

**COUNCIL OF ADMINISTRATION****Committee 1 (Governance and Management of the Union)****Report of the Ethics Office****Memorandum by the Secretary General**  
(Agenda item 7)

<b>1 Subject</b>	<b>References/paragraphs</b>
/ Report of the Ethics Office.	§§ 1 to 5 and Annex 1
<b>2 Decision expected</b> Take note of this report and make any comments.	§§ 1 to 5 and Annex 1

1 In 2014, the Director General of the International Bureau (IB) was instructed by the Council of Administration to outsource the Ethics Office function to an external partner. Following a call for tenders process, PwC, which provided this service from 2018 to 2021, was selected again to fulfil this function for the period from 2021 to 2025.

2 For the year in question (2022), IB staff and non-staff members were able to contact the Ethics Officers directly via the hotline. The Ethics Office received one phone call, as well as two visitors subsequent to the ethics training session. No incidents were reported to the Ethics Office in 2022.

3 In 2022, the Ethics Office provided a mandatory ethics training session entitled “Preventing Fraud and Corruption” for all IB staff and non-staff members. The purpose of the training was to increase awareness of fraudulent behaviour. The training module was established on the basis of the UN Secretariat information circular entitled “Anti-Fraud and Anti-Corruption Framework of the United Nations Secretariat”, the corresponding UN training course and PwC’s expertise on these topics. The training was delivered by means of two sessions in English and two in French, which were all held on site at the IB, enabling face-to-face interaction and discussions. The sessions were recorded and sent out to all those who were unable to attend. In total, 287 staff and non-staff members were invited to take part in the training sessions. The rate of completion was 92%.

4 In addition, two newsletters were distributed to staff members and published on the intranet in the course of the year. One of these was a follow-up on the training provided during the previous year on the UPU speak-up culture. The second related to the prevention of fraud and corruption, in preparation for the ethics training planned for 2022.

5 Lastly, the Ethics Office contributed to implementing the recommendations of the Joint Inspection Unit (JIU) on the update to the whistle-blowers policy and the introduction of a mandatory conflict of interest disclosure form to be signed by staff members. The Ethics Office also had a meeting with the JIU team to follow up on the JIU review of the ethics function in the UN system.

Berne, 16 March 2023

Masahiko Metoki  
Secretary GeneralDIRCAB.GOUV  
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## **Annual Report 2022**

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## **1 Introduction**

This annual report covers all activities of the UPU's Ethics Office in 2022. This report and all activities are in accordance with the agreement "Contrat de prestation de services pour le service de bureau d'éthique de l'Union postale universelle" as agreed and signed by UPU in August 2021 and signed by PwC in July 2021.

## **2 Services provided by the UPU Ethics Office**

### **2.1 Services according to the agreement between UPU and PwC**

The establishment of an Ethics Office was approved in 2009 by the UPU Council of Administration (CA C 3 2009.1–Doc 17). Subsequently, in 2014 the Council of Administration instructed the Director General to outsource the Ethics Office function to an external partner.

In April 2018, UPU has externalised the role of its Ethics Office to PwC. In 2021 the mandate was again awarded to PwC for a period of four years. The aim of the Ethics Office is to support the Director General ensuring that UPU staff act in accordance with their mission and carry out their duties in compliance with the highest standards of ethics and integrity.

Under the agreement between UPU and PwC, the Ethics Office provides services related to UPU's compliance framework. According to this agreement, the mandate is described as follows:

- Review, feedback, and development of relevant Administrative Instructions
- Providing staff training sessions on topics related to ethics
- Awareness-raising campaigns on topics related to ethics (e.g., via short newsletters)
- Advice and guidance to the management of the International Bureau so that the rules, internal regulations, procedures, and practices of UPU reinforce and promote the qualities of integrity
- Preparation of an annual report on the activities carried out
- Operation of the incident response system (whistleblowing)
- Response and verification of reported incidents
- Providing staff with confidential advice and guidance on matters of ethics (e.g., conflict of interest, gifts and invitations)

### **2.2 Ethics Office**

The Ethics Office is composed of Birgit Gallus, Susanne Hofmann, Angelo Mathis and Nadja Felix.

## 2.3 Administrative Instruction

The services of the Ethics Office are related to the following administrative instructions:

<b>Administrative Instruction</b>	<b>Subject</b>
<b>DAJ No. 36 of 4 November 2011</b>	Outside activities
<b>DAJ No. 35/Rev 1 of 15 November 2017</b>	Protection of individuals who report misconduct and cooperate with duly authorized audits or investigations
<b>No. 32 Rev 4 of April 2016</b>	Financial disclosure and declaration of interest statements
<b>DRH No. 27 of 30 July 2004</b>	Acceptance of favours and gifts
<b>DRH No. 26/Rev 1 of 15 March 2021</b>	Disciplinary measures
-	Code of Conduct - An employee's guide to proper professional conduct
<b>DRH No. 34/Rev 1 of 15 November 2017</b>	Conflict resolution mechanisms related to discrimination, abuse of authority and harassment
<b>DRH No. 46 of 16 October 2020</b>	Working with people with disabilities

## 3 Activities of the Ethics Office

In 2022 the following activities were carried out:

- Discussion of the work plan for 2022
- Meeting with new General Management (see 3.1)
- Annual reporting for 2021 and presentation to the Council of Administration
- Preparation of Newsflash 1/2022 – The UPU Speak Up Culture (see 3.2.1)
- Preparation of Newsflash 2/2022 – Preventing Fraud and Corruption (see 3.2.2)
- Preparing and conducting an ethics training on “Preventing Fraud and Corruption” (see 3.3) incl. Q&A
- Providing support via the Hotline (see 3.4)
- Recommendation on the alignment of incident reporting (see 3.5.1)
- Preparation of Interest Disclosure Statement Form (see 3.5.2)
- Analysis on JIU/REP/2021/5 - Review of the ethics function in the United Nations system and definition of potential measures (see 3.5.3).

### **3.1 Meeting with the new General Management**

In February 2022, the UPU Ethics Office met with the new General Management (**see Appendix I**). In this meeting, the importance of ethics was discussed as well as the new General Management's role in ethics. Furthermore, the UPU Ethics Office introduced their mandate and presented the annual work plan for 2022.

### **3.2 Newsflash**

#### **3.2.1 Newsflash 01/2022 – The UPU Speak Up Culture**

In order to refresh and once again highlight the importance of speaking up, the Ethics Office revisited the training on the UPU Speak Up Culture of November/December 2021 in the first Newsflash (**see Appendix II**) in 2022. The Newsflash emphasized the importance of fostering a workplace culture that values and encourages employees to express their worries, ask questions, raise concerns, and make suggestions without fear for retaliation. Also, it pointed out that speaking up protects the UPU staff as well as the UPU itself from wrongdoings and misconduct. In the context of speaking up, the newsflash referred to the administrative instruction (DAJ) No. 35 which sets out the protection against retaliation and the corresponding reporting channels for concerns in this regard. Also, it referred to administrative instruction (DRH) No. 26 for the reporting of general misconduct and administrative instruction (DRH) No. 34 for the reporting of behaviour that constitutes discrimination, (sexual) harassment or abuse of authority. Finally, it stated the responsibility of every staff member, but also senior staff and directors for contributing to an open, trusted, and inclusive work culture of integrity and therefore encouraged everyone to dare to speak up.

#### **3.2.2 Newsflash 02/2022 – Preventing Fraud and Corruption**

The second Newsflash, titled “Preventing Fraud and Corruption” served as a forecast for the training on the same topic in November 2022 (**see Appendix III**). The Newsflash pointed out the UPU's culture of integrity and honesty, which is reason for the UPU taking a zero-tolerance approach to fraud and any form of corruption. It provided some definitions for fraud and corruption, which both constitute fraudulent acts. Also, it pointed out that even trusted persons may become trust violators. The Newsflash gave some examples on fraudulent acts, such as submitting an educational grant or other entitlement claim which contains false information in order to obtain a benefit for oneself or a third party. Finally, the Newsflash pointed out everyone's duty to conduct themselves lawfully and to immediately report suspicious behaviour.

### 3.3 Ethics training – Preventing Fraud and Corruption

The training module of 2022 was called “Preventing Fraud and Corruption” (see **Appendix IV**). The overarching purpose of the training was to strengthen awareness of fraudulent behaviour. The Ethics Office established a training module that was based on the UN Secretariat Information circular “Anti-Fraud and Anti-Corruption Framework of the United Nations Secretariat”, the corresponding UN training as well as PwC’s expertise in these topics. The training targeted all staff and non-staff members and the management of the UPU.

The content of the training was discussed and agreed upon with the UPU. The aim of the training “Preventing Fraud and Corruption” was to

- Gain a better understanding about fraud and corruption in general
- Have strengthened your awareness of fraud and corruption-related red flags
- Know about the responsibilities of different stakeholders to prevent fraudulent behaviour
- Know how to take action in a possible conflict situation.

In the first part of the training, the Ethics Office explained what fraud and corruption means under the UN Secretariat Information circular “Anti-Fraud and Anti-Corruption Framework of the United Nations Secretariat”. Also, it explained how even a trusted person may become a trust violator, using the fraud triangle according to Donald Cressey which demands three factors: Rationalization, pressure, and opportunity.

This part was followed by another technical part on risk factors and red flags. While risk factors are certain practices or situations that could favour fraudulent acts, red flags are warning signs that result from individual events. In this part, the Ethics Office provided some specific examples and then asked the participants to fill in a questionnaire with five short case studies where the participants had to tell whether they saw an issue related to fraud or corruption.

After that, the Ethics Office pointed out rules and regulations within the UPU related to the prevention of fraud and corruption and pointed out the different responsibilities of managers and staff as well as non-staff members.

Finally, the participants were divided into smaller groups in order to discuss two case studies. The case studies contained different kinds of fraudulent acts that had to be identified and possible actions were to be discussed. After the training session, the Ethics Office held a short Q&A session, where all participants could ask remaining questions. In line with the recommendations No 5 of JIU/REP/2017/9, 287 staff members and non-staff were invited to the training. The training was organised in two sessions in English and two in French, which were all held on site. Since attending one of the training sessions was mandatory for all staff members and management as well as non-staff members, the trainings were recorded and sent to the ones who could not attend the live sessions.

The completion rate is 92% with the participation of 266 members.

The training can be found in **Appendix IV**.

### **3.4 Hotline**

The Ethics Office has set up the hotline in order to handle requests in a strictly confidential manner and with the highest priority. The Ethics Office answers questions on ethics in a timely manner, while protecting the identity of the respective persons.

The Ethics Office can be contacted by email, telephone or letter. The contact details are available on the UPU intranet and were communicated to all staff members several times.

### **3.5 Activities on JIU Recommendations**

#### **3.5.1 Alignment of Incident Reporting**

In its JIU/Report/2018/4 Review of whistle-blower policies and practices in United Nations system organization, the JIU recommended that executive heads of United Nations system organizations should update their relevant whistleblower policies by 2020 to address shortcomings and gaps identified in the JIU best practices ratings. For this reason, the Ethics Office analyzed the existing administrative instructions that provide for different reporting channels (AI 26, 34 and 35). The Ethics Office identified points that needed to be clarified as well as general repetitions and contradictions. Based on the findings, the Ethics Office provided recommendations on how the scope should be defined for each AI. The corresponding policies are currently being revised by DAJ and DRH.

#### **3.5.2 Interest Disclosure Statement Form**

In its JIU/Report/2017/9 Review of mechanisms and policies addressing conflict of interest in the United Nations system, the JIU recommended for human resources services to introduce a mandatory conflict of interest disclosure form that should be signed by staff members, along with their declaration of office. The form should be developed with the assistance of the ethics function of the respective organization. Consequently, the Ethics Office developed such a form with the input provided by the UPU. The form has been implemented by DRH. (see **Appendix VI**).

#### **3.5.3 Analysis on JIU/REP/2021/5 - Review of the ethics function in the United Nations system and definition of potential measures**

After having received a first draft of the report in 2021 and having commented on the findings, the Ethics Office received the final version of the report in 2022. The Ethics Office analyzed all points that are relevant to the UPU and presented the UPU with possible actions to address these points. The UPU and the Ethics Office agreed to address the following points:

- Having a discussion with JIU to clarify issues arising from the JIU report (completed in December 2022)

- Support with the Integrity Awareness questionnaire (incl. inclusion of staff members when deciding on topic for training) (to be included in planning of annual work plan 2023)
- Inclusion of quiz after training as a performance indicator (November 2023)

#### **4 Ethical incidents during the period of 2022**

We received one phone call as well as two visitors after the training session to discuss ethical topics, however no incident was reported to the Ethics Office in 2022.