



OPERATIONS AND TECHNOLOGY COMMITTEE
PAPU/OTC/SCG/01/2022 - Doc No.05

SUPPLY CHAIN WORKING GROUP
9th JUNE 2022 (VIRTUAL)

QUALITY OF SERVICE FUND PROJECTS IN AFRICA

Subject Quality of Service Fund Projects in Africa	Reference Postal Operations Council (POC) 2022.1–Doc 8b- Quality of Service Fund (QSF) Report
Decision expected Note the contents of the document and make appropriate recommendations to the Committee	

1. INTRODUCTION

The purpose of this report is to give the Supply Chain Working Group an overview of the QSF Projects and related activities.

2. QUALITY OF SERVICE FUND PROJECTS

This update provides an overview of the activities of the QSF up to December 2021 and the work of QSF stemming from the decisions taken at the 27th Congress, including the QSF work plan, deliverables and key performance indicators (KPIs) for this cycle.

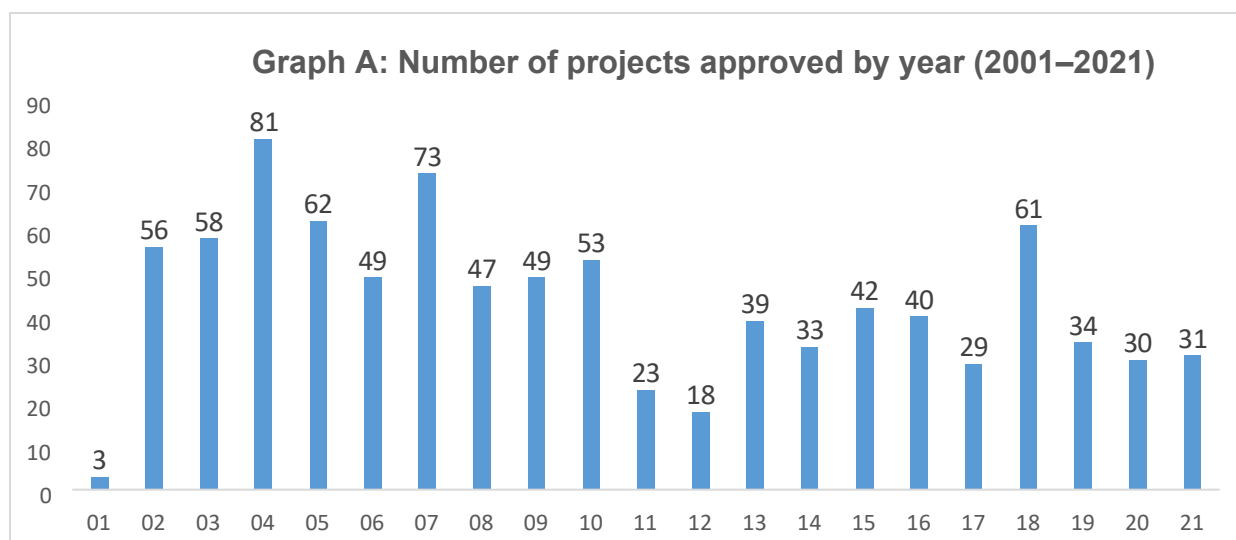
In line with the instructions from the 27th UPU Congress, the POC created a Task Force charged with implementing Congress resolution C 8/2021 and the approved amendment to Article 31 of the Convention, in so far as it relates to the contribution mechanism for the Least Developed Countries (LDC) Special Account.

The LDC Special Account will fund projects geared to address the needs of LDCs most of which are in Africa.

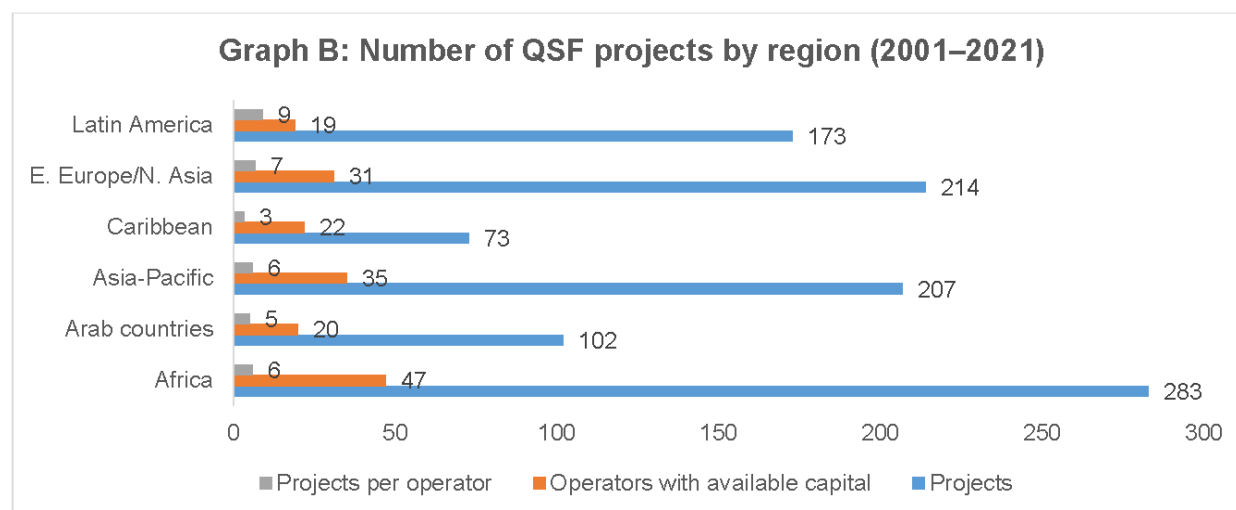
3. STATUS OF QSF GLOBAL PROJECTS

Since the inception of the QSF in 2001 (and up to 31 December 2021), a total of 1,075 QSF projects from 175 DOs have been registered.

Graph A below shows the number of QSF projects registered since the inception of the QSF (excluding multinational projects). The Africa region has so far submitted the largest number of QSF projects, followed by Eastern Europe and Northern Asia, and Asia-Pacific.

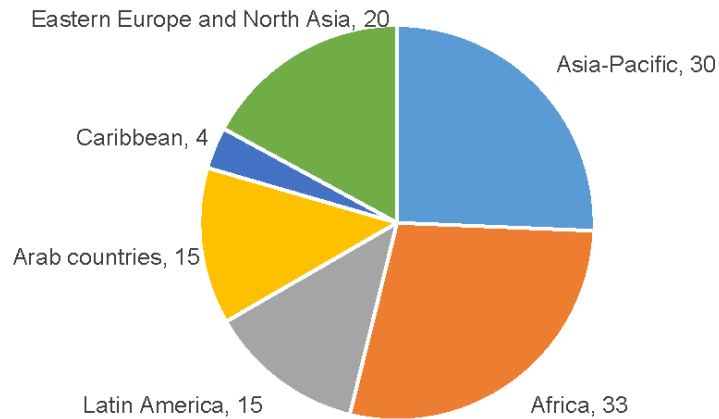


Graph B below illustrates the regional distribution of ongoing national projects approved prior to 2020. Africa has the highest number of ongoing projects, followed by Asia-Pacific, and Eastern Europe and Northern Asia.



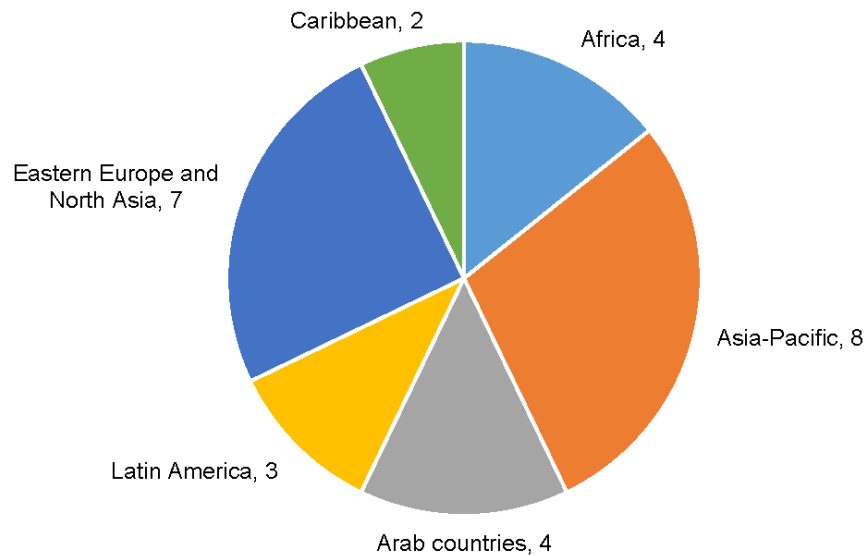
Graph C illustrates the regional distribution of ongoing national projects approved prior to 2020. Africa has the highest number of ongoing projects, followed by Asia-Pacific, and eastern Europe and northern Asia.

Graph C: Regional distribution of ongoing national projects

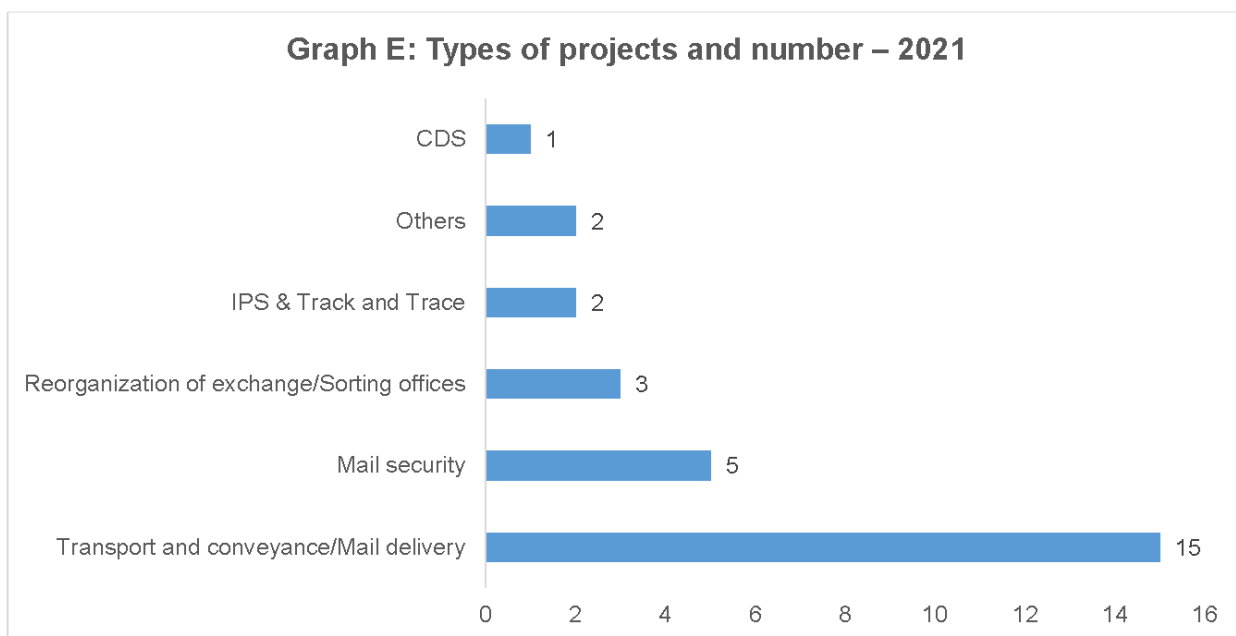


Graph D: Number of projects approved by Region (2001–2021) Africa, Arab countries Asia-Pacific Caribbean E. Europe/N. Asia Latin America

Graph D: Number of projects approved by region in 2021



Graph E, below, shows the number of projects approved according to type. The improvement of transport and conveyance seems to be the top priority for DOs in their use of QSF assets, followed by projects relating to mail security and reorganization of exchange/sorting offices.



The CDS Project in which 16 Dos participated, was coordinated by PAPU. At least 81% of the 16 DOs are able to exchange ITMATT messages.

4. QSF MULTINATIONAL PROJECT – SECUREX

The SECUREX project was approved by the QSF Board in 2016 and launched in 2017 as a pilot global project with participation from 13 countries (Argentina, Belarus, Georgia, India, Indonesia, Kazakhstan, **Kenya**, Malaysia, **Morocco**, **South Africa**, Thailand, Türkiye and Viet Nam).

The main objectives of the project were as follows:

- Enable participating DOs to capture/process and route electronic customs declaration data and exchange it with other DOs and customs/security authorities;
- Finalize the functionality of the PTC's Customs Declaration System (CDS) application and interface with ASYCUDA (the United Nations Conference on Trade and Development's customs system);
- Build DOs' capacity to collaborate with Customs and review and implement new processes;
- Roll out CDS, and train Members on UPU-World Customs Organization (WCO) standards and/or CDS use and integration with IPS.

This project, aimed at supporting DOs in the implementation of CDS and exchange of ITMATT messages, proved to be a driving force in kick-starting overall EAD exchanges, paving the way for other EAD initiatives like the QSF Common Fund EAD project.

This project was the first collaboration project between the World Customs Organization (WCO) and the UPU. A WCO representative was assigned to the project thereby, providing a valuable link to the customs authorities of participating DOs' respective countries.

The SECUREX project was completed last year, 2021.

5. QUALITY SERVICE FUND (QSF) - COMMON FUND PROJECTS

5.1. Prioritization of QSF Common Fund Projects

A prioritization process of identifying projects to be funded under the QSF Common Fund is done by the POC. During the Istanbul cycle, the Global Project on Electronic Advance Data (EAD) was approved for funding under the Common Fund.

The POC S1 held in May 2022, approved implementation of a project on **'Infrastructure for the Enhancement of Tracking Data'** to be funded under the QSF Common Fund for the cycle 2022-2025.

African Member States are encouraged to participate in this project to enhance their tracking capability in light of the tracking requirements for a number of services under the Integrated Product Plan (IPP).

5.2. Electronic Advance Data (EAD): Capture, Transmission and Compliance

In October 2018, the QSF Board approved a feasibility study for the 'EAD capture' project which culminated into the implementation of a global project on EAD. The project started on February 25th 2020, with the project closure scheduled for f May 31st 2023.

All African Dos are participating in the project.

Under Articles 08-002, 17-107 and 17-216 of the Universal Postal Union (UPU) Convention Regulations, Designated Operators (DOs) are required to capture and exchange EAD for international postal items containing goods, in order to comply with the specific import customs and security requirements laid down in those articles.

All items containing goods must bear a barcode identifier, conforming to the UPU technical standards – ITMATT and PREDES messages to be sent to the destination DO.

The project emphasizes on the use of the Mobile app, as well as the deployment of the CDS kiosks. The participating DOs are expected to exchange Item-ATtribute (ITMATT) pre-advice messages. By leveraging and expanding the Electronic Data Interchange (EDI) standards and technology already existing to all letter-post, parcel-post and receptacles, the DOs will improve customer service, promote overall business efficiency, and reduce costs by providing advance notification of volumes in the end-to-end processes.

The tables below show the performance on exchange of ITMATT messages for participating DOs from January 2021 to April 2022.

ITEM ATTRIBUTE (ITMATT) MONTHLY HEATMAP REPORT – JANUARY, 2021 TO APRIL 2022

* Heatmap disclaimer * % estimates do NOT include Registered, non-scanned or non-barcoded

NB: Arab Region data includes Designated Operators located in the Middle East

All Items

Region	Jan. 2021	Feb. 2021	March 2021	April 2021	May 2021	June 2021	July 2021	Aug. 2021	Sept. 2021	Oct. 2021	Nov. 2021	Dec. 2021	Jan. 2022	Feb. 2022	March 2022	April 2022
Arab Region	18.84%	16.23%	13.24%	5.21%	15.29%	16.49%	18.76%	21.04%	19.02%	14.82%	24.34%	36.99%	31.62%	32.18%	35.61%	53.09%
Africa FR	5.01%	7.70%	10.17%	12.91%	17.23%	17.54%	19.19%	23.04%	29.56%	34.06%	33.16%	44.78%	40.87%	39.94%	42.05%	61.97%
Africa EN	41.48%	41.68%	48.69%	50.89%	49.55%	50.51%	50.91%	49.99%	53.76%	51.58%	55.62%	55.31%	58.62%	60.64%	54.73%	80.36%

EMS Items - E

Region	Jan. 2021	Feb. 2021	March 2021	April 2021	May 2021	June 2021	July 2021	Aug. 2021	Sept. 2021	Oct. 2021	Nov. 2021	Dec. 2021	Jan. 2022	Feb. 2022	March 2022	April 2022
Arab Region	62.31%	57.30%	50.56%	21.76%	51.03%	55.77%	56.46%	62.40%	65.36%	58.75%	67.38%	62.57%	59.66%	42.02%	38.42%	44.24%
Africa FR	3.38%	7.62%	7.18%	11.18%	26.91%	26.45%	28.62%	31.37%	43.80%	46.86%	43.30%	57.12%	53.91%	55.87%	53.48%	59.25%
Africa EN	51.22%	63.28%	68.88%	72.39%	67.38%	73.81%	77.18%	78.87%	79.18%	76.47%	78.25%	85.28%	81.61%	82.43%	82.10%	84.09%

**Parcel
Items - C**

Region	Jan. 2021	Feb. 2021	March 2021	April 2021	May 2021	June 2021	July 2021	Aug. 2021	Sept. 2021	Oct. 2021	Nov. 2021	Dec. 2021	Jan. 2022	Feb. 2022	March 2022	April 2022
Arab Region	63.33%	59.11%	54.61%	19.56%	46.03%	51.62%	55.24%	58.75%	62.53%	55.65%	66.13%	58.39%	57.57%	60.34%	60.04%	62.52%
Africa FR	27.28%	33.67%	38.47%	46.45%	53.61%	56.21%	58.10%	69.25%	74.08%	75.14%	72.93%	76.31%	83.76%	68.91%	73.38%	65.88%
Africa EN	48.68%	58.65%	60.60%	64.92%	68.29%	68.99%	65.07%	70.74%	73.63%	63.66%	69.64%	74.75%	68.56%	77.56%	68.07%	84.88%

6. CONCLUSION

- The QSF has contributed immensely to the improvements in the global postal network and the quality of mail service.
- African Member States are therefore encouraged to take advantage of the QSF and Special Fund for LDCs and participate in projects funded under these schemes.
- The QSF bridges the gap between the postal entities of industrialized countries and those of less developed countries, and reduces regional disparities in postal development.
- PAPU will continue to play a coordinative role in liaison with UPU to ensure that African Member States continue to participate successfully implement Projects funded under different schemes.