



Call for tenders UPU internal audit services

Publication of call for tenders	7 July 2023
Deadline for submission of queries	31 July 2023
Deadline for provision of responses to queries	7 August 2023
Deadline for submission of tenders to the UPU	10 August 2023 at 17.00 (CEST)
Estimated start of engagement	January 2024

We are based in Kenya kindly advise if we are eligible to apply for UPU internal audit services

Under the UPU procurement policy, there is no geographical restriction on vendors that want to apply for tenders launched by the UPU. However, vendors should take into consideration the additional costs (travel, accommodation, etc.) of carrying out tasks from UPU headquarters in Berne, and include those costs in the offer.

I need your kind clarification regarding the following portion in section 3 of RFP: For each of the requirements listed in this call for tenders, Bidders shall answer with one of the following statements:

- Covered;
- Covered with limitations (explaining relevant limitations);
- Not covered.

Where the answer is “covered” or “covered with limitations”, Bidders shall provide further details and/or examples of existing implementations of their solution in the field (existing use cases).

Could you give me some clarification about the above? What are examples means?

Bidders answering “Covered” or “Covered with limitations” for a particular requirement need to explain how they will implement the requirement, and if possible also provide examples of similar implementations already carried out in the field.

Is it mandatory for the bidder to have legal presence in Switzerland

It is not mandatory for the bidder to have a legal presence in Switzerland. Please refer to the following paragraphs extracted from the call for tenders for further clarification:

4.5 Location of the services – “The Vendor or its assigned consultant shall in principle work from its own premises or his/her home office. The Vendor or its assigned consultant shall liaise and work closely with the UPU (as instructed by the latter) and may be required from time to time to carry out certain tasks from the headquarters of the UPU in Berne, Switzerland.”

4.7 Other requirements – “[...] Bidders shall also confirm that their tender covers all costs associated with the provision of the services referred to herein. Any other costs to be incurred by the Vendor, including any travel and subsistence costs incurred in the provision of the services at locations other

than its own premises and specifically designated by the UPU shall be subject to the prior written consent of the UPU. No other fees shall be paid, with the exception of reimbursement of other unavoidable costs incurred for successful delivery of the services, which shall also be subject to the prior written consent of the UPU.”

Will the UPU facilitate getting the VISA and permits

No.

What are the required qualifications for the staff

No specific qualifications are mentioned in the call for tenders. However, as stipulated in the latter, “Due consideration will be given to Bidders’ specific backgrounds, qualifications and experience in relation to the required services”. Further in the same sub-section, it is stated that one of the three criteria against which tenders will be evaluated is “Knowledge and experience of the Bidder and its team and/or consultant(s), as applicable to the subject matter”. This implies that, the more qualified bidders are, the more likely they are to be selected if the other two criteria are also met.

How many physical locations are in-scope for the assessment?

One physical location: Berne, Switzerland.

Please refer to the following paragraph of the CFT:

4.5 Location of the services – “[...] The Vendor or its assigned consultant shall liaise and work closely with the UPU (as instructed by the latter) and may be required from time to time to carry out certain tasks from the headquarters of the UPU in Berne, Switzerland.”

Is UPU currently ISO27001:2013 certified? If so, when is the next certification date?

No

Is the assessment still based on ISO27001:2013 or ISO27001:2022?

N/A

Is there a formal and documented Risk Management Program in place?

There is an Internal Control System Manual.

"It is mentioned in the RFP that the audit plan is based on the risk assessment. When was the latest risk assessment conducted?

The latest risk assessment was conducted in 2021.

Does the service provider need to execute the initial risk assessment for the 6 years or will this exercise already be conducted and the provider can leverage on this for its audit plan?

The service provider will need to perform the risk assessment before conducting the audit activities. It can be provided with the copy of the results of the risk assessment carried out internally in 2021.

When is the reporting of the internal audit to the Council of Administration planned (time during the year and frequency)?

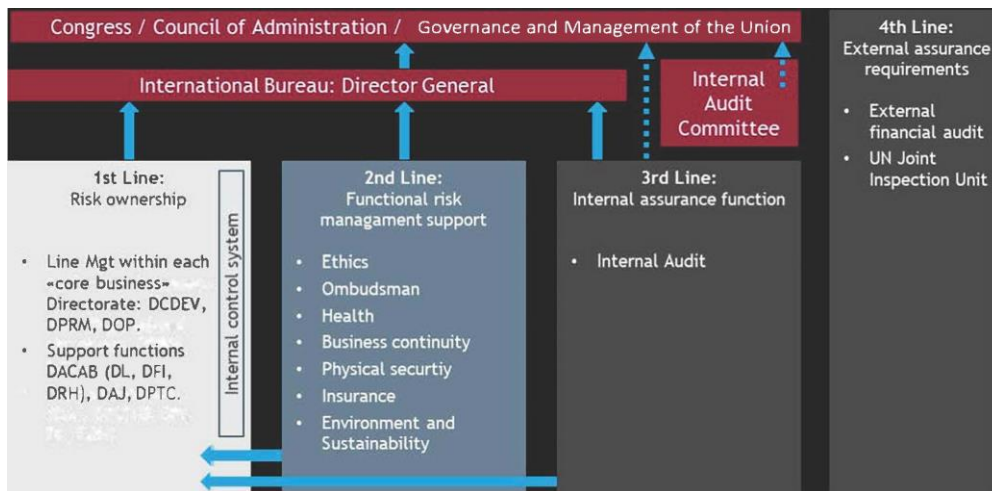
Once a year, normally at the autumn session (October/November).

It is mentioned in the RFP that additional activities such as investigations could be conducted. Are there any other additional activities, which we should consider for this RFP?

No other additional activities are foreseen at the moment. Please note that the annual follow-up of the pending recommendations is part of the mandate.

Would you be so kind to describe the existing internal control system in place at UPU?

Please refer to the following chart:



In case our legal team has some queries with regards to UPU's terms and conditions, which needs to be addressed confidentially, what is the best way to proceed would you like to organize a bilateral discussion before the submission of offers or these should take place post the submission of bids?

- In accordance with section 3.8 of the relevant call for tenders document, all bidders must include, in their bids, a statement of acceptance of the UPU General Terms and Conditions for the Provision of Services;
- As per the same section, the final terms of any contract arising from the call for tenders shall be defined by the UPU and accepted by the Vendor; any negotiations related thereto may commence only after the final selection of the Vendor by the UPU;
- Without prejudice to the above requirements, the UPU might exceptionally consider certain minor derogations from its General Terms and Conditions, depending on the specific scope of contracted services;
- Potentially confidential and Vendor-specific remarks might arise during the aforementioned contractual negotiation process – however, they should not deviate from the overall scope of acceptance of the UPU General Terms and Conditions. In other words, if there are any substantive questions concerning those terms and conditions, they should be submitted prior to the submission of any bids to the UPU, as per the procedure described above. At this stage there would be no possibility of “confidential” bilateral queries;

We understand from section 4.5 that the internal audit service can be delivered remotely. Please confirm if this is the case.

Under the UPU procurement policy, there is no geographical restriction on vendors that want to apply for tenders launched by the UPU. However, vendors should take into consideration the additional costs (travel, accommodation, etc.) of carrying out tasks from UPU headquarters in Berne, and include those costs in the offer.

Please refer to the following paragraph of the CFT:

4.5 Location of the services – “[...] The Vendor or its assigned consultant shall liaise and work closely with the UPU (as instructed by the latter) and may be required from time to time to carry out certain tasks from the headquarters of the UPU in Berne, Switzerland.”

What proportion of total internal audit time in the year do you envisage will be based on tasks carried out in your headquarters in Berne?

No specific proportion, and it is up to the service provider to organize their time. As mentioned above, the service provider will need to be on site at UPU headquarters in Berne, Switzerland, to carry out certain tasks in relation to the audit mission.

Do you expect any internal audit work to be conducted at any of your member countries and/or other entities?

No.

How many internal audit reviews do you expect to be completed in a year?

Two to three. This will be decided at the beginning of the year with the Executive Management.

How many internal audit reviews were planned and completed over the past three years?

Two to three audit missions per year plus a follow-up of the previous recommendations.

Are you able to share your current or prior year internal audit plan please?

For the year 2022:

- Recruitment process
- Project management of the new website
- Separation from service

d) How many planned days do you expect the annual audit plan to comprise?

It is up to the service provider to propose the planned days, taking into account the budget limit set in the CFT.

Where you mention the following: “For each of the requirements listed in this call for tenders, Bidders shall answer with one of the following statements....” please can you clarify what you mean by “requirements listed”?

Please refer to part 4, “Service requirements” (4.1.1 Description of activities) of the CFT.

What is your expectation when you say “Evaluate the control environment with reference to current principles;”

This is part of the planning of the audit activities, including the risk assessment and evaluation of the control environment in the organization.

With reference to your statement - “Conduct audit activities with regard to all UPU risk areas, notably accounting, finance, human resources and IT (e.g. one key process per year)” - when you say, “key process” are you referring to for example “finance” or “IT”? If not, please provide an example of what you mean by “key process”.

Finance, human resources, IT, and also operations

In order for us to determine what audit activities to complete, we carry out risk analysis. This in turn is informed by; inter alia, a review of an organization’s risk register. Can we have sight of the UPU’s risk register please?

The relevant documents will be made available to the final selected internal audit services provider.

Whilst we note your requirement for reports to be presented in French and English, our auditors will, on a day-to-day basis, communicate verbally in English whilst carrying out audits. Is that acceptable please or will you also expect the team to be able to communicate verbally in French.

The internal audit services provider is expected to communicate verbally with UPU staff in both languages when conducting the audit missions.

How many “entities” will be subject to the UPU’s internal audit regime (can you provide an organogram/structure chart illustrating the entity structure)?

The UPU International Bureau, which is composed of directorates: Administration and Cabinet Directorate (Logistics Directorate, Finance Directorate, Human Resources Directorate); Postal Operations Directorate; Policy, Regulation and Markets Directorate; Development and Cooperation directorate; Postal Technology Centre Directorate.

Are your key processes centralized in your headquarters in Berne?

Yes

Does the internal audit budget include all taxes?

Please refer to paragraph 2.11 of the CFT:

2.11 Tax exemption – Pursuant to article III, section 9, of the Convention on the Privileges and Immunities of the Specialized Agencies, the UPU is exempt from all direct taxes and from customs restrictions, duties and charges of a similar nature in respect of articles imported or exported for its official use. 6 Furthermore, as an intergovernmental organization and a specialized agency of the United Nations, the UPU is exempt from value-added tax (VAT) in Switzerland (OLTVA, article 22; Instructions 2001 sur la TVA, articles 574, 816 and others), as well as in other countries. Therefore, all prices shall be indicated in “net” form, without VAT or similar taxes.

Does the internal audit budget include an estimate for disbursements (travel to entity sites, including travel to Berne, accommodation, per diems etc).

All costs shall be included in the offer, taking into account the budget limit set in the CFT.

Do you require the tender to be written in a preferred font, i.e Arial 11?

No specific requirement.

Do you require the tender to be in a PDF format when submitted?

No specific format.

The estimated expenditure subject to audit each year?

The annual budget for internal audit services is 100,000 CHF.

Frequency of audit i.e. annually, quarterly and monthly?

Two to three audit missions per year plus an annual follow-up of the pending recommendations.

Estimated time input.

It is up to the service provider to propose the planned days, taking account of the budget limit set in the CFT.

Can you provide us more details on the audit topics covered in the last six years (e.g. audit title and type of audit (limited review, extended/full-scope audit, etc.)?)

For the year 2022:

- Recruitment process
- Project management of the new website
- Separation from service

On average, how many audits were performed per year over the last six years?

Two to three audit missions per year plus a follow-up of the previous recommendations.

What was the extend / number of audits performed abroad over the last six years?

None.

How many internal audits are planned per year?

Two to three audit missions per year plus an annual follow-up of the pending recommendations.

Are specific periods of the year already planned for the audits (e.g. spring and autumn 2024), or can the audits be freely planned in consultation with the stakeholders?

The planning will be done at the beginning of each year with Executive Management.

Are you interested in bringing data analytics into internal audit to enhance internal audits? If yes, would you prefer to integrate data analytics into the individual internal audits (i.e. perform data-driven internal audits), or generally set up data analytics from scratch so that you can perform data-driven internal audits yourself in the future?

It depends on whether additional budget is required.

Is the scope of internal audit activities limited to the mentioned subject areas finance, human resources (HR) and IT (see RFP, page 9)? The Annex 2 (Charter of internal auditing) is referring to financial audits, compliance audits and value-for-money audits - are therefore also other topics (e.g., operations) included in the scope?

Apart from HR, IT and finance, operations can be also included in the scope.

Does the "follow up on recommendations resulting from the internal audits of previous years" (RfP, page 9) include recommendations performed prior 2024 by the previous internal audit service provider? Or does the follow-up only include the recommendations made during the contract period?

Yes, the follow-up will include all pending recommendations issued by the previous internal audit service provider.

What is the subject of the follow-ups? Are current recommendations and their correct and timely implementation to be monitored?

The report of the follow-up will confirm the status of all pending recommendations (implemented, to be closed or in progress).

What are the key IT application for the focus areas/process finance, HR, and IT?

No information at this stage.

Do the deliverables have to be PwC-branded or not?

No specific requirement.

Will the deliverables be shared with external parties?

To be shared within the UPU (including member countries) and with the external auditor (Swiss Federal Audit Office).

Is it correct to assume that a separate contract is signed for each ad-hoc service/one-off investigation?

A separate contract can be signed for ad-hoc service/one-off investigation.