



| Administrative instruction No. 32.Rev 4 of April 2016

Subject: Financial disclosure and declaration of interest statements

I. Introduction

1 The Council of Administration (CA C 3 2009.1–Doc 17) approved the UPU system of financial disclosure and declaration of interest statements. This programme is similar to the one introduced at the United Nations and other organizations in the UN common system.

2 This administrative instruction is issued in application of Staff Regulation 1.5bis and Staff Rule 101.8. It specifies the procedures and rules applicable for the implementation of the system of financial disclosure and declaration of interest at the UPU.

3 The system of financial disclosure and declaration of interest is aimed in particular at protecting the UPU and its staff members. It provides a mechanism for detecting perceived, potential or actual conflicts of interest between your responsibilities at the UPU and your private financial interests and activities and those of your spouse and dependent children. It is intended to help avoid risks of conflicts of interest and, where necessary, to remedy them in order to strengthen the governance of the International Bureau.

II. Definitions

4 For the purposes of this administrative instruction, the following definitions shall apply:

- a spouse: an individual whose personal status has been recognized as such for the purposes of UPU entitlements.
- b conflict of interest: real or apparent incompatibility between a staff member's private interests and either his official duties or the interests of the Union. This includes circumstances in which a staff member, directly or indirectly, would seem to benefit improperly, or allow a third party to benefit improperly, from his or her association in the management or the holding of a financial interest in an enterprise that engages in any business or transaction with the UPU.
- c financial disclosure period: period set for staff members to enter, confirm and transmit their data via the online financial disclosure filing system.
- d staff member: includes all staff of the International Bureau and of the regional project coordinators' offices, whatever their type of appointment (core or non-core, local or international), and also the following staff if they fulfil the participation criteria:
 - staff loaned to the UPU by other common system organizations;
 - UPU retirees engaged as consultants;
 - staff members on sick leave for a period of less than nine months, or on special leave (paid or unpaid).
- e relative: a spouse, father, mother, son, daughter, brother or sister.
- f stock option: a right or option to buy a specific number of shares at a later date, at a price set in advance.
- g reporting period: the calendar year prior to that in which the financial disclosure reporting period occurs. Staff members required to file a financial disclosure statement are required to provide the requested information in respect of that reference period. For example, for the 2012 filing the reference period is the 2011 calendar year.

- h financial disclosure system: online system entirely dedicated to UPU staff members' financial disclosure statements, accessible by means of a user name and password; all communications with the online financial disclosure system are encrypted (SSL certificate).

III. Obligation to file a financial disclosure statement or a declaration of interest statement

Financial disclosure statement

- 5 The following staff members are obliged to file a financial disclosure statement:
- a D 1 or higher staff: all staff members at grade D 1 or above, without exception.
- b Staff members in charge of procurement or whose main function is the procurement of goods and services for the UPU, i.e.:
- all staff members, whatever their grade, with a spending authorization of 5,000 CHF or more;
 - all staff members authorized to approve consultancy or personnel contracts, regardless of the value of the contract.
- c All staff members whose main function is the investment of UPU assets or assets of the UPU Provident Scheme or the investment of funds of any accounts for which the UPU has fiduciary or custodial responsibility, i.e.:
- all Finance Directorate (DFI) staff members having significant material involvement in the investment of UPU assets;
 - all staff members having significant material involvement in the investment of Quality of Service Fund, Special Fund or Voluntary Fund assets.
- d All staff members whose direct access to confidential procurement or investment information warrants the filing of a financial disclosure statement:
- all members and deputies of the Tenders and Procurements Committee;
 - all staff members involved in the UPU Provident Scheme Investment Committee (members and official deputy members, including Investment Committee secretariat).
- e All staff members involved in direct negotiations with the private sector. Direct negotiations with the private sector means:
- fundraising activities;
 - partnerships linked to business activities (e.g. .POST, GMS);
 - partnerships with entities that are not de jure observers, subject to the following:
- This last criterion does not extend to:
- the provision of technical cooperation tools to designated operators (e.g. IFS, IPS); or
 - partnerships with other international organizations.

Declaration of interest statement

- 6 Staff members whose remuneration is symbolic, staff members recruited on a short-term contract and seconded staff members occupying a rank or performing tasks covered in § 5 have the obligation to file a declaration of interest statement instead of a financial disclosure statement.

List of names

7 The Director General will decide on the list of names of the staff members required to file a financial disclosure statement or a declaration of interest statement under § 5. The staff members required to file a financial disclosure statement or a declaration of interest statement will be notified individually by the Administrator of the UPU financial disclosure system.

IV. Scope of financial disclosure statement with respect to staff members, spouses and dependent children

8 Staff members who are required to file a financial disclosure statement are required to report the following in respect of themselves, their spouse and dependent children (if any):

- a Assets held that have a market value of 10,000 USD or above per asset, or the equivalent in local currency at the United Nations operational rate of exchange (www.un.org/Depts/treasury). Assets to be reported include, but are not limited to, bank accounts, stocks, bonds, mutual fund investments and real estate. Personal property¹ should be reported only if it is held for investment or business purposes.
- b Any profit of 10,000 USD or more on the sale of personal property that is held for investment or business purposes.
- c All stock options, publicly listed or private, regardless of value.
- d Income earned from sources other than the Union in the reporting period, including from investments listed in point a above, any form of deferred emoluments from prior employment (but excluding UPU Provident Scheme or other pension benefits received from prior employment), or profit shares from prior employment partnerships, if the total of all such income is 10,000 USD or more in the reporting period.
- e Any form of supplement, direct or indirect, to Union emoluments, including provision of housing or subsidized housing, or any gift, per diem, reimbursements, entertainment or travel expenses, favour, benefit, remuneration or in-kind contribution from any government, governmental agency or other non-Union source,² aggregating 250 USD³ or more from a single source during the reporting year, other than dependency benefits under national laws, travel and per diem for approved outside activities and residential accommodation that has been accepted by the Union or other UN common system organization for its staff. Gifts from relatives are not required to be reported.
- f Liabilities of 50,000 USD or more owed to any creditor, including a mortgage on the staff member's personal and/or vacation residence, as well as liability to a former spouse. Liabilities owed to a parent, sibling or dependent child are excluded.

V. Applicable date for values and rates of exchange

9 For the purposes of filing the statements required pursuant to the present administrative instruction, the applicable date for all values and rates of exchange is the date of disclosure.

VI. Follow-up questions

10 Each staff member required to file a financial disclosure statement or a declaration of interest is required to answer the follow-up questions about him, his spouse and his dependants.

- a Staff members must report their involvement in any other activity, whether or not subject to the Director General's approval under the applicable Staff Regulations and Rules, that could adversely

¹ Such as motor vehicles, boats, livestock, furniture, carpets, jewellery and art.

² Staff members should ensure that they are aware of and act in accordance with Staff Regulation 1.8, Staff Rule 101.10 and administrative instruction (DRH) No. 27 concerning the receipt of honours and gifts.

³ For the purposes of the financial disclosure statement, the value of a gift or asset of 300 CHF corresponds to the 250 USD value limit indicated in the online financial disclosure statement form.

affect their objectivity or independence in the exercise of their functions for the UPU or otherwise tarnish its image or reputation.⁴ They must indicate:

- i any leadership or decision-making role in any entity external to the UPU⁵ (e.g. member of a corporate board, non-governmental organization, governmental or quasi-governmental agency);
 - ii any other activities during the reporting year that could affect their objectivity or independence in the exercise of their official functions for the UPU or in any other way affect the UPU's image or reputation;
 - iii the name of any family member (spouse, father, mother, son, daughter, brother or sister) employed by a United Nations organization during the year in question;
 - iv whether they exercised a position of authority or supervision over their spouse, or vice versa, during the period in question in cases where the spouse was also a UPU staff member.
- b Staff members must report a spouse's or dependent child's financial or other interest in, or association with, any entity with which they could have dealings on behalf of the UPU, or any entity which has a commercial interest in the activities of the UPU or which shares a common area of activity with it, or any collaboration between the aforementioned persons and such entities.
- 11 Staff members unable to comply with the financial disclosure requirements in respect of their spouse must submit a detailed explanation to the Administrator of the financial disclosure system, which will decide whether the reasons given for the particular circumstances are justified, and, in each case, make recommendations to the staff member and/or to the Director General. A filing exemption form for the spouse may be downloaded from the intranet page relating to ethics.

VII. Verification procedure

- 12 For the verification procedure, a number of staff participating in the financial disclosure exercise are chosen at random by the external service provider and must provide the latter with supporting documents. These staff members must provide the external service provider with supporting documents in relation to their financial disclosure statement. To facilitate provision of these documents, staff members are invited to upload them to the online declaration system. Drop-down menus can be used to specify the type of document, its reference date and the category of element of the financial disclosure statement it relates to.

VIII. Forms

- 13 Staff members who are required to file a financial disclosure statement should use the financial disclosure form available in electronic form only and complete it online following notification and transmission of the requisite password by the Administrator of the financial disclosure system.
- 14 Staff members required to file a declaration of interest should complete only parts G and H of the online financial disclosure statement.
- 15 Staff members required to file a disclosure statement or declaration of interest must install the encryption certificate, issued by the Administrator of the financial disclosure system on a USB stick, on the computer they will use to complete the form before accessing the relevant site. The certificate must also be installed on the computer used for all encrypted electronic communications with the service provider.

⁴ Staff members should ensure that they are aware of, and act in accordance with, Staff Regulation 1.5.3 concerning, inter alia, the prohibition of engaging in any activity that is incompatible with the proper discharge of their duties.

⁵ Staff members should be aware of the requirement in article 1.6.1 of the Staff Regulations to obtain the prior approval of the Director General to engage in an outside employment or activity, whether remunerated or not. Staff members should also be aware of Staff Regulation 1.5bis.1 prohibiting staff members from active association in the management of a business or other concern where there is the possibility of a conflict of interest.

IX. Confidentiality

- 16 The confidentiality of the personal data of staff members and their family members is guaranteed. This is an extremely important part of the financial disclosure and declaration of interest system. The International Bureau thus has the right to take cognizance of personal data relating to a staff member's financial situation only when it has an overriding interest to do so.
- 17 The Administrator of the financial disclosure system will distribute USB sticks containing the installation guide for the certificate and the encryption certificate itself to the staff members required to file a financial disclosure. The encryption certificate must be installed on the computer that the staff member uses to complete the financial disclosure/declaration of interest statement. The site cannot be accessed without prior installation of the certificate.
- 18 All communication with the financial disclosure website is encrypted via SSL, meaning that the site can be accessed only by means of an https URL. The data provided will be stored on secure servers, located in Switzerland, used exclusively for the financial disclosure programme.
- 19 The UPU has outsourced the analysis of financial declarations and declarations of interest. The external service provider is bound by confidentiality. The confidentiality of the personal data of staff members and their family members is guaranteed. For extra security, the data entered and submitted by those filing will be stored under anonymous random identifier numbers, and not the staff member's name. In addition, all e-mail communications between the staff member and external service provider can now be sent through the system, enhancing confidentiality still further. The sender (staff member or service provider) needs to connect to the system to send a message to the other party. The addressee receives a message automatically generated by the system informing him that he needs to connect to the system to receive a message from the sender. The encrypted messages are thus stored on the secure server. Staff members may, however, opt for an alternative means of communication with the service provider if they prefer.
- 20 The external service provider can read each declaration in order to analyze it.
- 21 The Administrator of the financial disclosure system acts as system administrator. As such, it will be able to manage invitations and check the status of each disclosure statement (declaration not commenced, commenced, completed, "rework" status when the external service provider requires additional information or correction of the statement, or "reworked" status when the staff member has completed or corrected his declaration). It does not have access to the financial disclosure statements filed by staff members.

X. Filing procedures

- 22 The deadline for filing annual financial disclosure statements will be notified to staff by internal memorandum. All declarations must be filled in online.
- 23 Any person offered an appointment at a level or position that would require disclosure pursuant to § 5 or 6 above should file an initial financial disclosure or declaration of interest statement, relating to the 12-month period immediately preceding the offer.

XI. Certification

- 24 Staff members making disclosures pursuant to the terms of the present administrative instruction will be asked to certify that the information disclosed is true, correct and complete to the best of their knowledge and belief.

XII. Final provisions

- 25 This administrative instruction replaces administrative instruction No. 32.Rev 3 of 12 May 2014 and takes effect immediately.