UPU Global Monitoring System Newsletter

3

March 2009

UNIVERSAL POSTAL UNION

UPU Global Monitoring System Newsletter (Issue No. 3)

We are pleased to update you with the latest news on the GMS project.

The GMS is one of the most important quality of service improvement projects ever initiated by the UPU. This issue of the newsletter highlights what the GMS means to the UPU community and what benefits members will derive from it.

It introduces the new GMS Implementation Group, which is chaired by Switzerland with Singapore as Vice-Chair, and outlines the progress the Group has made since the last POC.

It also provides some information on the current status of the GMS procurement process and the technology to be selected. Thanks to a design architecture based on open standards, the GMS will not be tied down to any specific RFID technology, and will provide users with the flexibility to integrate the GMS with their internal measurement systems in the future if they so wish.

The GMS project will shortly be entering the pilot phase. We are therefore sharing some relevant information about the pilot, including who is involved and what has been done to ensure its success.

Lastly, this newsletter sets out plans to conduct a series of regional workshops to facilitate the roll-out of the GMS to more countries.

We will continue to provide you with regular updates on this exciting and challenging project.

Akio Miyaji
UPU Quality of Service Coordinator

What the GMS means to the UPU community

The GMS is a UPU quality measurement system for letter mail applicable to all UPU members. It is being developed with a primary focus on measurement of the performance of the destination country, and the linking of this performance to terminal dues payments. The plan is that this system will eventually be applied to all UPU member postal operators. To achieve this objective, the GMS is designed to be simple, affordable and reliable.

Joining the GMS, you will receive quality performance reports useful not only for the calculation of your terminal dues but also for evaluation of the achievements of your QSF projects. The diagnostic information provided by the system will facilitate actions to improve quality performance.

Users will be equipped with state-of-the-art RFID solutions. This means that, in the long run, if you so wish, you will be able to use the same technology for your domestic letter mail quality measurement, and even for quality measurement tailored to the specific needs of your large customers.

In order to procure the most cost-effective RFID technologies capable of meeting the demanding requirements of the GMS, the call for tenders for the RFID infrastructure specifies that the technical solutions proposed by the bidders must be based on open standards. This enables potential suppliers to offer innovative deployment and support options using different types of RFID technologies for letter mail measurement that have already proven their worth in postal environments. Thanks to a design architecture based on open standards, the GMS will be compatible for interfacing with the current RFID system of the UPU Quality Link Measurement System, meaning that postal operators that already have RFID systems can participate in the GMS using their existing RFID technologies. Furthermore, future developments will not be tied down to any specific RFID technology.

The GMS measurement design (technical and statistical) is the culmination of experience built up over the past decade.

The GMS is designed to ensure that all UPU members are treated equitably, having due regard to differences in mail volumes, country size, and different economic situations. Based on the GMS statistical design, a country's quality of service is determined by its delivery performance in respect of permanently measured flows, representing large inbound mail flows, and pools representing largely marginal flows. The pools concept ensures that mail from small countries will carry sufficient statistical weight to affect the overall performance of the destination country. This offers some protection to low-volume countries whose mail

might otherwise be disregarded as being insignificant when compared with larger flows from high-volume countries.

GMS Implementation Group

The GMS Interim Working Group (GMS IWG), created by the January 2008 POC to ensure the completion of the necessary preparatory arrangements for implementation of the UPU GMS, subject to the decision of the 24th Congress, successfully completed its mandate and its report, and its recommendations were endorsed by the POC in October 2008.

Recognizing that the GMS project still required considerable work in 2008 and 2009 in order to meet the launch requirements and ensure the smooth running of the GMS pilot involving 20 countries in 2009, and with a view to preparing for the subsequent implementation phase in 2010, and planning for the future integration of GMS measurement users, the October 2008 POC approved the creation of a GMS Implementation Group (GMS IG), reporting to Committee 1. To ensure the continuity and smooth progress of the project, and enhance efficiency, the group would comprise the former GMS IWG members, replacing departing members with GMS pilot members.

The new GMS IG comprises 11 members and is chaired by Walter Ledergerber from Switzerland, with Lee Hon Chew from Singapore as Vice-Chair. The other members are Botswana, Finland, India, Japan, the Netherlands, Portugal, Qatar, Saudi Arabia and the United States of America.

The GMS IG, supported by the International Bureau and a group of technical experts from member countries, has been working actively over the past few months to launch the call for tenders for the GMS; to plan for the pilot phase of the project; to finalize the proposed bilateral data confidentiality and data protection agreement to be signed between the IB and the designated operators participating in the GMS; to study and explore other sources of financing apart from the Quality of Service Fund to ensure the long-term financial sustainability of the GMS; and to develop, in consultation with the Quality Link User Group (QLUG), the proposed governance structure for the implementation phase, and prepare an optimal integration plan for approval by the POC in 2010.

GMS procurement

The GMS comprises RFID gates and tags, management and test letter production, and a central management information system. These elements will be interconnected through open interface standards.

Based on the GMS design specifications approved by the October 2008 POC, the calls for tenders for the RFID infrastructure (comprising the gates and tags), and panel management and test letter production were issued on 17 November 2008. The tender process was managed according to the UPU procurement rules.

By the closing date for the tenders on 9 January 2009, twelve bids had been received for the RFID infrastructure, and three for the panel management and test letter production. To assist the IB in evaluating the bids, two expert evaluation teams were created. The expert team for the GMS RFID infrastructure was chaired by Qatar and comprised technical experts from Finland, Spain and the IB. The expert team for the GMS panel management was chaired by Great Britain, with experts from Denmark, France, Sweden, the United States and the IB. The first phase of tender evaluation to select a short list of bidders was completed in February. It is envisaged that the contracts with the selected suppliers will be able to be signed in March 2009.

The central management information system (CMIS), designed to process and validate test item data, calculate performance results and produce reports as prescribed in the GMS design specifications, is being developed in-house by the UPU Postal Technology Centre (PTC). This system is expected to be developed and tested by the end of July 2009 to tie in with the running phase of the GMS pilot scheduled to take place from August to the end of the year.

The development costs for the CMIS will be funded through the generous donations of several member countries.

GMS pilot phase

The GMS pilot phase is scheduled to commence in April 2009 in the following 20 countries:

Chile	Romania
Greece	Saudi Arabia
India	Singapore
Korea (Rep.)	Slovakia
Malaysia	Spain
Mexico	Switzerland
Netherlands Antilles	Togo
Norway	Tunisia
Peru	United Arab Emirates
Qatar	Venezuela

Between April and July, the RFID infrastructure will be installed in the designated facilities of those GMS pilot members that currently lack such equipment. To ensure that the equipment functions properly, it will first be installed and tested in Qatar and Spain. These two countries have been selected to be the forerunners of the pilot because the diverse operational conditions there will constitute a stringent challenge for the testing of the RFID technology. As soon as the performance of the RFID equipment is proven in those two countries, the equipment will be deployed to the remaining countries.

For those pilot members with RFID equipment, the location and performance of their gates will be validated and the gates configured to route data concerning GMS test items to the central management information system. As regards panel management, recruitment and training of panellists will take place in accordance with the GMS design specifications.

The running phase of the pilot, with live test items, will take place from August to the end of the year, with calculation of the countries' performance and production of the GMS reports on a monthly basis.

Actual roll-out of the GMS will start next year with the 20 pilot members, and it is envisaged that a further 20 members will also participate in 2010. Through a phased implementation approach, the GMS is expected to have 100 participants by 2012.

The IB has been maintaining close and regular contacts with the designated GMS country managers of the pilot countries. They have been provided with detailed information on the pilot and on the actions expected of them to enable the GMS to be successfully implemented in their countries.

GMS country managers' workshop

To ensure that all the pilot members are fully conversant and confident with the GMS project, the GMS Implementation Group and the IB will be organizing the first workshop for GMS country managers in Berne on 26 March 2009, during the POC session. The purpose of the workshop is to provide the country managers with detailed information about the objectives of the GMS, its technical design, the costs relating to the system, the funding arrangements, mechanisms for ensuring confidentiality and protection of the data generated by the system, the governance structure, and the detailed project plan.

This workshop will provide a good opportunity for the country managers to meet and get to know one other, to clarify issues, share information, and work together as the GMS user community. Arrangements have also been made to set aside 27 March, the day after the workshop, for meetings with individual country managers to discuss and resolve specific issues they may have with the project.

RFID technology and its deployment in the GMS project

Based on the tender bids received, passive RFID technology that meets the project requirements will be selected for the GMS. This type of technology has been used by a number of UPU members in recent years, and has proven to be reliable and robust. Using this type of technology can also result in considerable savings when compared to the type of RFID technology currently used in the UPU Quality Link Measurement System.

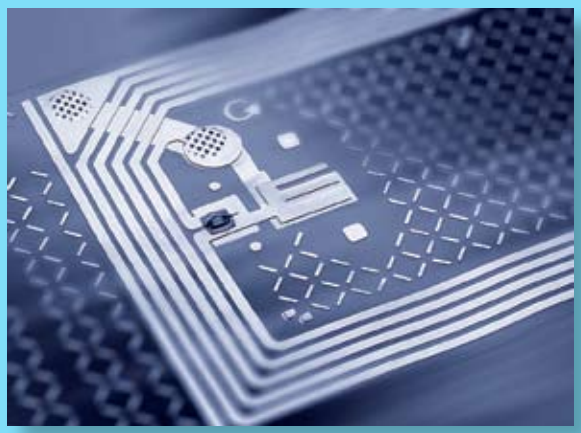
The deployment of the RFID equipment will be undertaken by the GMS contractor with the cooperation and support of the participating member countries. After the RFID gates at each site are installed, they will be fully tested and certified as GMS gates by the contractor before going into live operation.

Efficient and effective maintenance of the RFID equipment will be assured through global coverage provided by the contractor as part of the contract.

Regional workshops

During this year, the GMS will be deployed to the different regions through the pilot.

Recognizing the importance of the GMS to the UPU community, and wishing to ensure that members fully understand the benefits and implications of the system, the IB plans to organize a series of workshops this year in different geographical regions to provide more information to the countries, to explain the GMS project plan for 2010, and to dedicate specific training sessions to the country managers in the areas of data analysis and quality improvement.



Contacts

UPU Quality of Service Coordinator
Mr. Akio Miyaji
Operations and Technology Directorate
P.O. Box
3000 BERNE 15
SWITZERLAND
E akio.miyaji@upu.int
T +41 31 350 31 56
F +41 31 350 31 10

UPU GMS Project Manager
Mr. Antonio Caeiro
Operations and Technology Directorate
E antonio.caeiro@upu.int
T +41 31 350 34 52
F +41 31 350 31 10