

# Ready to Market Interoperability Group (RMIG)

Virtual Webinar
8 October 2024



### **Agenda**

- 1. Introductory remarks by RMIG ET Chair
- 2. Background, structure and solutions for the RMIG network
- 3. RMIG member vision and goals Egypt, Ukraine, Morocco, BoxC
- 4. Membership details
- 5. Interactive Q&A
- 6. Wrap up





## **Introductory Remarks**

**Mr Vincenzo Aurelio – Chair of the RMIG Expert Team** 

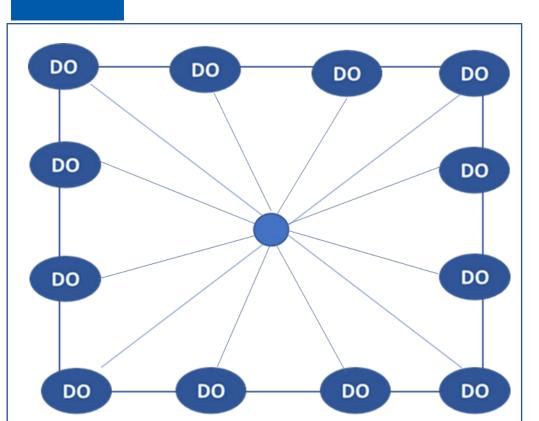


# Background, structure and solutions for the RMIG network

**Presentation by Mr Bousseta – Director of Operations** 

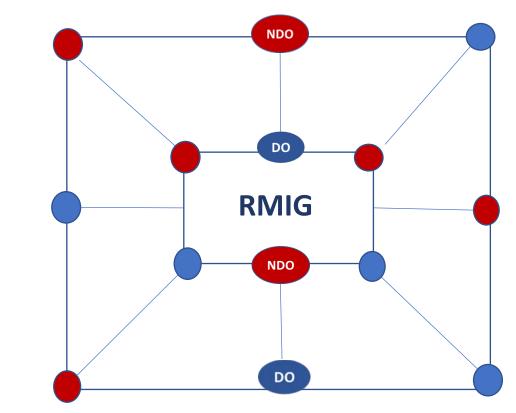


#### Multilateral framework for Postal Items



- Legal framework : Acts of the Union
- Dedicated standards and regulations
- IT interoperability : Post\*Net

#### Multilateral framework for Commercial Items



#### Mutualization of DO and NDO Networks

- Unlocks potential business opportunities for all RMIG members.
- Governed by common regulations and standards.
- Interoperability Framework Agreement (IFA) will define the conditions of the interoperability models
- Key component : IT Interoperability enabling Seamless interconnection between DO and NDO systems.



## UPU Technology solutions to support the RMIG

- RMIG Webinar 8 October 2024

Lati Matata, Director Postal Technology Centre



## **UPU Technology – RMIG Support**

#### 1) Vision:

- 1) Provide seamless digital interoperability between the UPU postal IT network and WPSP networks supporting the three models of the RMIG.
- 2) Minimize the operational impact on designated operators when processing WPSP traffic.

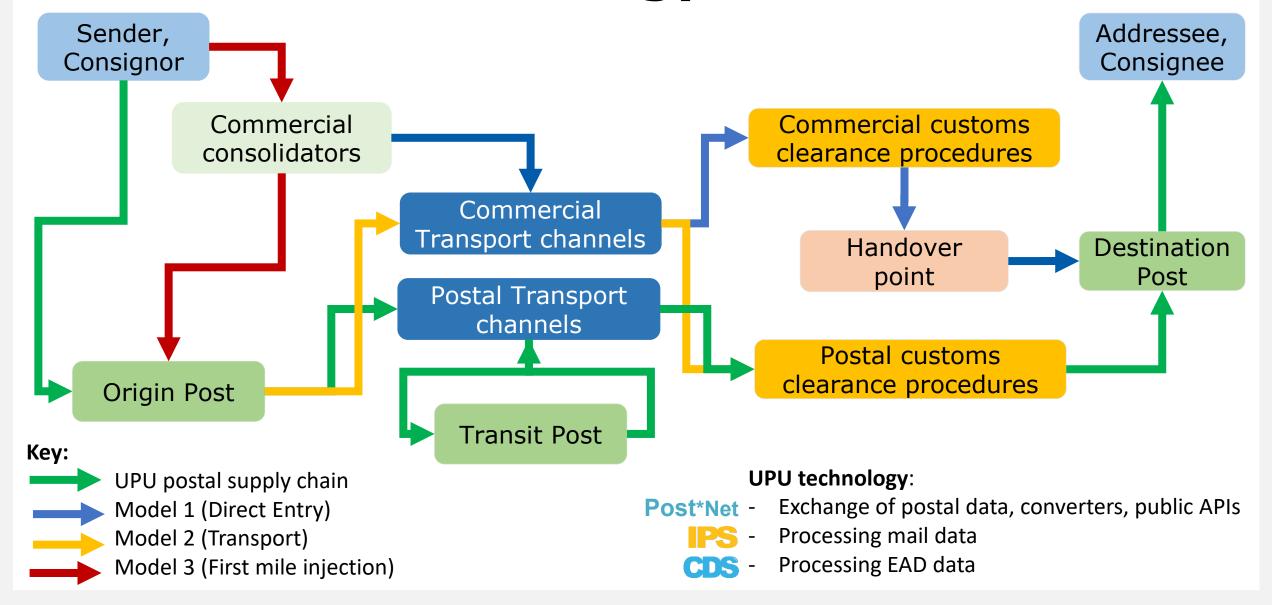
#### 2) Approach:

- Leverage the UPU postal IT network Post\*NET, with interconnections between +190 postal operators and partners, to centrally provide standard, secure and performant interfaces and data converters to WPSPs.
- Extend existing operational UPU technology (IPS, CDS, QCS etc.) to support WPSP traffic.

Note: WPSPs (Carriers, Ground handlers and Customs authorities) have been granted access to UPU technology (Post\*Net, QCS, SCIS, Public APIs) to interface with postal operators

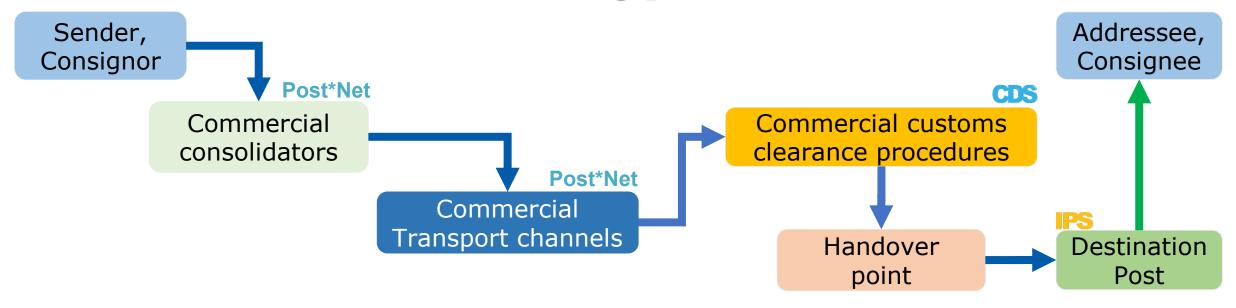


## **UPU Technology – RMIG Models**





## **UPU Technology - RMIG Model 1**

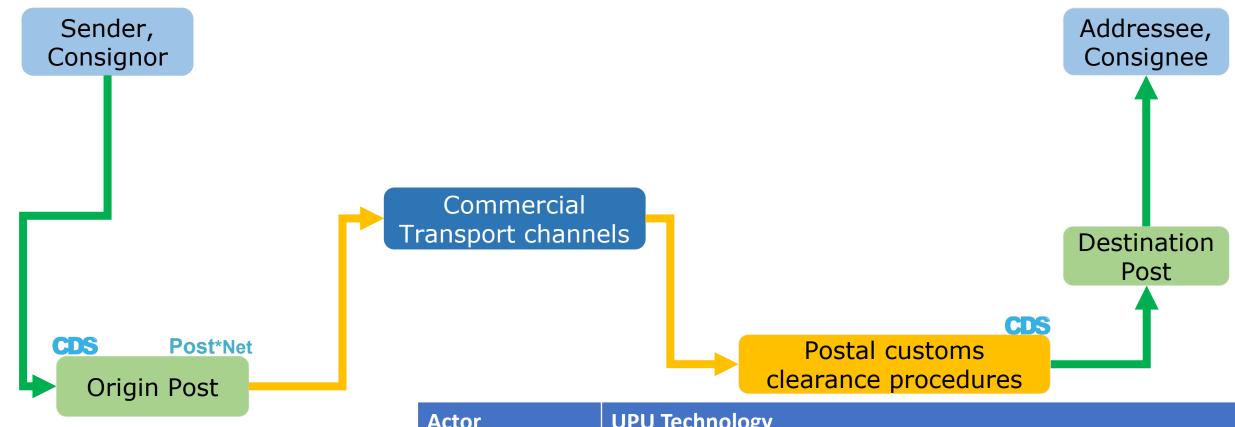


Key:	
$\rightarrow$	<ul> <li>UPU postal supply chain</li> </ul>
	Model 1 (Direct Entry)

Actor	UPU Technology
Commercial consolidators	Interfaces to exchange UPU EDI data Barcodes (domestic or S26) and domestic labels Address verification at source Landed costs calculator
Commercial Transport	Interfaces to convert and exchange UPU EDI data
Commercial customs	EAD data for risk assessment



## **UPU Technology – RMIG Model 2**



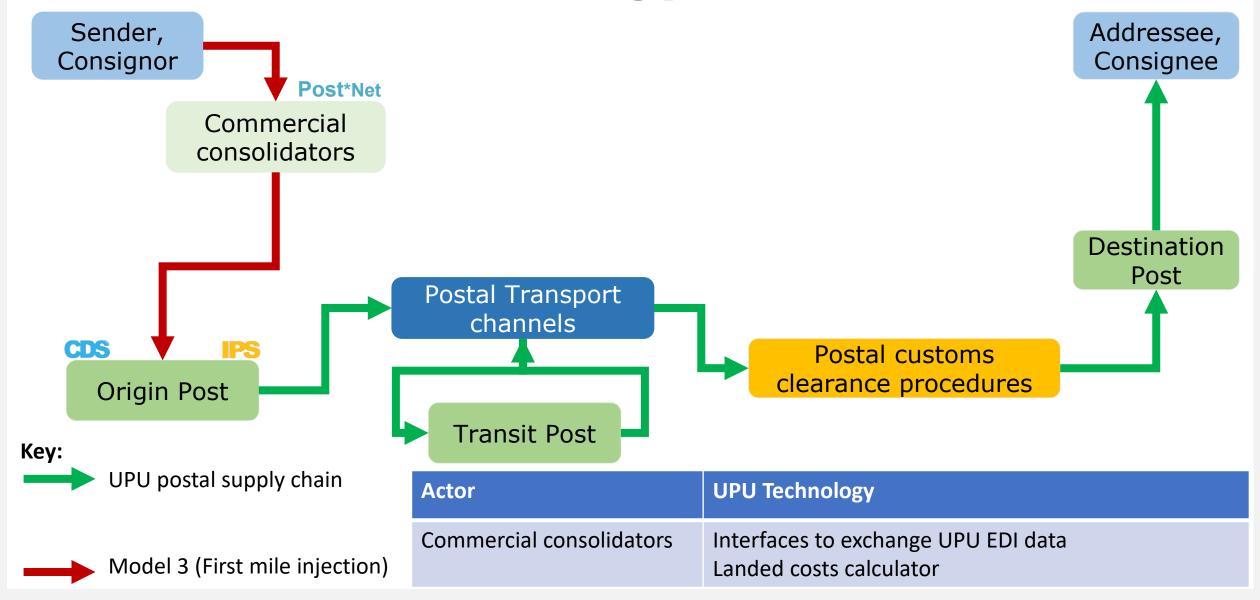
UPU postal supply chain

Model 2 (Transport)

Actor	UPU Technology
Origin post	Capacity planning tools for cargo and commercial freighters Conversion of UPU EDI data to cargo data.
Postal customs clearance	EAD data for risk assessment Landed costs calculator



## **UPU Technology - RMIG Model 3**





## **UPU Technology - RMIG - Status**

#### 1) Model 1: Direct Entry model

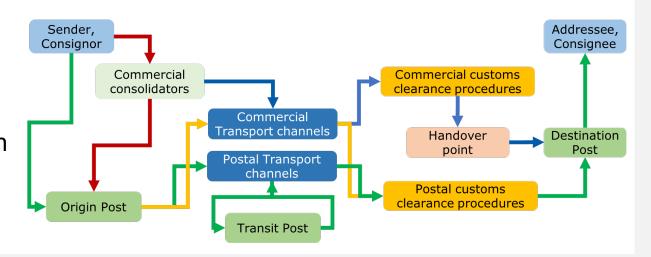
- Supporting the PPZ (Morocco) initiative in pilot testing phase
- Model uses postal instead commercial customs clearance
- Results may also support the preparation of the template Interoperability Framework Agreement (IFA)

#### 2) Model 2: Transport

 Funding required to implement the transporter marketplace or Transport interoperability and interconnectivity marketplace (TIIM)

#### 3) Model 3: First mile injection

- A "business as usual" integration project, using CDS and IPS APIs. Can be replaced by public APIs centrally on Post\*NET
- Advantage for the WPSP (as a local consolidator) is the centralized connection to access the UPU postal IT network and associate services like the landed cost calculator

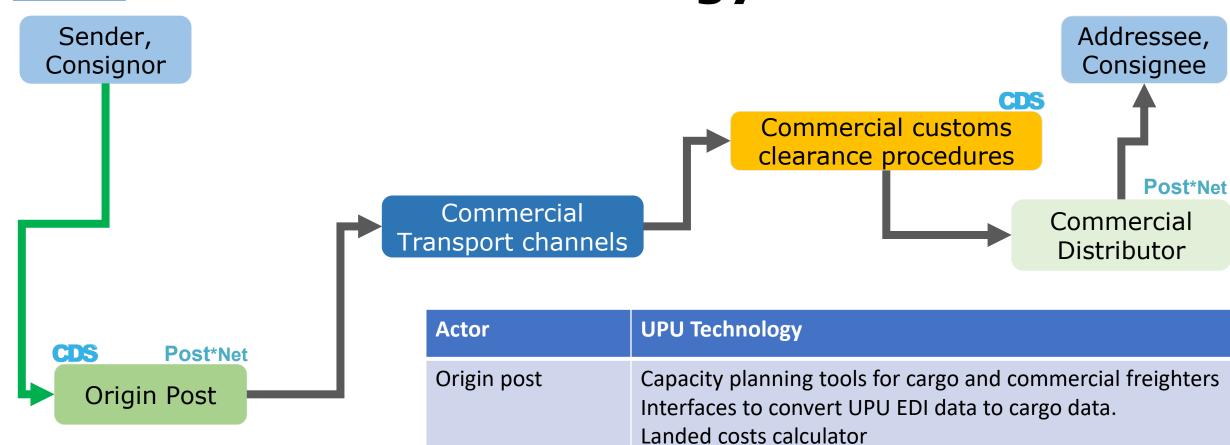




## Additional models



## **UPU Technology – Model 4**



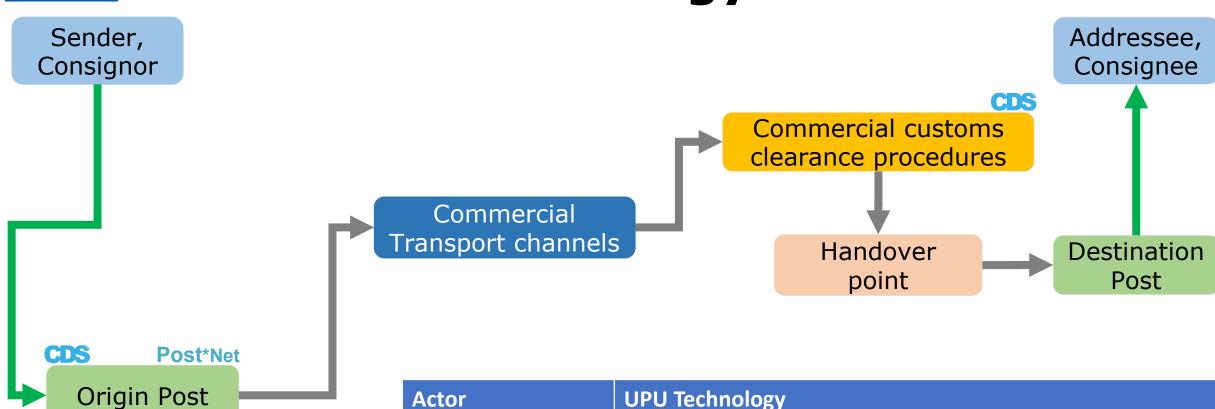
Key:

UPU postal supply chain
Model 4

Actor	UPU Technology
Origin post	Capacity planning tools for cargo and commercial freighters Interfaces to convert UPU EDI data to cargo data. Landed costs calculator
Commercial customs clearance	EAD data for risk assessment
Commercial distributor	Interfaces to exchange UPU EDI data



## **UPU Technology – Model 5**



Key:	
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UPU postal supply chainModel 5

Actor	UPU Technology
Origin post	Capacity planning tools for cargo and commercial freighters Interfaces to convert UPU EDI to cargo data Landed costs calculator
Commercial customs clearance	EAD data for risk assessment



## Thank you



## RMIG member vision and goals - EGYPT

Ms Nermin Hassan Mohamed – Director of International Cooperation – Egypt Post





## UPU Ready to Market Interoperability initiative

8th of October 2024

### **UPU** is World Local Network

6

- 150 years of :
- Standardized Operations powered by multilateral agreement
- Wide access among the citizens of the world through mainly C2C transactions



- C2C is no longer a revenue generating business model.
- B2C, B2B2C, G2C, C2G are the drivers of business growth worldwide
- Innovation to increase efficiency of the international postal network and maintain competitiveness is a MUST (quicker, cheaper, and reliable).

### REMG Foreseen Opportunities



**Ecommerce** 



Postal services

Money remittances



**Financial Services** 

Business diversification



Digitalization

#### Interoperability for Ecommerce & Postal Services



#### **Business development**

- Identify and pursuing new opportunities to increase ecommerce shipment volume.
- Collaborate to build innovative business models to make international shipping increasingly quicker, cheaper, and more efficient.

#### **Supports operations agility**

During ( Covid Pandemic ) dependence on one model of operations put the international postal network under stress . Interoperability multi models of operations will give agility to UPU to switch to the most appropriate model , which allows for smooth continuity of logistics , which is crucial for the overall stability of UPU and Ecommerce market .

## Boosts inclusion, socio-economic development of societies

Ensuring that ecommerce opportunities are accessible to all community's groups, regardless of their locations benefitting from the wide access of UPU network, and affordability of Postal services especially in remote areas.

#### **Promotes Innovation**

Provide a common framework for interaction, which encourages innovation in shipping and logistics services and provides a conducive environment for the development of new logistics models that can benefit from the capacities of DOs, and non-DOs, for Win – Win Situation.

#### Interoperability for Ecommerce & Postal Services



#### **Supports Regulatory Compliance**

 Interoperability can help logistics providers to comply with regulatory requirements in both Origin / Destination Countries and prevent several fraud practices by finding operational models that combine Postal / Commercial operations in well Governed , and transparent manner

#### **Reduces Costs**

- Interoperability can lead to significant cost savings for DOs, logistics providers and ecommerce marketplaces through the elimination of the need for bespoke integrations between different systems, reducing operational costs.
- DOs national networks are the most extended in the member countries of UPU, building the bridge of Interoperability between UPU DOs, and non DOs

#### **Fosters Competition**

By levelling the playing field, interoperability fosters competition among shipping and logistics service providers and encourages product and service innovation for maintenance of competitive edge.

#### Interoperability in Financial Services



Facilitates Seamless Transactions	Different payment systems ,and Gateways to communicate and exchange data effectively , which enable seamless cross boarder transactions, irrespective of payment method or system used. This will make international transfers increasingly quicker, cheaper, and more efficient.
Enhances Efficiency	Interoperability enhances the efficiency of payment systems by reducing the complexity involved in processing transactions across different systems. It eliminates the need for manual interventions, thereby accelerating transaction processing times.
Boosts Accessibility	Promotes financial inclusion by ensuring that payment services are accessible to larger pools of users, regardless of the primary payment system they use. This is particularly valuable in regions that have highly localized or limited payment system availability.
Enhances Security	Reliable financial gateways often use standardized protocols and security measures, which enhances the overall security of transactions. This helps to prevent fraud and ensures the integrity of data exchanged across different systems.

#### Interoperability in Financial Services, and Micro-finance



## Supports Regulatory Compliance

Support financial institutions comply with regulatory requirements, facilitating the implementation of anti-money laundering (AML) and know-your-customer (KYC) procedures across different systems.

## Reduces Costs, and develop growth

Lead to significant cost savings for DOs, and financial institutions through the elimination of the need for bespoke integrations between different systems, reducing operational costs.

## Fosters Competition and promotes innovation

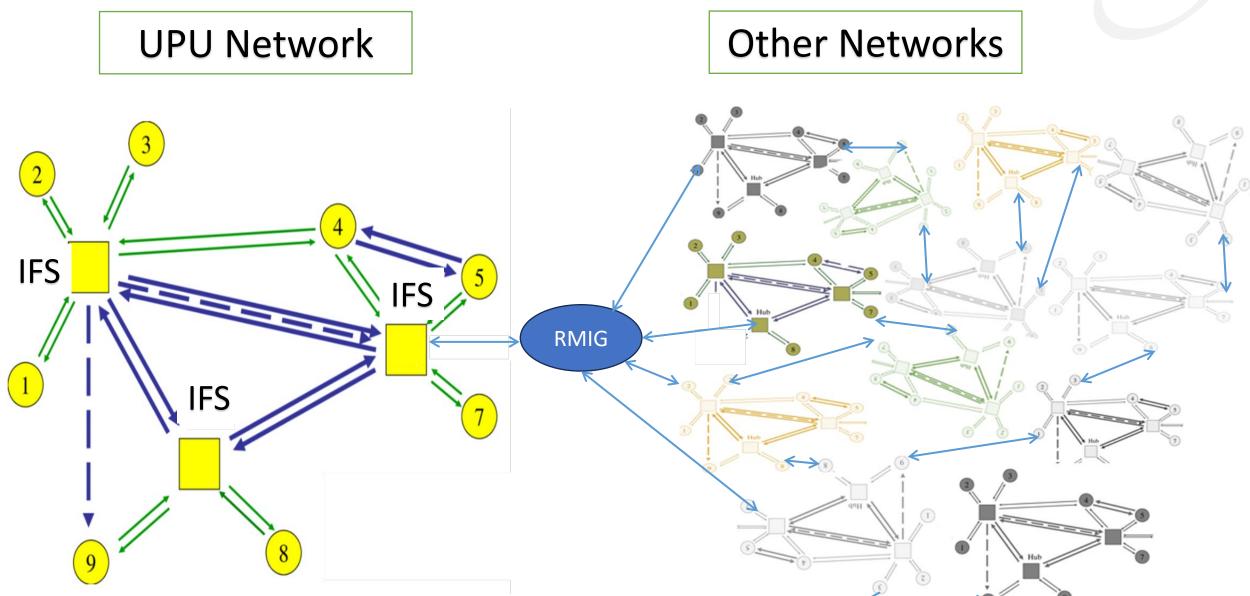
By levelling the playing field, interoperability fosters competition among financial service providers and encourages product and service innovation for maintenance of competitive edge.

## Supports Financial Stability

Lastly, interoperability supports financial stability by ensuring that payment systems can continue to operate seamlessly, even in times of stress. It allows for the smooth functioning of financial markets, which is crucial for the overall health of the economy.

#### RMIG value proposition: Boosting Business Growth Through Interoperability







## Thank You



## RMIG member vision and goals - UKRAINE

Ms Julia Pavlenko – Director of International Operations Department – JSC "Ukrposhta"



## Ukrposhta for Ready for Market Interoperability Group

Julia Pavlenko Director of International Operations Department | Ukrposhta

8 October 2024, RMIG



### What is Ukrposhta

27,000 service points

6.129 fixed post offices

1.885 mobile post offices

77 depots

3500 vehicles

**40,000** staff



#### During the war, Ukrposhta is losing every day

Employees

Branches (1600+ already damaged/destroyed)

Airports connection

Power



Total damages: USD 70 M + Total losses: USD 165 M

As of the end of 2023 (this data was submitted to the Ukraine Rapid Damage and Needs Assessment developed by the World Bank Group, the Government of Ukraine, the European Commission, and the UNO)



Ukposhta have many projects in effective collaboration with active ecommerce and leading postal and express curriers companies

We are strong focus on result. Especially during war time

















The war proves that the Post plays a vital role in people's lives, supporting them with many important services in the difficult times.







#### Besides the traditional postal services Ukrposhta do very important social services



#### Social payments

Paying out to passengers of evacuation trains at train and bus stations



Photo: Ursula von der Leyen, the President of the European Commission at Ukrposhta on 03.02.2023



#### **Ukrposhta Pharmacy:**

People can order medicines (made in Ukraine, 10 thousand articles, nonprescription) and have them delivered.

Important for residents of **remote areas** and near the front line.

In 7 regions, will be expanded

#### **LED light bulb exchange** to reduce energy consumption

Project of the Ukrainian government supported by the European Union

**40 M** energy-efficient LED light bulbs were distributed by post offices to **5 M people**, as well as hospitals, schools, libraries etc.





Most private postal operators / players think in most cases only about "ecommerce growth" / "huge parcels volume" and "profits"

Many of them completely forget that UPU originally was created for cooperation for social services and to guaranty for universal postal services for all people across the whole would.

#### Main idea why Ukrposhta decided join Ready for Market Interoperability Group?

- 1) To be in main trend of main postal developments and demonstrate all countries our readiness for big ecommerce collaboration
- 2) To share our strong experience in making successful postal business despite of active destructions and every day attacks
- 3) To save balance in UPU system between national postal operators and private companies for main goal of UPU

### Ukrposhta has very unique practical experience for UPU members and private sectors









## Thank you



## RMIG member vision and goals - MOROCCO

Mr Abdellatif Benzarhouni – Director of the Division in charge of the Directorate of Cooperation and International Partnerships – Barid Al-Maghrib



#### Contribution from Barid Al-Maghrib

#### **RMIG** webinar

8 October 2024

#### BARID AL-MAGHRIB: WHY JOIN RMIG?

- The development of the parcel activity constitutes a real growth driver in the face of the continuous decline in postal mail volumes for which it has indeed made significant investments in its four-year development plan, in order to upgrade its operational processes as well as its national platforms for processing postal shipments to maintain its position as an essential logistics player in the Moroccan market.
- The RMIG's work axes are perfectly aligned with these strategic orientations.



Equipping oneself with an agile, dynamic, and scalable ecosystem that allows for oversight of all components of the postal chain (from integrators or e-commerce platforms to the end customer).



#### **IMMEDIATE INTEROPERABILITY GROUP: SCOPE**

- An operational cooperation approach to offer new opportunities to both postal operators and other stakeholders in the sector.
- A framework that aims to strengthen the role of the UPU bodies, allowing for increased effectiveness and supporting commercial initiatives that may be agreed upon by mutual consent between designated operators and other members of the extended sector.
- A rapprochement between stakeholders in the postal sector to define a framework for multidimensional collaboration with the aim of strengthening the end-to-end postal chain on one hand, and on the other hand, increasing the competitiveness of postal services in the e-commerce market, in particular.



#### **EXPECTATIONS OF BARID AL-MAGHRIB**

- Channeling your efforts with the aim of optimizing:
  - ✓ Processes (operations, quality of service, marketing, IT etc.);
  - ✓ The necessary integration and development costs in terms of information systems and adopting a continuous process of operational and IT innovation;
  - ✓ The work of standardizing rules and processes.
- Establish contacts with customs and transport companies (air, maritime, and land):
  - ✓ Collaboration with these two bodies will certainly have an impact that must be taken into consideration. The UPU's contact committees with the WCO and IATA can be of great help and support to the reflections of the RMIG Group.
  - ✓ No simplification is possible without optimizing the customs clearance process and consequently, a strong involvement of customs through the WCO.



#### **PRIORITIES TO CONSIDER**

- The modeling phase of the RMIG initiatives is crucial and reaffirms the firm commitment of the Group members to successfully implement the agreed-upon roadmap.
- Dimensions not to be overlooked:
  - ✓ Customer Service,
  - ✓ Quality of Service,
  - ✓ Marketing to attract new flow integrators or e-retailers.







## Thank you



# RMIG member vision and goals - BOXC

Mr Chris Stevens – Global Business Development Advisor – BoxC

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International e-commerce
logistics management platform



Postal Operators

## The RMIG Initiative

- There is a growing need to ensure postal operators, wider sector players and service providers can operate in an efficient interoperable model.
- The RMIG will provide an opportunity to explore and define the depth and breath of the interoperability between operators, building on some of the sectors best practices.
- Recognizing the benefit of finding global, universal solutions that enable seamless interconnectivity.
- Enable members to develop data driven solutions that address the needs of the sector and customers.



# Connect one API and immediately expand your international e-commerce shipping capabilities.

E-commerce Shipment

## How BoxC Works

Select what's needed to augment your existing infrastructure and capabilities from BoxC's global network of logistics related services to expand your international e-commerce shipping services.





## Last Mile Carriers



The BoxC platform includes multiple last mile carriers with prenegotiated rates. Or use your own accounts. In all cases automated sorting is included for zone skipping and carrier benefits.

## Taxes and Duties



BoxC calculates the taxes and duties for each e-commerce shipment. And if you don't have the HTS code, BoxC can instantly classify based on the line item descriptions.

## Air Cargo Transport



Utilize your own air cargo agreements or BoxC can provide the air cargo transportation for a complete middle and last mile solution.

### Customs Clearance



All manifested shipments data is automatically forwarded by BoxC to customs brokers and monitored for any requests by authorities. A simple DDP solution.



#### Insurance



Standardized global parcel insurance regardless of first, middle and last mile carrier is available that provides coverage from the moment a parcel is processed, including when in your control from origin.

## Consolidated Tracking



Seamless tracking regardless of possession of the shipment from label creation to last mile carrier delivery. All events are consolidated into a single tracking link.

# Screening & Compliance



All shipments are automatically checked for denied parties, prohibited items, and regulated or restricted items.

## Transfer & Delivery



Airline recovery and transfer to the last mile carrier is included by default when using BoxC's customs clearance and last mile carrier services at a minimum.



It's time to

redefine e-commerce logistics.



## Thank you



## Membership details

Ms Wendy Eitan – Director, E-commerce, Physical Services Integration and POC Matters



## **Invitation letter and application form**

Contact: poc.secretariat@upu.int





Annex 2 to letter 4880(DOP.EPSI)1063

UPU International Bureau SWITZERLAND T +41 31 350 31 11 F +41 31 350 31 10

www.upu.int

Contact: Ms Wendy Eitan T +41 31 350 36 22

Wendy.eitan@upu.int

Reference: 4880(DOP.EPSI) 1063

Subject: Call to join the Ready to Market Interoperability Group

Dear Sir/Madam.

Exciting developments are underway in the postal sector, and the UPU invites you to be at the forefront of innovation by joining our groundbreaking initiative, the Ready to Market Interoperability Group (RMIG), which will be a new user-funded subsidiary body.

Imagine a future where interoperability between Posts and commercial companies is seamless, efficient and sustainable. The RMIG is where the vision becomes a reality. We are pioneering a new approach to funding and operation, ensuring that essential services thrive while remaining financially independent.

As a designated operator of a UPU member country or as a member of the UPU Consultative Committee, you organization's expertise and collaboration will be invaluable. By joining the RMIG, you will be able to shape the future of postal interoperability.

The RMIG empowers stakeholders to contribute directly to the development and implementation of effective interoperability models, application programming interfaces (APIs), and infrastructure that supports growth Please indicate (on the basis of the table above) the class of contribution chosen Together, we can ensure that the costs associated with these vital services are covered by those who benefit from them most – the users themselves

The RMIG is not just about sustainability - it is about driving innovation and progress within the postal sector By operating independently of the Union's regular budget, we have the flexibility to explore new ideas, invesin cutting-edge technology and deliver unparalleled value to our members.

Join us in creating a more equitable, sustainable and innovative postal ecosystem. Together, we can build ε brighter future for the entire industry and its stakeholders.

We would welcome your organization as a valued member of the RMIG. For more information or to express your interest in joining us, please see the attached brochure (Annex 1), participation form (Annex 2) and Rules of Procedure (Annex 3). You may also contact: poc.secretariat@upu.int

Thank you for considering this invitation. Together, let's shape the future of postal innovation.

Yours faithfully,

Masahiko Metoki Secretary General

User-funded subsidiar	body – Ready to Market	Interoperability Group
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Application for new members The designated operator or Consultative Committee wishes to join the Ready to Market Interoperability Group (RMIG).

#### Contribution level

The designated operators of Union

Berne, 10 June 2024

member countries and members of the Consultative Committee

> The RMIG shall be a self-financing body. The activities defined in the RMIG activity plan shall be financed by contributions from RMIG members in the form of fees set forth in a schedule approved by the general

The fixed annual membership fee and voting rights for each contribution class are as follows:

Class	Membership fee (CHF)	Voting rights
1	5,000	1
2	10,000	2
3	15,000	3
4	20,000	4
5	25,000	5
Founding member	50,000	10 (for the first two years only)
Associate member	2,000	None

Class	Annual contribution (CHF)	

#### Designation of representative

Each member shall designate its representative(s) with expertise in the area of interoperability, who shall act as the official contact for all matters pertaining to the activities of the RMIG.

Country	Designated operator/CC member		
Full name of designated representative			
		Mr	☐ Ms
Position/title			
E-mail	Tel.		

#### C. Application completion

This application has been completed by:

Name	
Title	
Address	
E-mail	

Date	Signature



### What are the membership fees?

#### Membership fees and voting rights:

Class	Membership fee (CHF)	Voting rights
1	5,000	1
2	10,000	2
3	15,000	3
4	20,000	4
5	25,000	5
Founding members	50,000	10
Associate members	2,000	0

#### **Founders**

Any Member wishing to contribute to the RMIG, within the first 12 months of its establishment, with 50000 CHF as indicated in the table in Article 6 shall be considered as a founder (hereinafter "Founder"). Starting from the third year, the Founder has the flexibility to select the contribution class they prefer to join.

#### **Associate members**

Other WPSPs not falling under the category of CC members may join the RMIG as associate members



## **Interactive Q&A**

**Mr Vincenzo Aurelio – Chair of the RMIG Expert Team** 



## Questions?



## Wrap up

**Mr Vincenzo Aurelio – Chair of the RMIG Expert Team** 



# MERCI THANK YOU



#### What is the RMIG? What is its mission?

The Ready to Market Interoperability Group is the new UPU user group for strengthening cooperation between Designated Operators and Wider Postal Sector Players

The mission of the RMIG is to develop all substantive technical and operational work associated with the development of all three interoperability models:

model 1 – direct entry model; interoperability: includes all operational, technical, legal and policy requirements that need to be implemented to ensure interoperability between two entities (of which one is not a DO) for the exchange of items on a purely commercial basis;

model 2 – transport interoperability and interconnectivity marketplace (TIIM); interoperability: a compliance guide that sets out all required processes, forms and documents for providing UPU-certified transport services

model 3 – first-mile injection model: Application programming interface (API) for interoperability model 3: facilitates the flow of data collected by WPSPs to the origin DO in relation to items injected by the WPSPs into the UPU postal stream at a facility in the country of origin; reciprocity