

Second Additional Protocol to the Postal Payment Services Agreement

Second Additional Protocol to the Postal Payment Services Agreement

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Second Additional Protocol to the Postal Payment Services Agreement

The plenipotentiaries of the governments of the member countries of the Universal Postal Union, met in Congress at Dubai, having regard to article 29.2 of the Constitution of the Universal Postal Union concluded at Vienna on 10 July 1964, have by common consent and subject to article 24.3 and 5 of the Constitution adopted the following amendments to the Postal Payment Services Agreement.

Article I (Preamble amended)

The undersigned, plenipotentiaries of the Governments of the member countries of the Universal Postal Union (hereinafter the "Union"), in provision with article 21.4 of the Constitution of the Universal Postal Union concluded at Vienna on 10 July 1964, have, by common consent and subject to article 24.3 and 5 of the Constitution, drawn up the following Agreement, which is in line with the principles of the said Constitution, in particular in order to foster financial inclusion ~~and implement a~~ through the implementation of secure and accessible postal payment ~~service and postal financial services~~ adapted to the greatest number of users on the basis of systems enabling the interoperability of designated operators' networks.

Article II (Article 1 amended) Scope of the Agreement

1 Subject to the provisions under 2, each member country shall ensure on a best effort basis that the following postal payment services are offered or accepted by electronic means on its territory:

- 1.1 Money order in cash: the sender hands over funds at the service access point and asks for the full amount to be paid to the payee in cash, with no deductions.
- 1.2 Outpayment money order: the sender gives instructions for his account to be debited and asks for the payee to be paid the full amount in cash, with no deductions.
- 1.3 Inpayment money order: the sender hands over funds at the service access point and asks for them to be paid into the payee's account, with no deductions.
- 1.4 Postal account transfer: the sender gives instructions for his account to be debited and asks for the payee's account to be credited with the equivalent amount, with no deductions.

1bis Each member country may also ensure that the optional services defined in article 25bis are offered or accepted on its territory.

2 In the event that none of the electronic postal payment services outlined under § 1 are offered or accepted by a member country, that member country ~~must~~ shall offer or accept at least one of the aforementioned postal payment services by paper-based means (letter post).

3 The Regulations shall define the procedures for executing the present Agreement.

Article III
(Article 2 amended)
Definitions

- 1 Competent authority – any ~~national governmental~~ authority of a member country which, by virtue of the powers conferred on it by the law or regulations, regulates and/or supervises the activities of the designated operator or of the persons referred to in the present article. The competent authority may contact the administrative or legal authorities engaged in combating money laundering, ~~and~~ terrorist financing, and financing of proliferation of weapons of mass destruction, and in particular the national financial intelligence unit and the oversight authorities.
- 2 Instalment – partial advance payment made by the issuing designated operator to the paying designated operator to ease the cash situation of the paying designated operator's postal payment services.
- 3 Interoperability – set of interconnected IT systems, and operational procedures, enabling the end-to-end exchange and processing of information on electronic payments in accordance with the present Agreement.
- 4 Money laundering – the conversion or transfer of funds in the knowledge that these funds are derived from a criminal activity or participation in such activity, with the aim of hiding or disguising the illegal origins of the funds or of helping any person having participated in such activity to escape the legal consequences of his action; money laundering shall be considered as such when the activities producing funds to be laundered are liable to prosecution in the territory of another member country or a third country.
- 5 Ring-fencing – the compulsory separation of users' funds from those of the designated operator which prevents the use of users' funds for purposes other than the execution of postal payment service operations.
- 6 Clearing house – within the framework of multilateral exchanges, a clearing house handles mutual debts and claims arising from services provided by one operator to another. Its role is to put to account exchanges between operators that are settled through a settlement bank, and to take the necessary steps in the event of settlement irregularities.
- 7 Clearing – a system enabling the number of payments to be made to be kept to a minimum by drawing up a periodic debit and credit balance for the parties involved. Clearing involves two stages: determining the bilateral balances and, by adding these balances, calculating the overall position of each entity with regard to the entire community in order to carry out only one settlement based on the debtor or creditor position of the entity in question.
- 8 Concentration account – an aggregation of funds from various sources combined into one account.
- 9 Liaison account – giro account opened reciprocally by designated operators as part of bilateral relations, by means of which mutual debts and credits are settled.
- 10 Criminal activity – any type of participation in, or perpetration of, a crime or misdemeanour, as defined by the national legislation.
- 11 Security deposit – amount deposited, in the form of cash or securities, to guarantee payments between designated operators.
- 12 Payee – natural or legal person designated by the sender as the beneficiary of the money postal payment order ~~or postal giro transfer~~.
- 13 Third currency – intermediate currency used in cases of non-convertibility between two currencies or for clearing/settlement of accounts.
- 14 User due diligence in relation to users – general obligation on the part of designated operators, comprising the following duties:
 - 14.1 identifying users;

14.1bis identifying the beneficial owner and taking such reasonable measures to verify the identity of the beneficial owner as are provided for in international standards on combating money laundering, terrorist financing and financing of the proliferation of weapons of mass destruction;

14.2 understanding and, when required, obtaining information on the purpose of the postal payment order;

14.3 monitoring postal payment orders;

14.4 checking that the information concerning users is up to date;

14.5 reporting suspicious transactions to the competent authorities.

15 Electronic data relating to postal payment orders and other postal financial services – data transmitted by electronic means, from one designated operator to another, relating to the execution of postal payment orders and other postal financial services, inquiries, alteration or correction of addresses, or reimbursement; these data are either entered by designated operators or generated automatically by their information system, and indicate a change in the status of ~~the postal payment order or of the order request~~ these orders or services.

16 Personal data – personal information needed in order to identify the sender or the payee.

17 Postal data – data needed for the routing and tracking of a postal payment order or for statistical purposes, as well as for the centralized clearing system.

~~18 Electronic data interchange (EDI) – computer to computer exchange of data concerning operations, by means of networks and standard formats compatible with the Union system.~~

19 Sender – natural or legal person that gives the designated operator the order to execute a postal payment service in accordance with ~~the Acts of the Union~~ this Agreement and its Regulations.

20 Terrorist financing – covers the financing of acts of terrorism, of terrorists and of terrorist organizations.

20bis UPU Interconnection Platform (UPU-IP) – the Union's central exchange system and unique reference database for postal payment orders and other financial services.

21 Users' funds – sums delivered by the sender to the issuing designated operator in cash, or debited to the sender's account written up in the books of the issuing designated operator, or by any other secure method of electronic banking, placed at the disposal of the issuing designated operator or any other financial operator by the sender, to be paid to a payee specified by the sender in accordance with the present Agreement and its Regulations.

22 COD (cash-on-delivery) money order – operational term used to designate a postal payment order ~~given~~ issued in exchange for the delivery of a COD item, ~~as defined in article 1 of the present Agreement.~~

23 Currency of issue – currency of the country of destination or third currency authorized by the destination country in which the postal payment order is issued.

24 Issuing designated operator – designated operator which transmits a postal payment order to the paying designated operator, in accordance with ~~the Acts of the Union~~ this Agreement and its Regulations.

25 Paying designated operator – designated operator responsible for executing the postal payment order in the destination country, in accordance with ~~the Acts of the Union~~ this Agreement and its Regulations.

25bis Postal payment order – general term referring to money orders in cash, outpayment and inpayment money orders, and postal account transfers, as defined in article 1.

26 Validity period – period of time during which the postal payment order may be executed or cancelled.

27 Service access point – physical or virtual place where the user may deposit or receive a postal payment order.

- 28 Remuneration – sum owed by the issuing designated operator to the paying designated operator for payment to the payee.
- 29 Revocability – the ability of the sender to recall his postal payment order (~~money order or transfer~~) up to the moment of payment, or at the end of the validity period if payment has not been made.
- 30 Counterparty risk – risk that one of the parties to a contract will default, leading to loss or liquidity risk.
- 31 Liquidity risk – risk that a settlement system participant or a counterpart is temporarily unable to fulfil an obligation in its entirety at the required time.
- 32 Reporting of suspicious transaction – obligation of the designated operator, based on the national legislation and Union resolutions international standards for combating money laundering, terrorist financing and the financing of the proliferation of weapons of mass destruction, to provide its ~~competent national authorities~~ financial intelligence unit with information on suspicious transactions.
- 33 Track and trace – system that enables the progress of postal payment order to be monitored and its location and status to be identified at any time.
- 34 Price – amount paid by the sender to the issuing designated operator for a postal payment service.
- 35 Suspicious transaction – single or repeated postal payment order or request for reimbursement relating to a postal payment order linked to a money-laundering or terrorist financing offence.
- 36 User – natural or legal person, sender or payee, that uses the postal payment services in accordance with the present Agreement.
- 37 Financing the proliferation of weapons of mass destruction – provision or collection of any funds, resources, or other services for the development, production, acquisition, accumulation, storage, sale and use of nuclear, chemical, biological and other types of weapons of mass destruction, materials, and equipment that can obviously be used in their creation.

Article IV

(Article 3 amended)

Designation of the entity or entities responsible for fulfilling the obligations arising from adherence to this Agreement

- 1 Member countries shall notify the International Bureau, within six months of the end of Congress, of the name and address of the governmental body responsible for providing governmental regulation and oversight related to the provision of postal payment services.
- 2 Within six months of the end of Congress, member countries shall also provide the International Bureau with the name and address of the operator(s) officially designated to operate at least one of the postal payment services as set out in articles 1.1 and 1.2 by means of its (their) network(s), ~~by offering or accepting at least one postal payment service~~, and to fulfil the obligations arising from the Acts of the Union on their territories.
- 3 In the absence of such notification within the prescribed six-month period, the International Bureau shall send a reminder to the member country.
- 4 Between Congresses, changes concerning the governmental bodies and the officially designated operators shall be notified to the International Bureau as soon as possible.
- 5 Designated operators shall provide the postal payment services in accordance with the present Agreement.

Article V

(Article 5 amended)

Exceptional provision of postal payment services by authorized wider postal sector players

1 Without prejudice to the subcontracting possibility outlined in article 6.4, member countries: i) where the entire spectrum of postal payment services as defined in article 1 is not provided by their designated operator(s); or ii) facing the default situation referred to in article 4, shall have the possibility of authorizing the engagement, by designated operators, of wider postal sector players (hereinafter “WPSPs”) to participate in the interconnection and/or operation of postal payment services, with the aim of fostering financial inclusion and further enabling the interoperability of an international postal payment services network.

- 1.1 Member countries shall ensure that their authorizations for the operation of any postal payment services operated by WPSPs require WPSPs to comply with the relevant provisions of this Agreement relating to postal payment services and shall ensure that such authorizations require the WPSP to comply with any relevant Union requirement for licensing arrangements to operate under the PosTransfer collective brand.
- 1.2 The identification of WPSPs by member countries shall be in accordance with the parameters defined in paragraph 1 (subject to the detailed operational criteria defined by the relevant body established under the Postal Operations Council).
- 1.3 The International Bureau shall be responsible for preparing the list of member countries in which WPSPs may be authorized to operate, as well as the list of authorized WPSPs. This list shall be updated by the International Bureau on a regular basis as soon as possible after the occurrence of any change to it and communicated by circular to all member countries.

2 The exercise of the possibility outlined in paragraph 1 shall be subject to the national legislation or policy of the member country in which the WPSP is established. In this regard, and without prejudice to the designation obligations contained in article 3, member countries shall guarantee the continued fulfilment of their obligations under the PPSA.

- 2.1 Subject to the criteria referred to above, any licensing application concerning a WPSP shall be addressed to the member country where the WPSP intends to perform activities related to the interconnection or operation of postal payment services. In this regard, a WPSP may operate in several member countries provided that it is eligible and has been authorized to do so by the governmental authority of the member country concerned.
- 2.2 Any authorization formally granted by a member country to a WPSP shall be limited in time and without prejudice to the possibility for the member country to revoke such an authorization should the conditions outlined in paragraph 1 no longer be met.
- 2.3 For the purposes of paragraph 1.3 above, a copy of the aforementioned member country authorization of a WPSP (and any relevant documentation associated therewith) shall be provided without delay to the International Bureau.

3 ~~The requirement set forth in paragraph 2 shall equally apply to the destination member country for the acceptance of postal payment orders from WPSPs.~~ Destination member countries not authorizing the acceptance of postal payment orders from a WPSP on their territory shall so inform the International Bureau within four weeks upon receipt of the relevant circular from the International Bureau as referred to in paragraph 1.3.

4 Member countries shall inform the International Bureau on their policies with regard to postal payment orders transmitted through and/or received from WPSPs. Such information shall be made available on the Union's website.

5 Nothing in this article shall be construed to imply that WPSPs are in the same situation as designated operators of the member country concerned under the Acts of the Union, nor impose a legal obligation on other member countries to recognize such WPSPs as designated operators for the purposes of this Agreement.

6 In order to ensure compliance with the provisions of this article, member countries shall agree to make any authorizations they provide to WPSPs to participate in the interconnection and/or operation of postal payment services conditional on a requirement that the WPSPs consent that their activities relevant to this Agreement may be subject to periodic audits to be conducted by the International Bureau, as per the relevant procedures defined in the Regulations.

Article VI

(Article 7 amended)

Ownership of postal payment services funds

4 Any sum of money, given in cash or debited to an account for the execution of a postal payment order, shall belong to the sender until such time as it is paid to the payee or credited to the payee's account, except in the case of COD money orders, as set out in the Regulations.

~~2 During the validity period of the postal payment order, the sender may recall this postal payment order until its payment to the payee or until it is credited to the payee's account, except in the case of COD money orders.~~

~~3 Any sum of money, given in cash or debited to an account for the execution of a COD money order, shall belong to the sender of the COD item once the order has been issued. The payment order shall then be irrevocable.~~

Article VII

(Article 8 amended)

Prevention of money laundering, terrorist financing and financial crime

1 Designated operators shall take all necessary steps to fulfil their obligations stemming from national and international legislation aimed at combating money laundering, terrorist financing, financing the proliferation of weapons of mass destruction and financial crime.

~~2 They should inform their country's competent authorities of suspicious transactions, in accordance with national laws and regulations.~~

3 The Regulations shall set out the detailed obligations of designated operators with respect to the implementation of their respective programmes to combat money laundering, terrorist financing, financing the proliferation of weapons of mass destruction and financial crime, ~~as well as user identification, due diligence and the procedures for implementing regulations against money laundering, terrorist financing and financial crime.~~

Article VIII

(Article 9 amended)

Confidentiality and use of personal data

4 Member countries and their designated operators shall ensure the confidentiality and security of personal data in accordance with national legislation and, where applicable, international obligations, and the Regulations.

~~2 Personal data may be employed only for the purposes for which it was gathered in accordance with applicable national legislation and international obligations and prevention of money laundering, terrorist financing and financial crime.~~

~~3 Personal data shall be notified only to third parties authorized by applicable national legislation to access that data.~~

~~4 Designated operators shall inform their customers of the use that is made of their personal data, and of the purpose for which it has been gathered.~~

~~5 The data required to execute the postal payment order shall be confidential.~~

~~6 For statistical purposes, and possibly also for the purpose of quality of service measurement and centralized clearing, designated operators shall be required to provide the International Bureau of the Union with postal data at least once a year. The International Bureau shall treat all individual postal data in confidence.~~

Article IX

(Article 10 amended)

General principles

1 Accessibility via the network and financial inclusion

- 1.1 The postal payment services shall be provided by the designated operators and, if so authorized, WPSPs via their network(s) and/or via any other partner network in order to ensure accessibility to these services for the greatest number, and with a view to ensuring access to, and use of, a wide range of affordably priced postal payment services.
- 1.2 All users shall have access to postal payment services regardless of any contractual or commercial relationship existing with the designated operator.

2 Separation of funds

- 2.1 Users' funds shall be ring-fenced. These funds and the flows that they generate shall be separate from operators' other funds and flows, particularly their own funds.
- 2.2 Settlements relating to remuneration between designated operators are separate from settlements relating to users' funds.

3 Currency of issue and currency of payment in respect of postal payment orders

- 3.1 The amount of the postal payment order shall be expressed and paid in the currency of the destination country or in any other currency authorized by the destination country.

4 Non-repudiability

- 4.1 The transmission of postal payment orders by electronic means shall be subject to the principle of non-repudiability, in the sense that the issuing designated operator shall not question the existence of these orders and the paying designated operator shall not deny receipt of the orders, insofar as the message conforms to the applicable technical standards.
- 4.2 The non-repudiability of electronic postal payment orders shall be ensured by technological means, regardless of the system used by the designated operators.

5 Execution of postal payment orders

- 5.1 Postal payment orders transmitted between designated operators must be executed, subject to the provisions of the present Agreement and the national legislation.
- 5.2 In the designated operators' network, if both member countries use the same currency, the sum delivered to the issuing designated operator by the sender shall be the same as the sum paid to the payee by the paying designated operator. If the currency is not the same, the sum shall be converted on the basis of an established exchange rate upon issue and/or payment, as appropriate.
- 5.3 Payment in cash to the payee shall not be conditional on receipt by the paying designated operator of the corresponding funds from the sender. It shall be made subject to the fulfilment by the issuing designated operator of its obligations towards the paying designated operator regarding instalments, settlement via the centralized clearing and settlement system, the settlement of monthly accounts or the provision of a liaison account.
- 5.4 Payment into the payee's account by the paying designated operator shall be conditional on receipt of the corresponding funds from the sender, to be made available by the issuing designated operator to the paying designated operator. These funds may come from the centralized clearing and settlement system or from the liaison account of the issuing designated operator.

6 ~~Setting of rates~~ Pricing

6.1 The issuing designated operator shall set the price of postal payment services.

~~6.2 Charges may be added to this price for any optional or supplementary service required by the sender.~~

7 Exemption from charges

7.1 The provisions of the Universal Postal Convention concerning exemption from postal charges on postal items intended for prisoners of war and civil internees shall apply to the postal payment service items for this category of payee.

8 Remuneration of the paying designated operator

8.1 The paying designated operator shall be remunerated by the issuing designated operator for the execution of postal payment orders.

~~8.2 For settlement of postal payment services, and unless otherwise bilaterally agreed between the sending and paying designated operators:~~

~~8.2.1 The remuneration of the paying designated operator shall be a percentage of the price paid by the sender to the issuing designated operator for the issuing of a postal payment order.~~

~~8.2.2 The remuneration of the paying designated operator shall not be less than 30% or more than 50% of the price paid by the sender for the issuing of a postal payment order.~~

8.2.3 The Regulations shall specify the percentage conditions to be applied and, where appropriate, a minimum amount for the settlement of remuneration ~~to cover the operating costs of~~ to the paying designated operator.

9 Intervals for settlement between designated operators

9.1 The frequency of settlement between designated operators of sums paid or credited to a payee on behalf of a sender may be different from that in respect of the settlement of remuneration between designated operators. Sums paid or credited shall be settled at least once a month.

10 Obligation to inform users

10.1 Users shall be entitled to the following information, which shall be published and made available to all senders: conditions covering the provision of postal payment services, prices, charges, exchange rates and arrangements, conditions of implementation of liability, and the addresses of information and inquiry services.

10.2 Access to this information shall be provided free of charge.

Article X

(Article 11 amended)

~~Collective brand and~~ Quality of service

~~1 The PosTransfer collective brand shall be associated with the operation of the electronic postal payment services defined herein.~~

~~2 The entities authorized to use the PosTransfer collective brand shall be subject to compliance with the quality of service objectives, elements and standards associated with electronic postal payment services, as set out in the PosTransfer licensing agreement.~~

3 The Postal Operations Council shall define and update the quality of service objectives, elements and standards for electronic postal payment services.

~~4 In line with the relevant provisions of the Regulations, designated operators (as well as the WPSPs referred to in article 5) must apply a minimum number of quality of service elements and standards for postal payment orders transmitted electronically.~~

Article XI
(Article 11bis added)
Collective mark

The PosTransfer collective mark shall be associated with the operation of the electronic postal payment services defined herein, in accordance with the relevant conditions set forth in the Regulations.

Article XII
(Article 12 amended)
Interoperability

1 Networks

- 1.1 In order to exchange the data needed to execute electronic postal payment services, as well as to ensure due reporting and quality of service monitoring by the Union, designated operators shall have their systems and associated networks connected to the ~~Union's centralized exchange system~~ UPU-IP, thus ensuring the interoperability of electronic postal payment services in accordance with this Agreement.
- 1.2 Without prejudice to § 1.1 above, the Union may also develop, and provide designated operators and eligible WPSPs (as referred to in article 5) with, a centralized platform (and associated centralized database) aimed at enabling interconnection between postal payment services and other financial or payment services not covered by this Agreement, on the basis of open and interoperable standards and subject to any relevant operational and technical parameters (including without limitation the requirements set forth in article 8) as further defined by the Union.
- 1.2.1 Use of the ~~aforementioned centralized platform~~ UPU-IP for the exceptional purpose of interconnection with other financial or payment services not covered by this Agreement (including any in-payment or out-payment modalities associated thereto) shall be under the sole responsibility of the designated operators and eligible ~~wider postal sector players~~ WPSPs concerned. In this regard, the Union shall not assume any liability for the operation of services not covered by this Agreement, whose scope shall remain beyond the postal payment services perimeter of interconnection referred to herein.

Article XIII
(Article 14 amended)
Track and trace

~~The systems used by designated operators shall permit the monitoring of the processing of the order and its revocation by the sender, until such time as the corresponding amount is paid to the payee or credited to the payee's account, or, if appropriate, reimbursed to the sender. The UPU-IP shall constitute the unique reference database for verifying the status of each electronic postal payment order at any point in time. Accordingly, the systems used by designated operators shall synchronize with the UPU-IP for the performance of any operations on electronic postal payment orders.~~

Article XIV
(Article 16 amended)
Checking and release of funds

1 After confirming the payee's identity in accordance with national legislation and the accuracy of the information the payee has provided, as well as due compliance with any relevant provisions on the prevention of money laundering, terrorist financing, financing of proliferation of weapons of mass destruction and financial crime, the designated operator shall make the payment in cash. For an inpayment money order or a postal account transfer, this payment shall be credited to the payee's account.

2 The time limits for release of the funds shall be established in the bilateral and multilateral agreements between designated operators.

Article XV
(Article 18 amended)
Reimbursement

1 Extent of reimbursement

- 1.1 Reimbursement within the framework of the postal payment services shall cover the full amount of the postal payment order in the currency of the issuing country. ~~The amount to be reimbursed shall be equal to the amount paid by the sender or to the amount charged to his account. The price of the postal payment service shall be added to the amount reimbursed in the event of an error made by a designated operator as set out in the Regulations.~~
- 1.2 ~~There shall be no reimbursement of a COD money order.~~

Article XVI
(Article 19 amended)
Inquiries

- 4 Inquiries shall be entertained within a period of six months from the day after that on which the postal payment order was accepted, as set out in the Regulations.
- 2 ~~Designated operators, subject to their national legislation, shall have the right to collect from customers charges on inquiries in regard to postal payment orders.~~

Article XVII
(Article 20 amended)
Liability of designated operators with regard to users

- 1 ~~Treatment of funds~~ The issuing designated operator shall be accountable for the funds handed over at the counter or debited to the user's account as set out in the Regulations.
- 1.1 ~~Except in the case of COD money orders, the issuing designated operator shall be accountable to the sender for the sums handed over at the counter or debited to the sender's account until:~~
- 1.1.1 ~~the postal payment order has been duly paid; or~~
- 1.1.2 ~~the payee's account has been credited; or~~
- 1.1.3 ~~the funds have been reimbursed to the sender in the form of cash or as a credit to his account.~~
- 1.2 ~~For COD money orders, the issuing designated operator shall be accountable to the payee for the sums handed over at the counter or debited to the sender's account until the COD money order has been duly paid or the payee's account has been duly credited.~~

Article XVIII
(Article 22 amended)
Non-liability of designated operators

- 1 Designated operators shall not be liable:
- 1.1 in cases of delay in the execution of the service, if it is not their fault;
- 1.2 when they cannot account for the execution of a postal payment order owing to the destruction of postal payment service data by force majeure, unless proof of their liability is otherwise produced;
- 1.3 when the damage has been caused by the fault or negligence of the sender, particularly concerning his responsibility to provide correct information in support of his postal payment order, including the fact that the funds remitted are from a legitimate source and that the postal payment order is for a legitimate purpose;

- 1.4 if the funds remitted are seized;
- 1.5 in the case of prisoner-of-war or civilian internee funds;
- 1.6 when the user has made no inquiry within the period set in the present Agreement;
- 1.7 when the time allowed for recourse in respect of postal payment services in the issuing country has expired.

Article XIX

(Article 24 amended)

Accounting and financial rules

- 1 Accounting rules
 - 1.1 Designated operators shall comply with the accounting rules defined in the Regulations.
- 2 Preparation of monthly and general accounts
 - 2.1 The paying designated operator shall prepare for each issuing designated operator a monthly account showing the sums paid for postal payment orders. The monthly accounts shall be incorporated, at the same intervals, in a general offset account including instalments and giving rise to a balance.
- 3 Instalment
 - 3.1 In case of an imbalance in exchanges between designated operators, an instalment shall be paid by the issuing designated operator to the paying designated operator, at least once a month, at the beginning of the settlement period. In cases where increasing the frequency of settlement of exchanges reduces the period to less than a week, operators can agree to waive this instalment.
 - ~~3.2 Instalments shall not be admitted for settlements taking place through the centralized clearing and settlement system.~~
- 4 Concentration account
 - 4.1 In principle, each designated operator shall have one concentration account for users' funds. These funds shall be used solely for settling postal payments paid to the payees or for reimbursing non-executed postal payment orders to senders.
 - 4.2 Any instalments paid by the issuing designated operator shall be credited to the concentration account for the paying designated operator. These instalments shall be used exclusively for payments to payees.
- 5 Security deposit
 - 5.1 The payment of a security deposit may be required in accordance with the conditions provided for in the Regulations.

Article XX

(Article 25 amended)

Settlement and clearing

- 1 Centralized settlement
 - 1.1 Unless otherwise bilaterally agreed as per paragraph 2, settlements of electronic postal payment services between designated operators shall pass through the Union's central clearing house, in accordance with the procedures set out in the Regulations, and be carried out from the designated operators' concentration accounts.
- 2 Bilateral settlement
 - 2.1 Billing on the basis of the general account balance

- 2.1.1 Designated operators that are not members of the centralized clearing system, or that are settling ~~paper-based postal payments~~ letter-post postal payment orders, may settle accounts on the basis of the balance of the general account.
- 2.2 Liaison account
 - 2.2.1 Where designated operators have a giro institution, they may each open a liaison account by means of which shall be settled their mutual debts and claims resulting from postal payment services.
 - 2.2.2 Where the paying designated operator does not have a giro system, the liaison account may be opened with another financial institution.
- 2.3 Currency of settlement
 - 2.3.1 Settlements shall be carried out in the currency of the destination country or in a third currency agreed between the designated operators.

Article XXI
(Part IIbis and article 25bis added)

Part IIbis
Optional services

Article 25bis
Postal financial services

1 Subject, by analogy, to the provisions under article 3, each member country may also ensure, *inter alia*, that the following international postal financial services are offered or accepted by electronic means on its territory:

- 1.1 Savings and accounts;
- 1.2 Bill collection and payments;
- 1.3 Social payments;
- 1.4 Government payments;
- 1.5 Mobile payments and electronic wallets.

Article XXII
Entry into force and duration of the Second Additional Protocol to the Postal Payment Services Agreement

This Additional Protocol shall come into force on 1 July 2026 and shall remain in force for an indefinite period.

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 Postal Payment Services Agreement 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 Dubai, 19 September 2025.