POC
2.1.17	FI 2.1 – Advisory services for postal financial inclusion	CA
2.1.18	FI 2.2 – Technical assistance for postal financial inclusion	CA

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
2.1.19	PFS 2 – Extension of the worldwide postal payment services network	POC
2.1.20	REM 4 – Remuneration implementation and management	POC
2.1.21	DM 3 – Direct marketing capacity building	POC
2.1.22	ESD 1 – Capacity building for the environment and sustainable development	CA
2.1.23	PPR 4 – Capacity building in universal service, regulation and postal policy	CA
2.1.24	Trade 4 – Trade capacity building	CA

Budget 2022

No.	Regular budget					Voluntary funding					Sales o	
	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)	
	D	P	G			D	P	G			D	P
2.1.1	3	18	12	493,848	980,148				437,425	437,425		
2.1.2	1	12	12	311,904	658,004				57,350	57,350		
2.1.3	1	24	30	1,013,688	1,749,788				246,750	246,750		
2.1.4	1	6	6	304,106	488,206				87,100	87,100		
2.1.5												
2.1.6		10	7.5	15,309	257,809				35,000	35,000		
2.1.7							21.6	56.1	335,994	1,298,694		
2.1.8	1.2	11.75	9.5	19,683	338,703							
2.1.9		1.75			28,000							
2.1.10		1.8		9,720	38,520							
2.1.11		7	7.7	65,610	262,310							
2.1.12		4	4	9,011	117,011				150,000	150,000		
2.1.13							1.25	16	150,000	382,875		
2.1.14		1	0.5	15,066	36,566				1,500,000	1,500,000		
2.1.15		1	0.5		21,500				50,000	50,000		
2.1.16	0.125	4	0.75	35,000	110,013		3		100,000	148,000		
2.1.17	0.125	5		34,400	117,163							
2.1.18	0.125	8		17,600	148,363		12			192,000		
2.1.19	0.25	8.5	2	4,000	167,525			6		66,000		

No.	Regular budget					Voluntary funding					Sales of products and services					Total (CHF)
	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	
	D	P	G			D	P	G			D	P	G			
2.1.20	0.05		6	5,000	102,105											102,105
2.1.21	0.1	0.25			6,210		1	1		27,000						33,210
2.1.22	0.125	2	1	5,000	50,763		3			48,000						98,763
2.1.23	0.5	4	1	12,000	98,050		5			80,000						178,050
2.1.24	0.25	2.5	0.75	17,800	71,575											71,575
Total	8.85	138.55	95.2	2,388,745	5,848,330		46.85	79.1	3,149,619	4,806,194		30,000		30,000	10,684,524	

Programme 2.2 – IT solutions

Mandate and objectives

By offering the second category of solutions under the second strategic pillar (“Provider of technical solutions”), the UPU will further develop its portfolio of IT solutions to more closely match the needs of stakeholders from all stages of development in an environment of digital disruption. This is expected to be achieved through 13 work proposals. As with the previous categories, implementation of these work proposals will be monitored through quantifiable outputs. These include indicators such as the number of operators and wider sector stakeholders adopting e-services–related ICT tools offered by the UPU, data interchange partners on POST*Net, and users of the postal payment services mobile solution. A detailed list of outputs can be found in the business plan for 2021–2025.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
2.2.1	Quality of service improvement – IT solutions	POC
2.2.2	GMS – IT solutions	POC
2.2.3	Addressing solutions and standards – IT solutions	POC
2.2.4	Customs – IT solutions	POC
2.2.5	EMS Cooperative – IT solutions	POC
2.2.6	Security – IT solutions	POC
2.2.7	Transport – IT solutions	POC
2.2.8	.POST IT solutions	POC
2.2.9	PFS 3 – Development of technical solutions relating to postal payment services	POC
2.2.10	DM 2 – Direct marketing for IT solutions	POC
2.2.11	ESD 4 – IT for the environment and sustainable development	CA
2.2.12	IT support for IB and UPU meetings	CA & POC
2.2.13	Telematics Cooperative	POC

Budget 2022

No.	Regular budget				Voluntary funding				Sales of products and services				Total (CHF)	
	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)		
	D	P			G	D			P	G				D
2.2.1		10	7.5	200,880										443,380
2.2.2		19	14.5	61,317							1,700,000			2,224,817
2.2.3											40,000			40,000
2.2.4		3.5	3	17,111			150,000							256,111
2.2.5						1.25	16	150,000						382,875
2.2.6		1	1	4,050										31,050
2.2.7		3.75	3	22,680			50,000							165,680
2.2.8	0.125	2				12	3	125,000			22,000		22,000	406,763
2.2.9	0.125	8	1	40,000										181,763
2.2.10	01	0.25				2	2							60,210
2.2.11	0.125	2	1				3							93,763
2.2.12		36	24	1,485,000										2,325,000
2.2.13				260,000				1,092,500			720	3,245,560	13,230,760	14,583,260
Total	0.475	85.5	55	2,091,038	4,074,536	18.25	21	1,567,500	2,127,375	12	720	5,007,560	14,992,760	21,194,671

Programme 2.3 – Standards

Mandate and objectives

The final category of solutions under the strategic pillar of “Provider of affordable technical solutions” allows the UPU to reinforce its standard-setting and certification activities, thus promoting global interoperability for the benefit of all postal sector stakeholders in all territories. This can be achieved through 11 work proposals for the 2021–2025 period. Implementation will be monitored and evaluated through a number of outputs. These include indicators such as the number of certified regional security auditors, monthly compliance measurement reports, and annual review of the list of existing standards. Detailed information about outputs for this programme can be found in the business plan for 2021–2025.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
2.3.1	PT 3 – WNS and certification	CA
2.3.2	PT 4 – Production and sales of international reply coupons	CA
2.3.3	Standardization activities – Development and maintenance	POC
2.3.4	Operational standards compliance – Maintenance	POC
2.3.5	Operations and accounting – Standards maintenance	POC
2.3.6	Addressing solutions and standards – Development	POC
2.3.7	Product development, e-commerce and integration – Standards	POC
2.3.8	Customs – Standards	POC
2.3.9	EMS Cooperative – Standards	POC
2.3.10	Security – Standards	POC
2.3.11	Transport – Standards	POC

Budget 2022

No.	Regular budget						Voluntary funding						Sales of products and services						Total (CHF)
	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)				
	D	P	G			D	P	G			D	P	G						
2.3.1	0.25				5,525			1.5	12					65,000	65,000	226,525			
2.3.2	0.25		7.2		84,725			2.5	24					137,000	137,000	525,725			
2.3.3		9.5		3,645	155,645											155,645			
2.3.4		2			32,000											32,000			
2.3.5		2			32,000											32,000			
2.3.6		1			16,000								112,000	112,000	128,000				
2.3.7		7	3.5		150,500											150,500			
2.3.8		2.5	2		62,000											62,000			
2.3.9								1.25	16						232,875	232,875			
2.3.10		0.75	1	5,670	28,670											28,670			
2.3.11		1	1		27,000					50,000						77,000			
Total	0.5	25.75	14.7	9,315	594,065			5.25	52	50,000			314,000	314,000	314,000	1,650,940			

Strategic pillar 3 – Knowledge centre

The third strategic pillar of the Abidjan Postal Strategy comprises three categories of UPU solutions, which can be called programmes for the purpose of the preparation of the budget:

- Programme 3.1 – Research and insights on market trends;
- Programme 3.2 – Focused analysis of various topical issues;
- Programme 3.3 – Data storage and protection.

Detailed explanation sheets for these programmes are presented below.

Programmes 3.1 – Research and insights on market trends

Mandate and objectives

Through the first category of solutions under the strategic pillar of “Knowledge centre”, the UPU will further develop its in-depth research capacity in order to support postal sector stakeholders in better understanding and anticipating trends that affect the sector as a whole. This objective will be implemented through 11 work proposals under the category of research and insights on market trends. In order to monitor implementation, the progress of these work proposals will be measured through a varied set of outputs. These include indicators such as the number of countries having benefited from a fully-fledged country analysis, joint research projects with other international organizations, and the percentage of all EDI records used for global postal economic analysis. Detailed information about outputs for this programme can be found in the business plan for 2022–2025.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
3.1.1	Postal market surveys in developing countries and regional trends	CA
3.1.2	National regulatory framework studies and postal services	CA
3.1.3	Institutional research into postal economics	CA
3.1.4	Product development, e-commerce and integration – Research	POC
3.1.5	EMS Cooperative – Market insights	POC
3.1.6	DIG 2 – Digital transformation and innovation research	CA
3.1.7	FI 1 – Research and insights into postal financial inclusion	CA
3.1.8	REM 3 – Remuneration research and intellectual output	CA
3.1.9	DM 4 – Direct marketing research	POC
3.1.10	ESD 2 – Research into the environment and sustainable development	CA
3.1.11	Trade 2 – Research	CA

Budget 2022

No.	Regular budget						Voluntary funding						Sales of products and services						Total (CHF)
	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)				
	D	P	G			D	P	G			D	P	G						
3.1.1	1	24	8	62,381	556,481				17,025	17,025						573,506			
3.1.2	1	24	8	41,587	535,687				15,675	15,675						551,362			
3.1.3		24		20,000	404,000								20,000	20,000		424,000			
3.1.4		8	4		172,000											172,000			
3.1.5								1.25	16	200,000	432,875					432,875			
3.1.6	0.25	4	0.75	24,000	101,775			3		48,000						149,775			
3.1.7	0.5	6		44,800	151,850											151,850			
3.1.8	0.2	5	1		95,420											95,420			
3.1.9	0.1	0.25			6,210			1	1	27,000						33,210			
3.1.10	0.125	2	1	4,000	49,763			3		48,000						97,763			
3.1.11	0.5	2.5	0.75	18,000	77,300											77,300			
Total	3.675	99.75	23.5	214,768	2,150,486			8.25	17	232,700	588,575		20,000	20,000		2,759,061			

Programme 3.2 – Focused analysis of various topical issues

Mandate and objectives

By offering the second category of solutions under the “Knowledge centre” pillar, the UPU will leverage the potential of the postal big data that it holds, and articulate solutions for postal sector stakeholders in the form of focused insights and analysis. This is expected to be achieved through six work proposals. As with the previous categories, implementation will be monitored through quantifiable outputs. These include indicators such as the number of policy briefs on key trade issues, the number of countries participating in the global database of regulatory frameworks, and the number of analytical studies on extraterritorial offices of exchange. Detailed information about outputs for this programme can be found in the business plan for 2021–2025.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
3.2.1	Quality of service improvement – Focused analysis	POC
3.2.2	Addressing and GIS – Analysis	POC
3.2.3	EMS Cooperative – Analysis	POC
3.2.4	DE 1 – Digital analysis	CA
3.2.5	PPR 2 – Analysis of universal service, regulation and postal policy	CA & POC
3.2.6	Trade 1 – Trade – Analysis	CA

Budget 2022

No.	Regular budget						Voluntary funding						Sales of products and services						Total (CHF)
	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)				
	D	P	G			D	P	G			D	P	G						
3.2.1		5	10		190,000													190,000	
3.2.2		1.8			28,800													28,800	
3.2.3								1.25	16		200,000							432,875	
3.2.4	0.25	4	0.75	12,000	89,775			3										137,775	
3.2.5	0.5	4	1	10,000	96,050			5										176,050	
3.2.6	0.25	2.5	0.75	8,000	61,775													61,775	
Total	1	17.3	12.5	30,000	466,400			9.25	16	200,000	560,875							1,027,275	

Programme 3.3 – Data storage and protection

Mandate and objectives

The final category of solutions under the strategic pillar of “Knowledge centre” allows the UPU to strengthen its role as a custodian of international data about the sector, storing it in a secure and neutral manner. This can be achieved through five work proposals for the 2021–2025 period. Implementation will be monitored and evaluated through a number of outputs. These include indicators such as the number of Universal POST*CODE database users, expansion of the UPU big data platform, and the introduction of a standard for privacy information management. Detailed information about outputs for this programme can be found in the business plan for 2021–2025.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
3.3.1	PT 2 – Distribution and maintenance system for the universal philatelic collection	CA
3.3.2	Operational standards compliance – Data storage	POC
3.3.3	Addressing solutions and standards – Data storage	POC
3.3.4	EMS Cooperative – Data storage and protection	POC
3.3.5	Global UPU data storage and protection	CA & POC

Budget 2022

No.	Regular budget				Voluntary funding				Sales of products and services				Total (CHF)			
	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	
	D	P	G			D	P	G			D	P				G
3.3.1	0.25			77,200	82,725		0.5									90,725
3.3.2				14,985	14,985											14,985
3.3.3																
3.3.4							1.25	16	145,000	377,875						377,875
3.3.5		12			192,000								20,000	20,000		212,000
Total	0.25	12		92,185	289,710		1.75	16	145,000	385,875			20,000	20,000		695,585

Functional support

The functional support element of the Abidjan Postal Strategy comprises five categories of activities, which can be called programmes for the purpose of the preparation of the budget:

- Programme 4.1 – Executive Office
- Programme 4.2 – Finance
- Programme 4.3 – Human resources
- Programme 4.4 – Legal
- Programme 4.5 – Logistics

Detailed explanation sheets for these programmes are presented below.

Programme 4.1 – Executive Office

Mandate and objectives

The Executive Office category consists of four work proposals related to cabinet and council affairs, governance and internal control, strategic planning and communications. The related outputs include indicators such as the number of council sessions successfully organized, number of views of the UPU website and percentage of CA/POC deliverables, as well as audit recommendations that have been implemented.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
4.1.1	Cabinet and council affairs	CA
4.1.2	Governance and internal control	CA
4.1.3	Strategic planning	CA
4.1.4	Communications	CA

Budget 2022

No.	Regular budget				Voluntary funding				Sales of products and services				Total (CHF)	
	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)		
	D	P			G	D			P	G				D
4.1.1	36	24	55.2	194,400	1,981,200									1,981,200
4.1.2		24	12	177,000	693,000									693,000
4.1.3		24	12	35,000	551,000									551,000
4.1.4		24	12	90,000	606,000			25,000	25,000					631,000
Total	36	96	91.2	496,400	3,831,200			25,000	25,000					3,856,200

Programme 4.2 – Finance

Mandate and objectives

The finance category covers two work proposals related to the support role as well as resource mobilization. The progress of the planned work can be measured through outputs such as the approval of financial reports without reservation by the External Auditor, the number of new partnerships formalized with multilateral donors for global or country-level intervention, and the number of voluntary contributors found to support the implementation of the strategy.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
4.2.1	Finance support function	CA
4.2.2	Resource mobilization	CA

Budget 2022

No.	Regular budget						Voluntary funding						Sales of products and services						Total (CHF)
	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)	Staff (m/m)			Other (CHF)	Total (CHF)				
	D	P	G			D	P	G			D	P	G						
4.2.1	12	46.8	67.2	189,963	1,943,163												1,943,163		
4.2.2	1	12	3	24,000	271,100												271,100		
Total	13	58.8	70.2	213,963	2,214,263												2,214,263		

Programme 4.3 – Human resources

Mandate and objectives

The third category under “Functional support” relates to human resources and consists of three work proposals concerning training and development, HR policy, and administration (benefits and payroll). The objectives of the work proposals can be quantified through outputs such as the percentage of staff completing training on IT or new technology (under the second strategic pillar), and increased speed of recruitment for fixed-term positions.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
4.3.1	Training and development	CA
4.3.2	Human resources policy	CA
4.3.3	HR administration – Benefits and payroll	CA

Budget 2022

No.	Regular budget				Voluntary funding				Sales of products and services				Total (CHF)	
	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)		
	D	P			G	D			P	G				D
4.3.1	4	12	6	100,000	446,400									446,400
4.3.2	4	12	3.6	46,500	366,500									366,500
4.3.3	4	12	49.2	775,204	1,596,804									1,596,804
Total	12	36	58.8	921,704	2,409,704									2,409,704

Programme 4.4 – Legal

Mandate and objectives

The progress of the work proposal on legal support can be measured through its outputs such as the percentage of external legal clarification requests processed within seven working days (only requests coming from Union member country governmental entities and their designated operators), and the percentage of internal IB requests for drafting, review and/or validation of contractual instruments processed within seven working days.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
4.4.1	Legal support	CA

Budget 2022

No.	Regular budget				Voluntary funding				Sales of products and services				Total (CHF)											
	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)												
	D	P			G	D			P	G				D	P	G								
4.4.1	12	36	12	31,500																			1,004,700	
Total	12	36	12	31,500																				1,004,700

Programme 4.5 – Logistics

Mandate and objectives

The final work proposal under “Functional support” concerns the area of logistics. Outputs to measure progress include the percentage of documents and premises ready for each meeting or event.

Underlying projects and responsibilities

<i>Work proposal/ OPP</i>	<i>Description</i>	<i>Council in charge</i>
4.5.1	Language services	CA
4.5.2	General services	CA

Budget 2022

No.	Regular budget			Voluntary funding			Sales of products and services			Total (CHF)			
	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)	
	D	P	G		D	P	G		D		P	G	
4.5.1	1	48	153.6										2,479,700
4.5.2	3	7.2	117.6	3,191,200			12	80,000	212,000				4,878,300
Total	4	55.2	271.2	3,191,200	7,146,000		12	80,000	212,000				7,358,000

Non-operating expenses

This category includes payment of the amount due as Union guarantees to the Provident Scheme.

Category	OPP	Description
5.1 – Servicing of employee liabilities	5.1.1	Servicing of employee liabilities

Budget 2022

No.	Regular budget			Voluntary funding			Sales of products and services			Total (CHF)			
	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)	Staff (m/m)		Other (CHF)	Total (CHF)	
	D	P	G		D	P	G		D		P	G	
5.1.1				3,723,500									3,723,500
Total				3,723,500	3,723,500								3,723,500

3 Budget by type of expense and revenue

3.1 Regular budget expenses

For 2022, regular budget expenses total 38,890,030 CHF and include the amount of 3,723,500 CHF for the application of the Union guarantees to the Provident Scheme.

The investments planned for 2022 are presented in Table I.

Table I – Planned investments – 2022 budget (in Swiss francs)

<i>Description</i>	<i>Amount</i>
IT security (server replacement and consolidation)	500,000
Replacement of laptop computers	10,000
Total computer hardware	510,000
HR tool	40,000
Electronic archiving system	300,000
IT security (ransomware)	20,000
Extranet	50,000
Total computer software	410,000
Official vehicle	100,000
Total vehicles	100,000
Total investments	1,020,000

With the adoption of IPSAS, depreciation charges were introduced in 2011. They directly affect the Union budget. Table II summarizes the depreciation amounts included as expenses in the regular Union budget.

Table II – Depreciation 2022 (in Swiss francs)

<i>Description</i>	<i>Depreciation</i>
Machines, furniture and equipment	98,000
Computer and communication equipment	301,100
Computer software	207,600
Vehicles	6,800
Building	808,700
Total depreciation	1,422,200

Other expenses under the regular budget are found in Table III, including staff costs and other operating costs.

Table III – Expenses excluding depreciation (in Swiss francs)

<i>Description</i>	<i>Amount</i>
Staff costs	
Staff costs excluding development cooperation	25,721,804
Development cooperation	2,539,418
Total staff costs	28,261,222
Other operating expenditure	5,483,108
Total expenses excluding depreciation	33,744,330
Total depreciation	1,422,200
Total recurrent expenses	35,166,530
Amount of the guarantee to be paid into the Provident Scheme	3,723,500
Total expenses	38,890,030

Table IV contains a summary of expenses of the regular budget of the Union.

Table IV – Summary of expenses of the UPU regular budget (in Swiss francs)

<i>Description</i>	<i>2021 original budget</i>	<i>2022 budget</i>	<i>Variation</i>
Salary and allowances	17,684,300	17,458,804	-1.3%
Social contributions	7,903,000	7,803,000	-1.3%
Recruitment and separation from service	305,000	305,000	0.0%
Training and other staff costs	225,000	155,000	-31.1%
Development cooperation	2,888,000	2,539,418	-12.1%
Total staff costs	29,005,300	28,261,222	-2.6%
Travel costs	600,000	426,980	-28.8%
Consultancy and external service costs	3,251,000	2,435,673	-25.1%
Overheads	1,280,000	1,016,670	-20.6%
Equipment and supplies	1,171,400	1,211,285	3.4%
Depreciation expenses	1,440,300	1,422,200	-1.3%
Other expenses	487,000	392,500	-19.4%
Total operating costs	8,229,700	6,905,308	-16.1%
Total recurrent expenses	37,235,000	35,166,530	-5.6%
Amount of the guarantee to be paid into the Provident Scheme	3,723,500	3,723,500	0.0%
Total expenses	40,958,500	38,890,030	-5.1%

3.2 Regular budget revenues

Funding for regular budget expenses comes from the contributions of Union member countries and administrative income.

Contributions represent the portion of Union resources funded by member countries. For 2022, they amount to 37,687,800 CHF.

Contributions for French translation costs total 166,400 CHF.

Table V – Summary of revenue of the UPU regular budget (in Swiss francs)

<i>Description</i>	<i>2022 budget</i>	<i>2021 original budget</i>	<i>Variation</i>
A. Member countries, contributions			
Contributions to Union expenditure	37,687,800	39,847,012	-5.4%
Contributions to the costs of French translation	166,400	166,400	0.0%
Total member countries, contributions	37,854,200	40,013,412	-5.4%
B. Administrative income			
Receipts from publication sales	170,000	170,000	0.0%
Letting of premises	450,000	450,000	0.0%
Miscellaneous income	415,830	325,088	27.9%
Total administrative income	1,035,830	945,088	9.6%
Grand total	38,890,030	40,958,500	-5.1%

3.3 Level of net expenses of the Union

Net expenses comprise expenses minus administrative income. Net expenses are funded by the contributions of member countries.

Net expenses are estimated at 37,854,200 CHF.

Table VI – General summary (in Swiss francs)

<i>Description</i>	<i>2022 budget</i>	<i>2021 original budget</i>	<i>Variation</i>
Unions recurrent expenses			
Staff expenses excluding development cooperation	25,721,804	26,117,300	-1.5%
Development cooperation	2,539,418	2,888,000	-12.1%
Other International Bureau operating costs (including depreciation)	6,905,308	8,229,700	-16.1%
Total recurrent expenses	35,166,530	37,235,000	-5.6%
Amount of the guarantee to be paid into the Provident Scheme	3,723,500	3,723,500	0.0%
Total expenses	38,890,030	40,958,500	-5.1%
Administrative income	1,035,830	945,088	9.6%
Net expenses	37,854,200	40,013,412	-5.4%
Contributions to Union expenditure	37,687,800	39,847,012	-5.4%
Contributions to the costs of French translation	166,400	166,400	0.0%
Total contributions of member countries	37,854,200	40,013,412	-5.4%

Table VII – Assignment chart of staff posts included in the 2022 budget

Categories Directorate	Union							Total Union	Extrabudgetary				Grand total ¹
	Core			Non-core					Senior	P	G ³	Total extra- budgetary	
	Senior ²	P	G	Total	P	G	Total						
DG and DDG Offices	2.0	0.0	3.0	5.0	0.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	5.0
Executive Office (DIRCAB)	1.0	9.0	5.0	15.0	1.0	1.0	2.0	17.0	0.0	0.0	0.0	0.0	17.0
Finance (DFI)	1.0	5.0	7.0	13.0	0.0	0.0	0.0	13.0	0.0	0.8	3.8	4.6	17.6
Legal Affairs (DAJ)	1.0	3.0	1.0	5.0	0.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	5.0
Human Resources (DRH)	1.0	3.0	4.9	8.9	0.0	0.0	0.0	8.9	0.0	0.0	0.0	0.0	8.9
Postal Operations (DOP)	1.0	14.0	9.5	24.5	1.0	0.0	1.0	25.5	0.0	6.0	20.6	26.6	52.1
Logistics (DL)	1.0	5.8	26.1	32.9	0.0	0.0	0.0	32.9	0.0	0.0	4.0	4.0	36.9
Postal Technology Centre (DCTP)	0.0	3.0	2.0	5.0	1.0	0.0	1.0	6.0	1.0	0.0	60.0	61.0	67.0
Policy, Regulation and Markets (DPRM)	1.0	12.5	3.0	16.5	3.0	1.5	4.5	21.0	0.0	4.5	1.5	6.0	27.0
Development and Cooperation (DCDEV)	1.0	10.0	7.0	18.0	0.0	0.0	0.0	18.0	0.0	0.0	0.6	0.6	18.6
Total	10	65.3	68.5	143.8	6	2.5	8.5	152.3	1	11.3	90.5	102.8	255.1

¹ Excludes secondments, short-term contracts and interns.

² Elected and director-category officials.

³ Specialist and General Service staff.

Annexes

1 System for financing the Union budget

1.1 Introduction

The system of financing the Union budget is based on three pillars:

- a first pillar, financed by national contributions from member countries and administrative income, representing the Union's regular budget;
- a second pillar financed by any voluntary contributions received by the UPU, such as fees for user-funded bodies, untied voluntary contributions, tied contributions and other financial contributions; and
- a third pillar financed by sales of products and services.

It is therefore essential for all of the activities under the second and third pillars to be self-financing.

1.2 The three pillars of the Union budget structure

Table X – Summary of types of revenue per pillar

<i>Pillar</i>	<i>Types of activities funded</i>	<i>Main provider of funding</i>	<i>Type of funding</i>
1 – Regular budget	Expenses of the Union	Member countries	Assessed contributions of member countries
2 – Voluntary funding	Telematics Cooperative, EMS, UPU*Clearing, etc.	Designated operators	Other annual contributions
	Contributions to Quality of Service Fund, untied voluntary contributions, tied contributions and other financial contributions	Designated operators and any other source of funding, including private	Voluntary contributions
3 – Sales of products and services	POST*CODE, WNS, barcodes, rebilling of international reply coupon costs, Postal Technology Centre products and other sales	Any source of funding, including private that generates revenue for services rendered.	Sales

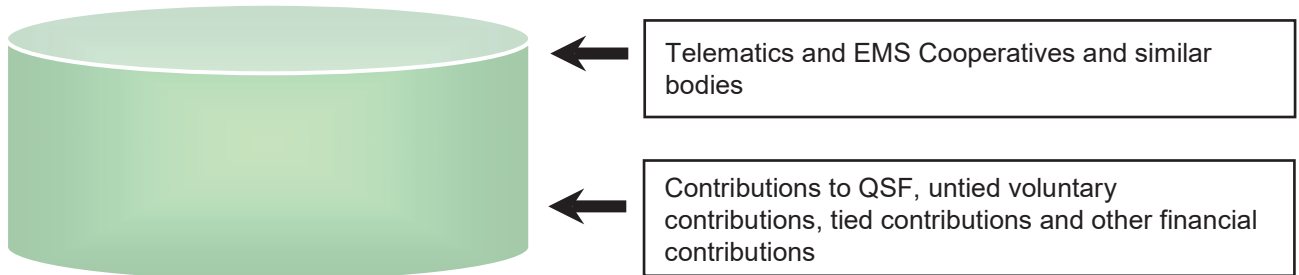
1.3 How the three pillars function

a First pillar

The first pillar represents the Union's regular budget funded by the national contributions of member countries, with an expenditure ceiling set by Congress.

b Second pillar

The second pillar represents any voluntary contributions received by the UPU, such as fees for user-funded bodies, untied voluntary contributions, tied contributions and other financial contributions. The activities of user-funded bodies such as the Telematics and EMS Cooperatives are funded by the annual fees paid by their members.



The Telematics and EMS Cooperatives and similar bodies are, by definition, self-funding profit and investment centres with income earmarked to expenditure in order to break even, whereas in the Unions regular budget, income and expenditure are both set by the Council of Administration.

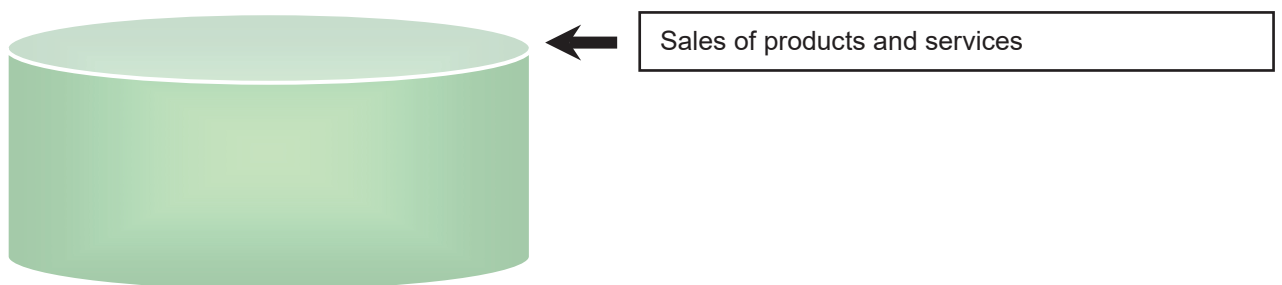
The other sources of voluntary funding allow for certain funding needs to be met by member countries, designated operators and other public and private donors. The payments made are either tied or untied voluntary funds, depending on the donors, wishes and the priorities given to the corresponding activities.

Owing to its extrabudgetary nature, this funding pillar is not affected by the expenditure ceiling set by Congress. The features of the second pillar are as follows:

- Adequate financial resources are made available for implementing the world postal strategy.
- Member countries, expectations of technical assistance and development cooperation are met to a greater extent.
- Donors are free to pay the amounts they decide on, over a period of their choice.

c Third pillar

The aim of the third pillar is to fund UPU activities through sales of products and services. It thus includes the proceeds from the sales of any products and services delivered by the UPU.



1.4 Determining the value of the contribution unit under the system for financing the Union budget

The value of the contribution unit is based on the amount of net recurrent expenses in the Union regular budget approved by the CA and on the total number of contribution units.

Thus, for 2022, the value of the contribution unit (in Swiss francs) was calculated as follows:

Net expenses for 2022 (a)	37,854,200
Contributions to the French translation service (b)	166,400
Contribution to Union expenditure (a-b)	37,687,800
Total number of contribution units (c)	819.3
Amount of contribution unit (a-b/c)	46,000

2 Member countries, contributions

2.1 Introduction

Table VIII shows contributions over time, since 1999.

2.2 Contributions over time

Table VIII – Contributions since 1999 (in Swiss francs)

Year	Total number of contribution units	Amount of contribution unit	Total amount billed
1999	908.5	37,280	33,868,880
2000	907	37,280	33,812,960
2001	878	39,110	34,338,580
2002	878	39,110	34,338,580
2003	877	39,360	34,518,720
2004	877	39,360	34,518,720
2005	865	39,360	34,046,400
2006	865	39,360	34,046,400
2007	867.5	39,990	34,691,325
2008	867.5	39,990	34,691,325
2009	864.5	40,993	35,438,449
2010	864.5	40,993	35,438,449
2011	864	41,770	36,089,280
2012	865.5	41,770	36,151,935
2013	852.5	41,770	35,608,925
2014	852.5	41,770	35,608,925
2015	852.5	41,770	35,608,925
2016	854.5	41,770	35,692,465
2017	830.5	43,526	36,148,343
2018	830.5	43,526	36,148,343
2019	830.5	43,526	36,148,343
2020	821.8	46,000	37,802,800
2021	821.3	46,000	37,779,800
2022	819.3	46,000	37,687,800

3 Distribution of member countries according to their contribution class for 2022

		Contribution units
Class of 50 units		
1	France	50
2	Japan	50
3	United Kingdom of Great Britain and Northern Ireland	50
4	United States of America	<u>50</u>
		200
Class of 45 units		
1	Germany	45
Class of 40 units		
1	Canada	40
Class of 25 units		
1	China (People's Rep.)	26.5
	<i>Including:</i>	
	<i>Hong Kong, China, voluntary contribution by China (People's Rep.)</i>	1
	<i>Macao, China, voluntary contribution by China (People's Rep.)</i>	0.5
2	Italy	25
3	Spain	<u>25</u>
		76.5
Class of 20 units		
1	Australia	20
2	India	20
3	Saudi Arabia	<u>20</u>
		60
Class of 15 units		
1	Belgium	15
2	Korea (Rep.)	15
3	Netherlands	15
4	Russian Federation	15
5	Sweden	15
6	Switzerland	<u>15</u>
		90
Class of 10 units		
1	Brazil	10
2	Denmark	10
3	Finland	10
4	Mexico	10
5	Norway	10
6	Pakistan	10
7	South Africa	<u>10</u>
		70

Class of 5 units

1	Algeria	5
2	Austria	5
3	Czech Rep.	5
4	Egypt	5
5	Hungary	5
6	Indonesia	5
7	Iran (Islamic Rep.)	5
8	Kuwait	5
9	Morocco	5
10	New Zealand	5
11	Nigeria	5
12	Poland	5
13	Tunisia	5
14	Turkey	5
15	Ukraine	5
		<u>75</u>

Class of 3 units

1	Argentina	3
2	Bangladesh	3
3	Bulgaria (Rep.)	3
4	Chile	3
5	Colombia	3
6	Côte d'Ivoire (Rep.)	3
7	Ghana	3
8	Overseas territories (United Kingdom of Great Britain and Northern Ireland)	3
	Overseas territories, voluntary contribution by United Kingdom of Great Britain and Northern Ireland	1
9	Greece	3
10	Ireland	3
11	Israel	3
12	Kenya	3
13	Malaysia	3
14	Portugal	3
15	Romania	3
16	Slovakia	3
17	Sri Lanka	3
18	Thailand	3
19	Uruguay	3
20	Zimbabwe	3
		<u>61</u>

Class of 1 unit

1	Albania	1
2	Armenia	1
3	Aruba, Curaçao and Sint Maarten	1
4	Azerbaijan	1
5	Bahamas	1
6	Bahrain (Kingdom)	1
7	Barbados	1
8	Belarus	1

Class of 1 unit (cont.)

9	Belize	1
10	Bolivia	1
11	Bosnia and Herzegovina	1
12	Botswana	1
13	Brunei Darussalam	1
14	Cambodia	1
15	Cameroon	1
16	Cape Verde	1
17	Congo (Rep.)	1
18	Costa Rica	1
19	Croatia	1
20	Cuba	1
21	Cyprus	1
22	Dem. People's Rep. of Korea	1
23	Dem. Rep. of the Congo	1
24	Dominican Rep.	1
25	Ecuador	1
26	El Salvador	1
27	Equatorial Guinea	1
28	Estonia	1
29	Eswatini	1
30	Fiji	1
31	Gabon	1
32	Georgia	1
33	Guatemala	1
34	Guyana	1
35	Honduras (Rep.)	1
36	Iceland	1
37	Iraq	1
38	Jamaica	1
39	Jordan	1
40	Kazakhstan	1
41	Kyrgyzstan	1
42	Latvia	1
43	Lebanon	1
44	Liechtenstein	1
45	Lithuania	1
46	Luxembourg	1
47	Madagascar	1
48	Maldives	1
49	Malta	1
50	Mauritius	1
51	Moldova	1
52	Monaco	1
53	Mongolia	1
54	Montenegro	1
55	Myanmar	1
56	Namibia	1
57	Nicaragua	1
58	North Macedonia	1
59	Oman	1
60	Panama (Rep.)	1
61	Papua New Guinea	1
62	Paraguay	1
63	Peru	1
64	Philippines	1

65	Qatar	1
66	San Marino	1
67	Senegal	1
68	Serbia	1
69	Singapore	1
70	Slovenia	1
71	State of Libya	1
72	Suriname	1
73	Syrian Arab Rep.	1
74	Tajikistan	1
75	Trinidad and Tobago	1
76	Turkmenistan	1
77	United Arab Emirates	1
78	Uzbekistan	1
79	Vanuatu	1
80	Vatican	1
81	Venezuela (Bolivarian Rep.)	1
82	Viet Nam	<u>1</u>
		82

Class of 0.5 units

1	Afghanistan	0.5
2	Angola	0.5
3	Benin	0.5
4	Bhutan	0.5
5	Burkina Faso	0.5
6	Burundi	0.5
7	Central African Rep.	0.5
8	Chad	0.5
9	Comoros	0.5
10	Djibouti	0.5
11	Eritrea	0.5
12	Ethiopia	0.5
13	Gambia	0.5
14	Guinea	0.5
15	Guinea-Bissau	0.5
16	Haiti	0.5
17	Lao People's Dem. Rep.	0.5
18	Lesotho	0.5
19	Liberia	0.5
20	Malawi	0.5
21	Mali	0.5
22	Mauritania	0.5
23	Mozambique	0.5
24	Nepal	0.5
25	Niger	0.5
26	Rwanda	0.5
27	Sierra Leone	0.5
28	Solomon Islands	0.5
29	Somalia	0.5
30	South Sudan	0.5
31	Sudan	0.5
32	Tanzania (United Rep.)	0.5
33	Timor-Leste (Dem. Rep.)	0.5
34	Togo	0.5
35	Uganda	0.5
36	Yemen	0.5
37	Zambia	<u>0.5</u>
		18.5

Class of 0.1 units

1	Antigua and Barbuda	0.1
2	Dominica	0.1
3	Grenada	0.1
4	Kiribati	0.1
5	Nauru	0.1
6	Samoa	0.1
7	Saint Christopher (St Kitts) and Nevis	0.1
8	Saint Lucia	0.1
9	Saint Vincent and the Grenadines	0.1
10	Sao Tome and Principe	0.1
11	Seychelles	0.1
12	Tonga (including Niuafou'ou)	0.1
13	Tuvalu	<u>0.1</u>
		1.3
Grand total: 192 member countries		819.3

