

Year of issuance	Report title	Recommendation reference	Recommendation	Priority	Directorate	Deliverables and implementation details	Comment from the auditor during last follow-up	Deadline
2020	Audit of 2019 financial statements	4/20338	<p>Recommendation 4 The SFAO recommends inventorizing the UPU stamp collection. In addition, to improve the physical protection of the collection, plans should be made to relocate collection B.</p>	Not specified	DL	<p>Follow-up of January 2023 Implementation of a 3-phase plan : - 1st phase: physical reorganisation of the UPU stamp collection and separation of collections A and B (2019-2021) - 2nd phase: electronic archiving and digitisation (2021-2024) - 3rd phase: inventory and valorisation of the universal stamp collection (2024-2027) For the physical conservation of Collection B, the International Bureau has contacted companies and institutions specializing in archiving to determine the cost of storing this collection (space, procedure and period). An analysis will then be conducted which would cover access control, storage infrastructure and natural risks in order to guarantee the security and durability of the physical collection.</p> <p>Proposed action plan [follow-up of August 2022]: Separation of collection A and B is actually still in progress. The target is to fully archive collection B by June 2023. Reason of the delay: Philately programme is facing an under-staff situation. However, the hiring of temporary 40% staff dedicated to the Collection follow-up will help to resume the work and complete phase 1.</p> <p>Still no financial means in the medium term to implement phase 2 and 3.</p> <p>Follow-up July 2023 Specific budget has been requested for 2024 to initiate some tasks of phase 2 and 3 as the 2023 situation of staff and budget do not allow to allocate any resources (internal or external) to it.</p>	<p>Status according to the follow-up conducted in May 2023: For implementation of the recommendation, three phases were planned: - Phase 1: physical reorganization of the UPU stamp collection and separation of collections A and B (2019–2021). This phase was completed in the first quarter of 2022 by moving collection B into a separate room in the building. During a tour of the organization's premises, the SFAO was able to observe that the stamps are kept in a secure room. The UPU is replacing the stamp protection equipment in 2023. The stamps are in the process of being sorted and classified. - Phase 2: electronic archiving and digitization (2021–2024). Electronic archiving represents a cost for the organization. The UPU is studying the possible options. - Phase 3: inventory and valuation of the universal stamp collection (2024–2027).</p>	12/31/2027
2020	UPU IT Governance	3/20091	<p>Recommendation 3 The SFAO recommends that the UPU take stock of risk management practices, define work priorities, and launch a project dedicated to improvement. This project should aim to achieve a unified approach to risk management, as well as shared processes and tools, and a common understanding of risk management issues.</p>	Not specified	DCTP	<p>[Sept. 21] On track. The first ITAC meeting will establish the responsibilities.</p> <p>Proposed action plan: [DCTP Director - 05.22] Management tool available (improve.upu.int) and already used by DCTP for ISMS risk management (DACAB decision to proceed)</p> <p>[DCTP Director - 08.22] Same status.</p> <p>Follow-up of January 2023 [DCTP Director - 2023-02] Same status.</p> <p>Follow-up of July 2023 [DPTC Director - 2023-07] Audit recommendations, Executive Workplan Dashboard, POC/CA Deliverables Matrix, DPTC ISMS risks management implemented on the improve.upu.int platform</p>	<p>Status according to the follow-up conducted in May 2023: The UPU has begun implementing this recommendation.</p>	End of 2022
2020	UPU IT Governance	5/20091	<p>Recommendation 5 The SFAO recommends that the UPU define and implement architectural governance, adopting an approach and principles that are in line with IT activities for the International Bureau and the Telematics Cooperative. The UPU should ensure that it defines in advance the level of maturity envisaged for this initiative.</p>	Not specified	DCTP	<p>[Sept. 21] On track. ITAC will establish the responsibilities.</p> <p>Proposed action plan: [DCTP Director - 05.22] IB IT Strategy 2022-2025 document approved by DG (02/05/2022)</p> <p>[DCTP Director - 08.22] Action considered complete. No further action is planned</p> <p>Follow-up January 2023 [DCTP Director - 2023-02] Monthly ITSC meetings in place to track the implementation of the IB-IT Strategy and related projects.</p> <p>Follow-up July 2023 [DPT Director 2023-07] Meeting with External Auditor to established the expecific gaps in the IB IT Strategy 2022-2025 conducted</p>	<p>Status according to the follow-up conducted in May 2023: The UPU has defined the IT strategy for 2022–2025 and established monthly meetings to measure implementation of this strategy. The UPU laid down a first set of principles, relating in particular to architecture, in its IT strategy for 2022–2025. The strategy also sets the objective of creating a service management group, with the aim of exploiting infrastructure synergies. This group could form the blueprint for an architecture body, but it has not yet been established. The SFAO found no significant progress with regard to the methodology, results and target maturity of IT architecture governance. The recommendation has been partially implemented.</p>	End of 2022

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2021	Audit of 2020 financial statements	1/20339	Recommendation 1 The SFAO recommends that the UPU put into place an annual risk assessment at the organization level.	medium	DPRM	<p>In December 2021, the UPU IB carried out a revision of the report of the strategic risk assessment which was conducted in June 2021. All UPU IB directors took part in this exercise. In 2022, following an internal discussion, it is suggested that the strategic risk assessment/review be carried out every two years (and not on a yearly basis) in order to be in line with the strategy cycle (Congress cycle and mid-term review of the strategy implementation). The next assessment will be conducted in June 2023 prior to the UPU Strategy Conference to be held during the Extraordinary Congress. The DG's comments to SFAO's recommendation is revised accordingly.</p> <p>This recommendation was re-assigned to DPRM</p> <p>Follow-up of January 2023 Starting February 2023, the KCTT.IS team will conduct a series of internal consultation and focus group discussions with IB staff, including line Directors, to set the direction of travel for the Dubai Strategy. Part of this process will be dedicated to a refresh of the organization risk assessment.</p> <p>Follow-up of July 2023: Starting February 2023, the KCTT.IS has been conducting internal consultations and focus group discussions with IB staff, including line Directors, to set the direction of travel for the Dubai Strategy. The organization risk assessment is planned with all D1 and D2s in the last week of November 2023.</p>	Status according to the follow-up conducted in May 2023: The UPU Management met in December 2021 to re-evaluate the risks. The minutes from this meeting do not include any conclusion on the current risk assessment. The UPU's new Management has decided to carry out a risk assessment every two years in line with the organization's cycle. The next assessment will take place in 2023 for the Riyadh Extraordinary Congress.	end of 2023
2022	Audit of 2021 financial statements	2/21481	Recommendation 2 The SFAO recommends that, initially, the UPU review the processes and responsibilities assigned to the directorates. Subsequently, the UPU must update the risk and control matrices so as to focus on the key risks and controls, reflect operational processes, and avoid redundancy.	High	DACAB	<p>Follow-up of January 2023 Through a series of meetings, processes and responsibilities have been reviewed and risk and control matrices were updated accordingly.</p> <p>Follow-up of July 2023 In addition to the actions undertaken in 2022 to implement the recommendation, we are going to continue working on ways to refine the risk and control matrices. Actions are being taken to review and update the description and documentation of the International Bureau key processes. This will help update the risks associated to key processes as well as appropriate control measures and ensure that risk and control matrices reflect operational processes and are focused on those key risks and control measures.</p>	Status according to the follow-up conducted in May 2023: The DACAB has launched a review of its risk and control matrices. The DRH matrix was only adapted in May 2023. That department is responsible for processes that have a financial impact on the annual accounts, which is of key importance for the annual closing. Retroactive application of a risk and control matrix is not possible as it is a day-to-day operational tool. The SFAO will analyze this new matrix during its next audit. During its interim audit, the SFAO noted that there were still areas for improvement in the revised matrices, particularly for the DF: <ul style="list-style-type: none"> • The frequency of controls is not completed or defined for every control. • The description of the proof of the control is not completed or defined for every control. • Certain control descriptions assume that it has not yet been put in place. • External audits are sometimes indicated as controls. The third line (internal audit) and fourth line (external audit) should not form part of the organization's ICS. • Certain controls are still activities. 	11/30/2022
2022	Audit of 2021 financial statements	3/21481	Recommendation 3 The SFAO recommends that the UPU ensure that each item identifier is sufficiently linked to the new version to allow for good traceability and to further formalize the development, test and implementation stages, as well as the phases to approve changes and the tests.	high	DCTP	<p>Director General's comments The UPU IB agrees with this recommendation. Technical governance will be transferred to the Postal Technology Centre management, which will be in charge of formalizing change management at the ERP level. (Scheduled date for implementation: December 2022, DCTP)</p> <p>Follow-up of January 2023 [DPTC Director - 2023-02] - Technical review of the Navision system - December 2022 - DPTC recommendations on the transfer of technical governance to ITSC - January 2023</p> <p>Follow-up of July 2023 [DPTC Director- 2023-07] Evaluating plan to upgrade to the Business Central. Subject to resource and budget availability</p>	Status according to the follow-up conducted in November 2022: This recommendation has not yet been implemented. The SFAO was unable to link each modification (new version) made to the Navision production environment to the corresponding business requirement or need.	12/31/2022

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2022	Audit of 2021 financial statements	10/21481	Recommendation 10 The SFAO recommends that the UPU formally document its key controls in procedures related to staff expenses.	medium	DRH	<p>Director General's comments The UPU IB agrees with this recommendation. The Human Resources Directorate will ensure that the flowchart and the matrix of risks and control are aligned with the operational procedures established, and formally document the organization's key controls in procedures related to staff expenses. (Scheduled period for gradual implementation: December 2022 to June 2023, DRH)</p> <p>Follow-up of January 2023 Preparation of matrix: April 2023 EM approval: May 2023 Implementation: June 2023</p> <p>Follow-up of July 2023 The matrix of risks was reviewed in May 2023 to reflect key HR processes.</p>	Status according to the follow-up conducted in May 2023: The DRH risk and control matrix was only adapted in May 2023. The SFAO will analyze this new matrix and the key control documentation during its next audit.	6/30/2023
Total								7