

INTERCOMPANY PRICING



Facilitating bilateral and multi-lateral remuneration agreements among postal operators

Why?

To ensure that the payments of terminal dues for the delivery of cross-border mail are not only cost-covering, but also take the quality of service performance provided to the consumer into consideration. This ensures that the payments between posts are fair and based on agreed service standards and hence, higher service quality for consumers.

How does it work?

The INTERCONNECT Remuneration Agreements (IRA) and the Remuneration of International Mails Agreements (REIMS) are the Terminal Dues (TD) frameworks developed by IPC and its members.

Since 1999, when the REIMS system was first implemented and renegotiated several times afterwards to reach more than 15 years of application, IPC has been central to the arrangement, as the administrator of the remuneration agreements, as the facilitator of negotiations, and as the chair of steering committees and working groups.

The IRA system which replaced REIMS in 2016 is the first multi-lateral terminal dues framework covering both letters and parcels products and focusing on e-commerce.



INTERCONNECT

Developed to underpin the INTERCONNECT suite, the INTERCONNECT remuneration agreements cover both letters (tracked and untracked) and parcel products. The agreements are open to all INTERCONNECT members and their membership in 2020 is 26 designated postal operators, including all major European designated postal operators and USPS.

With strong focus on competitive remuneration and strengthened quality of service, these remuneration agreements are one of the building blocks of the new INTERCONNECT system setting the basis for a global postal e-commerce delivery network.

Letter-mail INTERCONNECT Remuneration Agreement Europe (LIRAE)

The LIRAE superseding the IRA-E remuneration agreement as of 2021, covers INTERCONNECT tracked and untracked letter packets as well as legacy letter-mail services. One of the main objectives targeted under the LIRAE is to provide quality-driven terminal dues model in order for postal operators to be more competitive on the e-commerce market.

Parcels INTERCONNECT Remuneration Agreement (PIRA)

The PIRA superseding the IRA-E remuneration agreement as of 2021, covers INTERCONNECT parcel services. With the focus to improve postal operators' competitiveness in a very dynamic segment of the e-commerce market, quality of service and data-driven performance are incentivised to underpin PIRA remuneration model.

IRA USPS

Developed in 2020 as a multilateral framework of bilateral agreements, the IRA-USPS is a multilateral solution that facilitates exchanges to and from the US, for select products from the INTERCONNECT suite. Benefiting from standardisation of terms, processes, and functions required to support bilateral rate arrangements, this agreement is signed by 14 operators.

Benefits

- Wide coverage expected to grow further, with 26 major postal operators from across Europe in 2020, and link with US covered
- IPC as impartial facilitator of agreements
- Best practice sharing between the postal operators
- Simplified and standardised accounting processes among members
- High target level of quality of service and data provision, ensuring customer satisfaction

More information

For more information, visit our website: www.ipc.be.
To find out more about Terminal Dues, contact us via e-mail at info@ipc.be.



More info