

Second Additional Protocol to the Universal Postal Convention

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Second Additional Protocol to the Universal Postal Convention

The plenipotentiaries of the governments of the member countries of the Universal Postal Union, having met in Extraordinary Congress at Geneva, having regard to article 22.3 of the Constitution of the Universal Postal Union concluded at Vienna on 10 July 1964, have by common consent and subject to article 25.4 of the Constitution drawn up in this Second Additional Protocol the following amendments to the Universal Postal Convention adopted at Istanbul on 6 October 2016 and amended by the Additional Protocol adopted at Addis Ababa on 7 September 2018.

Article I

(Art. 28 amended)

Terminal dues. General provisions

1 Subject to exemptions provided in the Regulations, each designated operator which receives letter-post items from another designated operator shall have the right to collect from the dispatching designated operator a payment for the costs incurred for the international mail received.

2 For the application of the provisions concerning the payment of terminal dues by their designated operators, countries and territories shall be classified in accordance with the lists drawn up for this purpose by Congress in its resolution C 7/2016, as follows:

2.1 countries and territories in the target system prior to 2010 (group I);

2.2 countries and territories in the target system as of 2010 and 2012 (group II);

2.3 countries and territories in the target system as from 2016 (group III);

2.4 countries and territories in the transitional system (group IV).

3 The provisions of the present Convention concerning the payment of terminal dues are transitional arrangements, moving towards a country-specific payment system at the end of the transition period.

4 Access to domestic services. Direct access

4.1 In principle, each designated operator of a country that was in the target system prior to 2010 shall make available to the other designated operators all the rates, terms and conditions offered in its domestic service on conditions identical to those proposed to its national customers. It shall be up to the designated operator of destination to decide whether the terms and conditions of direct access have been met by the designated operator of origin.

4.2 Designated operators of countries in the target system prior to 2010 shall make available to other designated operators of countries that were in the target system prior to 2010 the rates, terms and conditions offered in their domestic service, on conditions identical to those proposed to their national customers.

4.3 Designated operators of countries that joined the target system from 2010 may opt to make available to a limited number of designated operators the application of domestic conditions, on a reciprocal basis, for a trial period of two years. After that period, they must choose either to cease making available the application of domestic conditions or to continue to make their own domestic conditions available to all designated operators. However, if designated operators of countries that joined the target system from 2010 ask designated operators of countries that were in the target system prior to 2010 for the application of domestic conditions, they must make available to all designated operators the rates, terms and conditions offered in their domestic service on conditions identical to those proposed to their national customers.

4.4 Designated operators of countries in the transitional system may opt not to make available to other designated operators the application of domestic conditions. They may, however, opt to make available to a limited number of designated operators the application of domestic conditions, on a reciprocal basis, for a trial period of two years. After that period, they must choose either to cease making available the application of domestic conditions or to continue to make their own domestic conditions available to all designated operators.

5 Terminal dues remuneration shall be based on quality of service performance in the country of destination. The Postal Operations Council shall therefore be authorized to supplement the remuneration in articles **28bis**, 29 and 30 to encourage participation in monitoring systems and to reward designated operators for reaching their quality targets. The Postal Operations Council may also fix penalties in case of insufficient quality, but the remuneration shall not be less than the minimum remuneration according to articles 29 and 30.

6 Any designated operator may waive wholly or in part the payment provided for under 1.

7 M bags weighing less than 5 kilogrammes shall be considered as weighing 5 kilogrammes for terminal dues payment purposes. The terminal dues rates to be applied for M bags shall be:

7.1 for the year 2018, 0.909 SDR per kilogramme;

7.2 for the year 2019, 0.935 SDR per kilogramme;

7.3 for the year 2020, 0.961 SDR per kilogramme;

7.4 for the year 2021, 0.988 SDR per kilogramme.

8 For registered items there shall be an additional payment of 1.100 SDR per item for 2018, 1.200 SDR per item for 2019, 1.300 SDR per item for 2020 and 1.400 SDR for 2021. For insured items, there shall be an additional payment of 1.400 SDR per item for 2018, 1.500 SDR per item for 2019, 1.600 SDR per item for 2020 and 1.700 SDR for 2021. The Postal Operations Council shall be authorized to supplement remuneration for these and other supplementary services where the services provided contain additional features to be specified in the Regulations.

9 For registered and insured items not carrying a barcoded identifier or carrying a barcoded identifier that is not compliant with UPU Technical Standard S10, there shall be a further additional payment of 0.5 SDR per item unless otherwise bilaterally agreed.

10 For terminal dues payment purposes, letter-post items posted in **bulk in** accordance with the conditions specified in the Regulations shall be referred to as "bulk mail". The payment for bulk mail shall be established as provided for in articles **28bis**, 29 and 30, **as appropriate**.

11 Any designated operator may, by bilateral or multilateral agreement, apply other payment systems for the settlement of terminal dues accounts.

12 Designated operators may exchange non-priority mail on an optional basis by applying a 10% discount to the priority terminal dues rate.

13 The provisions applicable between designated operators of countries in the target system shall apply to any designated operator of a country in the transitional system which declares that it wishes to join the target system. The Postal Operations Council may set transitional measures in the Regulations. The full provisions of the target system may apply to any new target designated operator that declares that it wishes to apply such full provisions without transitional measures.

Article II

(Art. 28bis added)

Terminal dues. Self-declaration of rates for bulky (E) and small packet (E) letter-post items

1 Beginning with rates in effect for the year 2021 onwards and notwithstanding articles 29 and 30, designated operators may notify the International Bureau by 1 June of the year preceding the year in which the self-declared rates would apply of a self-declared rate per item and a self-declared rate per

kilogramme, expressed in local currency, that shall apply for bulky (E) and small packet (E) letter-post items in the following calendar year. The International Bureau shall annually convert the self-declared rates provided into values expressed in SDR. To calculate the rates in SDR, the International Bureau shall use the average monthly exchange rate of the period from 1 January to 31 May of the year preceding the year for which the self-declared rates would be applicable. The resultant rates shall be notified by means of an International Bureau circular no later than 1 July of the year preceding the year in which the self-declared rates would apply. The self-declared rates for bulky (E) and small packet (E) letter-post items shall be substituted as appropriate in any reference or rate calculation pertaining to bulky (E) and small packet (E) letter-post items elsewhere in the Convention or the Regulations. Additionally, each designated operator shall provide the International Bureau with its domestic rates for equivalent services in order to calculate the relevant ceiling rates.

- 1.1 Subject to 1.2 and 1.3, the self-declared rates shall:
 - 1.1.1 at the average E format weight of 0.158 kilogrammes, not be higher than the country-specific ceiling rates calculated in accordance with paragraph 1.2;
 - 1.1.2 be based on 70%, or the applicable percentage in paragraph 6ter, of the domestic single-piece charge for items equivalent to bulky (E) and small packet (E) letter-post items offered by the designated operator in its domestic service and in effect on 1 June of the year preceding the year for which the self-declared rates would be applicable;
 - 1.1.3 be based on the domestic single-piece charge in force for items within the designated operator's domestic service having the specified maximum size and shape dimensions of bulky (E) and small packet (E) letter-post items;
 - 1.1.4 be made available to all designated operators;
 - 1.1.5 be applied only to bulky (E) and small packet (E) letter-post items;
 - 1.1.6 be applied to all bulky (E) and small packet (E) letter-post flows other than bulky (E) and small packet (E) letter-post flows from countries in the transitional system to countries in the target system, and between countries in the transitional system, if mail flows do not exceed 100 tonnes per year;
 - 1.1.7 be applied to all bulky (E) and small packet (E) letter-post flows except for bulky (E) and small packet (E) letter-post flows between countries in the target system as from 2010, 2012 and 2016, and from those countries to countries in the target system prior to 2010, if mail flows do not exceed 25 tonnes per year.
- 1.2 The self-declared rates per item and per kilogramme for bulky (E) and small packet (E) letter-post items shall not be higher than the country-specific ceiling rates determined by a linear regression of 11 points corresponding to 70%, or the applicable percentage in paragraph 6ter, of the priority single-piece tariffs of equivalent domestic services for 20-gramme, 35-gramme, 75-gramme, 175-gramme, 250-gramme, 375-gramme, 500-gramme, 750-gramme, 1,000-gramme, 1,500-gramme and 2,000-gramme bulky (E) and small packet (E) letter-post items, exclusive of any taxes.
 - 1.2.1 The determination of whether the self-declared rates exceed the ceiling rates shall be tested at the average revenue using the most current worldwide average composition of one kilogramme of mail in which an E format item weighs 0.158 kilogrammes. In instances in which the self-declared rates exceed the ceiling rates at the average E format weight of 0.158 kilogrammes, the ceiling per-item and per-kilogramme rates shall apply; alternatively, the designated operator in question may choose to reduce its self-declared rates to a level that conforms with paragraph 1.2.
 - 1.2.2 When multiple packet rates are available based on thickness, the lesser domestic tariff shall be used for items up to 250 grammes, and the higher domestic tariff shall be used for items above 250 grammes.
 - 1.2.3 Where zonal rates apply in the equivalent domestic service, the mid-point rate as specified in the Regulations shall be used, and domestic tariffs for non-contiguous zones shall be excluded for determination of the mid-point rate. Alternatively, the determination of the zonal tariff to be used may be based on the actual weighted average distance of inbound bulky (E) and small packet (E) letter-post items (for the most recent calendar year).

- 1.2.4** Where the equivalent domestic service and tariff include additional features that are not part of the basic service, i.e. tracking, signature and insurance services, and such features are extended across all the weight increments listed in paragraph 1.2, the lesser of the corresponding domestic supplemental rate, the supplemental rate, or the suggested guideline charge in the Acts of the Union shall be deducted from the domestic tariff. The total deduction for all additional features may not exceed 25% of the domestic tariff.
- 1.3** Where the country-specific ceiling rates calculated in accordance with paragraph 1.2 result in a revenue calculated for an E format item at 0.158 kilogrammes that is lower than the revenue calculated for the same item at the same weight on the basis of the rates specified below, the self-declared rates shall not be higher than the following rates:
- 1.3.1** for the year 2020, 0.614 SDR per item and 1.381 SDR per kilogramme;
- 1.3.2** for the year 2021, 0.645 SDR per item and 1.450 SDR per kilogramme;
- 1.3.3** for the year 2022, 0.677 SDR per item and 1.523 SDR per kilogramme;
- 1.3.4** for the year 2023, 0.711 SDR per item and 1.599 SDR per kilogramme;
- 1.3.5** for the year 2024, 0.747 SDR per item and 1.679 SDR per kilogramme;
- 1.3.6** for the year 2025, 0.784 SDR per item and 1.763 SDR per kilogramme.
- 1.4** Any additional conditions and procedures for the self-declaration of rates applicable to bulky (E) and small packet (E) letter-post items shall be laid down in the Regulations. All other provisions of the Regulations pertaining to bulky (E) and small packet (E) letter-post items shall also apply to self-declared rates, unless they are inconsistent with this article.
- 1.5** Designated operators of countries in the transitional system may apply self-declared rates on the basis of sampling of their inbound flows.
- 2** In addition to the ceiling rates provided for in 1.2, the notified self-declared rates shall not be higher than the maximum revenues defined for the years 2021 to 2025, as follows:
- 2.1** 2021: the revenue calculated on the basis of the self-declared rates shall be set at the lowest between the country-specific ceiling rates and the revenue in 2020 for an E format item at 0.158 kilogrammes increased by 15%;
- 2.2** 2022: the revenue calculated on the basis of the self-declared rates shall be set at the lowest between the country-specific ceiling rates and the revenue in 2021 for an E format item at 0.158 kilogrammes increased by 15%;
- 2.3** 2023: the revenue calculated on the basis of the self-declared rates shall be set at the lowest between the country-specific ceiling rates and the revenue in 2022 for an E format item at 0.158 kilogrammes increased by 16%;
- 2.4** 2024: the revenue calculated on the basis of the self-declared rates shall be set at the lowest between the country-specific ceiling rates and the revenue in 2023 for an E format item at 0.158 kilogrammes increased by 16%;
- 2.5** 2025: the revenue calculated on the basis of the self-declared rates shall be set at the lowest between the country-specific ceiling rates and the revenue in 2024 for an E format item at 0.158 kilogrammes increased by 17%.
- 3** For rates in effect in 2021 and subsequent years, the ratio between the self-declared item rate and kilogramme rate shall not change by more than five percentage points upwards or downwards compared with the ratio of the previous year. For designated operators that self-declare rates under paragraph 6bis or apply self-declared rates on a reciprocal basis under paragraph 6quater, the ratio in effect in 2020 shall be based on the self-declared per-item rate and per-kilogramme rate established as of 1 July 2020.
- 4** Designated operators that opt not to self-declare their rates in accordance with this article shall fully apply the provisions contained in articles 29 and 30.

5 For designated operators that have elected to self-declare their rates for bulky (E) and small packet (E) letter-post items in a prior calendar year and that do not communicate different self-declared rates for the subsequent year, the existing self-declared rates shall continue to apply unless they do not satisfy the conditions laid out in this article.

6 The International Bureau shall be informed by the designated operator concerned of any reduction in the domestic charge referred to in this article.

6bis With effect from 1 July 2020, and notwithstanding paragraphs 1 and 2, a designated operator of a member country that received total annual inbound letter-post volumes in 2018 in excess of 75,000 tonnes (as per the relevant official information provided to the International Bureau or any other officially available information assessed by the International Bureau) may self-declare rates for bulky (E) and small packet (E) letter-post items, other than for the letter-post flows referred to in paragraphs 1.1.6 and 1.1.7. The said designated operator shall also have the right not to apply the maximum revenue increase limits set out in paragraph 2 for mail flows to, from and between its country and any other country.

6ter If a competent authority with oversight for the designated operator which exercises the afore-mentioned option in paragraph 6bis determines that, in order to cover all costs for handling and delivery of bulky (E) and small packet (E) letter-post items, the designated operator's self-declared rate any year after 2020 must be based on a cost-to-tariff ratio that exceeds 70% of the domestic single-piece charge, then the cost-to-tariff ratio for that designated operator may exceed 70%, subject to a limitation that the cost-to-tariff ratio to be used shall not exceed one percentage point above the higher of 70% or the cost-to-tariff ratio used in the calculation of the self-declared rates currently in effect, not to exceed 80%, and provided that the designated operator in question furnishes all such supporting information with its notification to the International Bureau under paragraph 1. If any such designated operator increases its cost-to-tariff ratio based on such a determination of a competent authority, then it shall notify the International Bureau of that ratio for publication by 1 March of the year preceding the year in which the ratio shall apply. Further specifications related to the costs and revenues to be used for the calculation of the specific cost-to-tariff ratio shall be provided in the Regulations.

6quater Where a designated operator of a member country invokes paragraph 6bis, all other corresponding designated operators, other than those with the flows referred to in paragraphs 1.1.6 and 1.1.7, may do likewise with respect to the aforementioned designated operator.

6quinquies Any designated operator that invokes the possibility outlined in paragraph 6bis shall, in the calendar year of the entry into force of the initial rates, be required to pay a charge to the Union, for five consecutive years (beginning with the calendar year of application of the option referred to above under 6bis), in the amount of 8 million CHF per annum, for a total of 40 million CHF. No further payment shall be expected for self-declaration of rates in accordance with this paragraph after the conclusion of the five-year period.

6quinquies.1 The charge referred to above shall be exclusively allocated in accordance with the following methodology: 16 million CHF shall be allocated to a tied fund of the Union for the implementation of projects aimed at electronic advance data and postal security under the terms of a letter of agreement executed between the said designated operator and the Union; and 24 million CHF shall be allocated to a tied fund for the purposes of funding long-term liabilities of the Union, as further defined by the Council of Administration, under the terms of a letter of agreement executed between the said designated operator and the Union.

6quinquies.2 The charge set forth in this paragraph shall not apply to those designated operators of member countries that apply self-declared rates reciprocally under paragraph 6quater as a consequence of another designated operator exercising the option to self-declare rates in accordance with paragraph 6bis.

6quinquies.3 The designated operator paying the charge shall inform the International Bureau each year how the sum of 8 million CHF per annum is to be allocated, provided that the five annual allocations overall are distributed as set out above, pursuant to the said letter of

agreement. A designated operator that exercises the option to self-declare rates in accordance with paragraph 6bis shall be provided with due reporting of the expenditures related to the charge remitted, pursuant to this paragraph, under the terms of a letter of agreement executed between the said designated operator and the Union.

6sexies If a designated operator exercises the option to self-declare rates in accordance with paragraph 6bis, or if a designated operator reciprocally applies a self-declared rate under paragraph 6quater, then simultaneously with the introduction of self-declared rates, the said designated operator should consider making available to sending designated operators of UPU member countries, on a non-discriminatory basis, proportionately adjusted charges for volume and distance, to the extent practicable and available in the receiving country's published domestic service for similar services under a mutually agreeable bilateral commercial agreement, within the framework of the rules of the national regulatory authority.

7 No reservations may be made to this article.

Article III

(Art. 29 amended)

Terminal dues. Provisions applicable to mail flows between designated operators of countries in the target system

1 Payment for letter-post items, including bulk mail but excluding M bags and IBRS items, shall be established on the basis of the application of the rates per item and per kilogramme reflecting the handling costs in the country of destination. Charges corresponding to priority items in the domestic service which are part of the universal service provision will be used as a basis for the calculation of terminal dues rates.

2 The terminal dues rates in the target system shall be calculated taking into account, where applicable in the domestic service, the classification of items based on their format, as provided for in article 17.5 of the Convention.

3 Designated operators in the target system shall exchange format-separated mails in accordance with the conditions specified in the Regulations.

4 Payment for IBRS items shall be as described in the Regulations.

5 The rates per item and per kilogramme are separated for small (P) and large (G) letter-post items and bulky (E) and small packet (E) letter-post items. They shall be calculated on the basis of 70% of the charges for a 20-gramme small (P) letter-post item and for a 175-gramme large (G) letter-post item, exclusive of VAT or other taxes. For bulky (E) and small packet (E) letter-post items, they shall be calculated from the P/G format line at 375 grammes, exclusive of VAT or other taxes.

6 The Postal Operations Council shall define the conditions for the calculation of the rates as well as the necessary operational, statistical and accounting procedures for the exchange of format-separated mails.

7 Other than for the terminal dues rates applicable to bulky (E) and small packet (E) letter-post items for 2020, the rates applied for flows between countries in the target system in a given year shall not lead to an increase of more than 13% in the terminal dues revenue for a letter-post item in the P/G format of 37.6 grammes and in the E format of 375 grammes, compared to the previous year.

8 The rates applied for flows between countries in the target system prior to 2010 for small (P) and for large (G) letter-post items may not be higher than:

8.1 for the year 2018, 0.331 SDR per item and 2.585 SDR per kilogramme;

8.2 for the year 2019, 0.341 SDR per item and 2.663 SDR per kilogramme;

8.3 for the year 2020, 0.351 SDR per item and 2.743 SDR per kilogramme;

8.4 for the year 2021, 0.362 SDR per item and 2.825 SDR per kilogramme.

9 The rates applied for flows between countries in the target system prior to 2010 for bulky (E) and small packet (E) letter-post items may not be higher than:

9.1 for the year 2018, 0.705 SDR per item and 1.584 SDR per kilogramme;

9.2 for the year 2019, 0.726 SDR per item and 1.632 SDR per kilogramme;

9.3 for the year 2020, **0.762** SDR per item and **1.714** SDR per kilogramme;

9.4 for the year 2021, **0.785** SDR per item and **1.765** SDR per kilogramme.

10 The rates applied for flows between countries in the target system prior to 2010 or from 2010, 2012 and 2016 for small (P) and for large (G) letter-post items may not be lower than:

10.1 for the year 2018, 0.227 SDR per item and 1.774 SDR per kilogramme;

10.2 for the year 2019, 0.233 SDR per item and 1.824 SDR per kilogramme;

10.3 for the year 2020, 0.240 SDR per item and 1.875 SDR per kilogramme;

10.4 for the year 2021, 0.247 SDR per item and 1.928 SDR per kilogramme.

11 The rates applied for flows between countries in the target system prior to 2010 or from 2010, 2012 and 2016 for bulky (E) and small packet (E) letter-post items may not be lower than:

11.1 for the year 2018, 0.485 SDR per item and 1.089 SDR per kilogramme;

11.2 for the year 2019, 0.498 SDR per item and 1.120 SDR per kilogramme;

11.3 for the year 2020, **0.614** SDR per item and **1.381** SDR per kilogramme;

11.4 for the year 2021, **0.645** SDR per item and **1.450** SDR per kilogramme;

11.5 for the year 2022, 0.677 SDR per item and 1.523 SDR per kilogramme;

11.6 for the year 2023, 0.711 SDR per item and 1.599 SDR per kilogramme;

11.7 for the year 2024, 0.747 SDR per item and 1.679 SDR per kilogramme;

11.8 for the year 2025, 0.784 SDR per item and 1.763 SDR per kilogramme.

12 The rates applied for flows between countries in the target system as from 2010 and 2012 as well as between these countries and countries in the target system prior to 2010 for small (P) and for large (G) letter-post items may not be higher than:

12.1 for the year 2018, 0.264 SDR per item and 2.064 SDR per kilogramme;

12.2 for the year 2019, 0.280 SDR per item and 2.188 SDR per kilogramme;

12.3 for the year 2020, 0.297 SDR per item and 2.319 SDR per kilogramme;

12.4 for the year 2021, 0.315 SDR per item and 2.458 SDR per kilogramme.

13 The rates applied for flows between countries in the target system as from 2010 and 2012 as well as between these countries and countries in the target system prior to 2010 for bulky (E) and small packet (E) letter-post items may not be higher than:

13.1 for the year 2018, 0.584 SDR per item and 1.313 SDR per kilogramme;

13.2 for the year 2019, 0.640 SDR per item and 1.439 SDR per kilogramme;

13.3 for the year 2020, **0.762** SDR per item and **1.714** SDR per kilogramme;

13.4 for the year 2021, **0.785** SDR per item and **1.765** SDR per kilogramme.

14 The rates applied for flows between countries in the target system as from 2016 as well as between these countries and countries in the target system prior to 2010 or as from 2010 and 2012 for small (P) and for large (G) letter-post items may not be higher than:

14.1 for the year 2018, 0.234 SDR per item and 1.831 SDR per kilogramme;

14.2 for the year 2019, 0.248 SDR per item and 1.941 SDR per kilogramme;

14.3 for the year 2020, 0.263 SDR per item and 2.057 SDR per kilogramme;

14.4 for the year 2021, 0.279 SDR per item and 2.180 SDR per kilogramme.

15 The rates applied for flows between countries in the target system as from 2016 as well as between these countries and countries in the target system prior to 2010 or as from 2010 and 2012 for bulky (E) and small packet (E) letter-post items may not be higher than:

15.1 for the year 2018, 0.533 SDR per item and 1.198 SDR per kilogramme;

15.2 for the year 2019, 0.602 SDR per item and 1.354 SDR per kilogramme;

15.3 for the year 2020, **0.762** SDR per item and **1.714** SDR per kilogramme;

15.4 for the year 2021, **0.785** SDR per item and **1.765** SDR per kilogramme.

16 For flows below 50 tonnes a year between countries that joined the target system in 2010 and 2012, as well as between these countries and countries that were in the target system prior to 2010, the per-kilogramme and per-item components shall be converted into a total rate per kilogramme on the basis of a worldwide average composition of one kilogramme of mail in which P and G format items account for 8.16 items weighing 0.31 kilogrammes and E format items account for 2.72 items weighing 0.69 kilogrammes.

17 For flows below 75 tonnes a year in 2018 **and 2019**, and below 50 tonnes **a year** in **2020 and 2021**, between countries that joined the target system in 2016 or after that date, as well as between these countries and countries in the target system prior to 2010 or as from 2010 and 2012, the per-kilogramme and per-item components shall be converted into a total rate per kilogramme on the basis of a worldwide average composition of one kilogramme of mail, as referred to in paragraph 16.

17bis The terminal dues rates applicable to bulky (E) and small packet (E) letter-post items that have been self-declared pursuant to article 28bis shall substitute the rates pertaining to bulky (E) and small packet (E) letter-post items in this article; consequently, the provisions laid down in paragraphs 7, 9, 11, 13 and 15 shall not apply.

18 The payment for bulk mail sent to countries in the target system prior to 2010 shall be established by applying the rates per item and per kilogramme provided for in paragraphs 5 to 11 **or article 28bis, as appropriate.**

19 The payment for bulk mail sent to countries in the target system as from 2010, 2012 and 2016 shall be established by applying the rates per item and per kilogramme provided for in paragraphs 5 and 10 to 15 **or article 28bis, as appropriate.**

20 No reservations may be made to this **article.**

Article IV

(Art. 30 amended)

Terminal dues. Provisions applicable to mail flows to, from and between designated operators of countries in the transitional system

1 In preparation for the entry into the target system of the designated operators of countries in the terminal dues transitional system, payment for letter-post items, including bulk mail but excluding M bags and IBRS items, shall be established on the basis of a rate per item and a rate per kilogramme.

1bis Other than for the terminal dues rates applicable to bulky (E) and small packet (E) letter-post items that have been self-declared pursuant to article 28bis, the provisions of article 29, paragraphs 1 to 3 and 5 to 7, shall apply for the calculation of rates per item and per kilogramme applicable to bulky (E) and small packet (E) letter-post items from 2020 onwards.

2 Payment for IBRS items shall be as described in the Regulations.

3 The rates applied for flows to, from and between countries in the transitional system for small (P) and for large (G) letter-post items shall be:

- 3.1 for the year 2018, 0.227 SDR per item and 1.774 SDR per kilogramme;
- 3.2 for the year 2019, 0.233 SDR per item and 1.824 SDR per kilogramme;
- 3.3 for the year 2020, 0.240 SDR per item and 1.875 SDR per kilogramme;
- 3.4 for the year 2021, 0.247 SDR per item and 1.928 SDR per kilogramme.

4 The rates applied for flows to, from and between countries in the transitional system for bulky (E) and small packet (E) letter-post items shall be:

- 4.1 for the year 2018, 0.485 SDR per item and 1.089 SDR per kilogramme;
- 4.2 for the year 2019, 0.498 SDR per item and 1.120 SDR per kilogramme.

4bis Other than for the terminal dues rates applicable to bulky (E) and small packet (E) letter-post items that have been self-declared pursuant to article 28bis and in accordance with 1bis above, the rates applied for flows to, from and between countries in the transitional system for bulky (E) and small packet (E) letter-post items may not be lower than:

- 4bis.1 for the year 2020, 0.614 SDR per item and 1.381 SDR per kilogramme;**
- 4bis.2 for the year 2021, 0.645 SDR per item and 1.450 SDR per kilogramme;**
- 4bis.3 for the year 2022, 0.677 SDR per item and 1.523 SDR per kilogramme;**
- 4bis.4 for the year 2023, 0.711 SDR per item and 1.599 SDR per kilogramme;**
- 4bis.5 for the year 2024, 0.747 SDR per item and 1.679 SDR per kilogramme;**
- 4bis.6 for the year 2025, 0.784 SDR per item and 1.763 SDR per kilogramme.**

4ter Other than for the terminal dues rates applicable to bulky (E) and small packet (E) letter-post items that have been self-declared pursuant to article 28bis and in accordance with 1bis above, the rates applied for flows to, from and between countries in the transitional system for bulky (E) and small packet (E) letter-post items may not be higher than:

- 4ter.1 for the year 2020, 0.762 SDR per item and 1.714 SDR per kilogramme;**
- 4ter.2 for the year 2021, 0.785 SDR per item and 1.765 SDR per kilogramme.**

5 Other than for the terminal dues rates applicable to bulky (E) and small packet (E) letter-post items that have been self-declared pursuant to article 28bis, for flows below the flow threshold specified in article 29.16 or 29.17 in 2018 and 2019 and below the flow threshold of 100 tonnes in 2020 and 2021, the per-kilogramme and per-item components shall be converted into a total rate per kilogramme on the basis of a worldwide average composition of one kilogramme of mail as follows:

- 5.1 for the year 2018, 4.472 SDR per kilogramme;
- 5.2 for the year 2019, 4.592 SDR per kilogramme;
- 5.3 for the year 2020, **not lower than 5.163 SDR per kilogramme and not higher than 5.795 SDR per kilogramme;**
- 5.4 for the year 2021, **not lower than 5.368 SDR per kilogramme and not higher than 5.967 SDR per kilogramme.**

6 Other than for the terminal dues rates applicable to bulky (E) and small packet (E) letter-post items that have been self-declared pursuant to article 28bis, for mail flows over the flow threshold specified in article 29.17 in 2018 and 2019 and above 100 tonnes in 2020 and 2021, the flat rate per kilogramme shall be applied if neither the designated operator of origin nor the designated operator of destination requests the revision mechanism in order to revise the rate on the basis of the actual number of items per kilogramme, rather than the worldwide average. The sampling for the revision mechanism shall be applied in accordance with the conditions specified in the Regulations.

6bis For mail flows from and between countries in the transitional system below 100 tonnes and where terminal dues rates applicable to bulky (E) and small packet (E) letter-post items have been self-declared pursuant to article 28bis by the designated operator of destination, the total rate of 5.368 SDR per kilogramme shall apply in 2021.

6ter For mail flows to, from and between countries in the transitional system above 100 tonnes where terminal dues rates applicable to bulky (E) and small packet (E) letter-post items have been self-declared pursuant to article 28bis and where the country of destination decides not to sample the inbound mail, the per-kilogramme and per-item components shall be converted into a total rate per kilogramme on the basis of a worldwide average composition of one kilogramme of mail, as referred to in article 29.16.

6quater Except for the mail flows described in paragraph 6bis, the terminal dues rates applicable to bulky (E) and small packet (E) letter-post items that have been self-declared pursuant to article 28bis shall substitute the rates pertaining to bulky (E) and small packet (E) letter-post items in this article; consequently, the provisions laid down in paragraphs 4bis, 4ter and 5 shall not apply.

7 The downward revision of the total rate in paragraph 5 may not be invoked by a country in the target system against a country in the transitional system unless the latter asks for a revision in the opposite direction.

8 For mail flows to, from and between countries in the transitional system, **designated operators** may send and receive format-separated mail on an optional basis, in accordance with the conditions specified in the Regulations. In the case of format-separated exchanges the rates in paragraphs 3 and 4 above shall apply **if the designated operator of destination opts not to self-declare rates pursuant to article 28bis.**

9 The payment for bulk mail to designated operators of countries in the target system shall be established by applying the rates per item and per kilogramme provided for in article **28bis or 29.** For bulk mail received, designated operators in the transitional system may request payment according to paragraphs 3 and **4 above and article 28bis, as appropriate.**

10 No reservations may be made to this **article.**

Article V

(Art. 31 amended)

Quality of Service Fund

1 Terminal dues payable by all countries and territories to the countries classified as least developed countries and included in group IV for terminal dues and Quality of Service Fund (QSF) purposes, except for M bags, IBRS items and bulk mail items, shall be increased by 20% of the rates **provided for** in article **28bis or 30** for payment into the QSF for improving the quality of service in those countries. There shall be no such payment from one group IV country to another group IV country.

2 Terminal dues, except for M bags, IBRS items and bulk mail items, payable by countries and territories classified as group I countries to the countries classified as group IV countries, other than the least developed countries referred to in paragraph 1 of this article, shall be increased by 10% of the rates **provided for** in article **28bis or 30**, for payment into the QSF for improving the quality of service in those countries.

3 Terminal dues, except for M bags, IBRS items and bulk mail items, payable by countries and territories classified as group II countries to the countries classified as group IV countries, other than the least developed countries referred to in paragraph 1 of this article, shall be increased by 10% of the rates **provided for** in article **28bis or 30**, for payment into the QSF for improving the quality of service in those countries.

4 Terminal dues, except in respect of M bags, IBRS items and bulk mail items, payable by countries and territories classified as group III countries to the countries classified as group IV countries, other than the least developed countries referred to in paragraph 1 of this article, shall be increased by 5% of the rates **provided for** in article **28bis or 30**, for payment into the QSF for improving the quality of service in those countries.

5 An increase of 1%, calculated on the basis of terminal dues payable by countries and territories classified as group I, II and III countries to the countries classified as group III countries, except in respect of M bags, IBRS items and bulk mail items, shall be paid into a common fund to be established for improving the quality of service in countries classified in groups II, III and IV and managed in accordance with the relevant procedures set by the Postal Operations Council.

6 Subject to the relevant procedures set by the Postal Operations Council, any unused amounts contributed under paragraphs 1, 2, 3 and 4 of this article and accumulated over the four preceding QSF reference years (with 2018 as the earliest reference year) shall also be transferred to the common fund referred to in paragraph 5 of this article. For the purposes of this paragraph, only funds that have not been used in QSF-approved quality of service projects within two years following receipt of the last payment of contributed amounts for any given four-year period as defined above shall be transferred to the aforementioned common fund.

7 The combined terminal dues payable into the QSF for improving the quality of service of countries in group IV shall be subject to a minimum of 20,000 SDR per annum for each beneficiary country. The additional funds needed for reaching this minimum amount shall be invoiced, in proportion to the volumes exchanged, to the countries in groups I, II and III.

8 The Postal Operations Council shall adopt or update, in 2018 at the latest, procedures for financing QSF projects.

Article VI

(Art. 33 amended)

Basic rates and provisions concerning air conveyance dues

1 The basic rate applicable to the settlement of accounts between designated operators in respect of air conveyance shall be approved by the Postal Operations Council and shall be calculated by the International Bureau according to the formula specified in the Regulations. The rates applying to the air conveyance of parcels sent via the merchandise return service shall be calculated according to the provisions defined in the Regulations.

2 The calculation of air conveyance dues on closed dispatches, priority items, airmail items and air parcels sent in transit à découvert, missent items and misrouted mails, as well as the relevant methods of accounting, are described in the Regulations.

3 The air conveyance dues for the whole distance flown shall be borne:

- 3.1 in the case of closed mails, by the designated operator of the country of origin of the mails, including when these mails transit via one or more intermediate designated operators;
- 3.2 in the case of priority items and airmail items in transit à découvert, including missent items, by the designated operator which forwards the items to another designated operator.

4 These same regulations shall be applicable to items exempted from land and sea transit charges if they are conveyed by air.

5 Each designated operator of destination which provides air conveyance of international mail within its country shall be entitled to reimbursement of the additional costs incurred for such conveyance provided that the weighted average distance of the sectors flown exceeds 300 kilometres. The Postal Operations Council may replace the weighted average distance by other relevant criteria. Unless agreement has been reached that no charge should be made, the dues shall be uniform for all priority mails and airmails originating abroad whether or not this mail is reforwarded by air.

6 However, where the terminal dues levied by the designated operator of destination are based specifically on costs, **domestic rates or self-declared rates set under article 28bis**, no additional reimbursement for internal air conveyance shall be made.

7 The designated operator of destination shall exclude, for the purpose of calculating the weighted average distance, the weight of all mails for which the terminal dues calculation has been based specifically on costs, **domestic rates or self-declared rates set under article 28bis** of the designated operator of destination.

Article VII

Entry into force and duration of the Second Additional Protocol to the Universal Postal Convention

1 This Additional Protocol shall come into force on 1 January 2020 and shall remain in operation until the entry into force of the Acts of the next Congress.

In witness whereof the plenipotentiaries of the governments of the member countries have drawn up this Additional Protocol, which shall have the same force and the same validity as if its provisions were inserted in the text of the Convention itself, and they have signed it in a single original which shall be deposited with the Director General of the International Bureau. A copy thereof shall be delivered to each party by the International Bureau of the Universal Postal Union.

Done at **Geneva, 26 September 2019**.

See signatures below.