

POSTAL SERVICE

39 CFR Part 20

International Competitive Services Product and Price Changes

AGENCY: Postal Service™.

ACTION: Final rule.

SUMMARY: The Postal Service is revising *Mailing Standards of the United States Postal Service*, International Mail Manual (IMM®), to reflect the prices, product features, and classification changes to Competitive Services, as established by the Governors of the Postal Service.

DATES: Effective: January 21, 2018.

FOR FURTHER INFORMATION CONTACT: Paula Rabkin at 202-268-2537.

SUPPLEMENTARY INFORMATION: New prices will be posted under Docket Number CP2018-8 on the Postal Regulatory Commission's website at <http://www.prc.gov>.

This final rule describes the international price and classification changes and the corresponding mailing standards changes for the following Competitive Services:

- Global Express Guaranteed® (GXG®).
- Priority Mail Express International®.
- Priority Mail International®.
- First-Class Package International Service® (FCPIS®).
- International Priority Airmail® (IPA®).
- International Surface Air Lift® (ISAL®).

- Direct Sacks of Printed Matter to One Addressee (Airmail M-bag[®] services).
- The following international extra services and fees:
 - International Insurance.
 - International Certificate of Mailing.
 - International Registered Mail.
 - International Return Receipt.
 - International Postal Money Orders.
 - International Money Order Inquiry Fee.
 - International Money Transfer Service.
 - Customs Clearance and Delivery Fee.

New prices will be located on the Postal Explorer[®] website at <http://pe.usps.com>.

Global Express Guaranteed

Global Express Guaranteed (GXG) service provides fast international shipping and date-certain delivery with a money-back guarantee, with international transportation and delivery provided through an alliance with FedEx Express[®]. The price increase for GXG service averages 3.9 percent.

The Postal Service provides Commercial Base pricing to online customers who prepare and pay for GXG shipments via USPS-approved payment methods (other than Click-N-Ship[®] service), with a 5 percent discount off the published retail prices for GXG service. Customers who prepare GXG shipments via Click-N-Ship service will continue to pay retail prices. Commercial Plus prices are set to match the Commercial Base prices.

Priority Mail Express International

Priority Mail Express International service provides fast service to approximately 180 countries in 3–5 business days, for many major markets, although the actual number of days may vary based upon origin, destination and customs delays. Priority Mail Express International with Money-Back Guarantee service is available for certain destinations. The price increase for Priority Mail Express International service averages 3.9 percent. The Commercial Base price for customers who prepare and pay for Priority Mail Express International shipments via permit imprint, online at USPS.com[®], or as registered end-users using an authorized PC Postage vendor (with the exception of Click-N-Ship service) will be 5 percent below the retail price. Customers who prepare Priority Mail Express International shipments via Click-N-Ship service pay retail prices. Commercial Plus prices are set to match the Commercial Base prices.

The Postal Service will also continue to include Priority Mail Express International service in customized Global Expedited Package Services (GEPS) contracts offered to customers who meet certain revenue thresholds and are willing to commit a larger amount of revenue to the USPS[®] for Priority Mail Express International service and Priority Mail International service.

Priority Mail International

Priority Mail International (PMI) is an economical way to send merchandise and documents to approximately 180 countries in 6–10 business days, for many major markets, although the actual number of days may vary based upon origin, destination and customs delays. The price increase for

Priority Mail International service averages 3.9 percent. The Commercial Base price for customers who prepare and pay for PMI items via permit imprint, online at USPS.com, or as registered end-users using an authorized PC Postage vendor (with the exception of Click-N-Ship) will be 5 percent below the retail price. Customers who prepare Priority Mail International shipments via Click-N-Ship pay retail prices. Commercial Plus prices are set to match Commercial Base prices. The Postal Service will continue to include Priority Mail International service in customized GEPS contracts offered to customers who meet certain revenue thresholds and are willing to commit to a larger amount of revenue to the USPS for Priority Mail Express International and Priority Mail International.

Priority Mail International flat rate pricing continues to be available for Flat Rate Envelopes, Small Flat Rate Priced Boxes, and Medium and Large Flat Rate Boxes.

First-Class Package International Service

First-Class Package International Service (FCPIS) is an economical international service for small packages weighing less than 4 pounds and not exceeding \$400 in value. The price increase for FCPIS averages 3.9 percent. The Commercial Base price for customers who prepare and pay for FCPIS items via permit imprint or by USPS-approved online payment methods will be 5 percent below the retail price. Customers who prepare FCPIS shipments via Click-N-Ship service pay retail prices. Commercial Plus prices are set to match the Commercial Base prices.

Electronic USPS Delivery Confirmation International service — abbreviated E-USPS DELCON INTL — is available for First-Class Package International Service items to select destination countries at no charge.

International Priority Airmail (IPA) and International Surface Air Lift (ISAL)

International Priority Airmail (IPA) service, including IPA M-bags, is an economical commercial service designed for volume mailings of all First-Class Mail International postcards, letters, and large envelopes (flats), and for volume mailings of First-Class Package International Service packages (small packets) weighing up to a maximum of 4.4 pounds. IPA shipments are typically flown to foreign destinations (exceptions apply to Canada and Mexico) and are then entered into that country's air or surface priority mail system for delivery. The price increase for IPA and IPA M-Bags is 3.9 percent. International Surface Airlift (ISAL) is similar to IPA except that once flown to the foreign destination, it is entered into that country's air or surface nonpriority mail system for delivery. The price increase for International Priority Airmail (IPA), as well as IPA M-Bags, is 3.9 percent.

In this filing we are proposing a structural change. As stated in the notice concerning International Mailing Services: Proposed Product and Price Changes – CPI Proposed Rule with a Request for Comments, concerning new proposed prices posted under Docket R2018-1 on the Postal Regulatory Commission's website, published contemporaneously with this filing, the Postal Service is limiting the contents of First-Class Mail International postcard, letter, and large envelope (flats) mail to personal correspondence and non-dutiable documents.

Because IPA service, including IPA M-bags, and ISAL service, including ISAL M-bags, are commercial services designed for volume mailings of all First-Class Mail International postcards, letters, and large envelopes (flats) and First-Class Package International Service packages (small packets), the limiting of the contents of First-Class Mail International postcard, letter, and large envelope (flat) mail discussed above will also apply to IPA postcard, letter, and large envelope (flat) mail and ISAL postcard, letter, and large envelope (flat) mail.

Direct Sacks of Printed Matter to One Addressee (Airmail M-bags)

An airmail M-bag is a direct sack of printed matter sent to a single foreign addressee at a single address. Prices are based on the weight of the sack. The price increase for Airmail M-bag service averages 3.9 percent.

International Extra Services and Fees

Depending on country destination and mail type, customers may add a variety of extra services to their outbound shipments and pay a variety of fees. Prices for these fees and services increase an average 3.9 percent.

The Postal Service hereby adopts the following changes to *Mailing Standards of the United States Postal Service*, International Mail Manual (IMM), which is incorporated by reference in the *Code of Federal Regulations*. See 39 CFR 20.1.

List of Subjects in 39 CFR Part 20

Foreign relations, International postal services.

Accordingly, 39 CFR part 20 is amended as follows:

PART 20 — [AMENDED]

1. The authority citation for 39 CFR part 20 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 407, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of *Mailing Standards of the United States Postal Service*, International Mail Manual (IMM), as follows:

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Mailing Standards of the United States Postal Service, International Mail Manual (IMM)

1 International Mail Services

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120 Preparation for Mailing

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123 Customs Forms and Online Shipping Labels

123.6 Required Usage

123.61 Conditions

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Exhibit 123.61

Customs Declaration Form Usage by Mail Category

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[Revise the heading and text for the First-Class Package International Service section to read as follows:]

Type of Item	Declared Value, Weight, or Physical Characteristic	Required PS Form	Comment (if applicable)
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First-Class Package International Service Packages (Small Packets), as well as IPA Packages (Small Packets) and ISAL Packages (Small Packets)			
All First-Class Package International Service packages (small packets), as defined in 251.2, regardless of contents, and, for commercial mailers, IPA packages (small packets) and ISAL packages (small packets), regardless of contents.	\$400 or less	2976	Merchandise is permitted unless prohibited by the destination country.
	Over \$400	Prohibited	Items over \$400 must be mailed using Global Express Guaranteed service, Priority Mail Express International service, or Priority Mail International service.
All package-size items, as defined in 251.2, that are entered by a known mailer as defined in 123.62 and items that qualify under 123.63	\$400 or less	None	Not applicable.
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123.62 Known Mailers

A “known mailer” must meet one of the definitions in 123.622 and must meet the conditions in 123.623.

123.621 Overview

[Revise text to indicate that the known mailer exemption only applies to package-size mailpieces, to read as follows:]

A “known mailer” may be exempt from the customs form requirement that would otherwise apply to package-size mailpieces as defined in 251.2. A “known mailer” must meet one of the definitions in 123.622 and must meet the conditions in 123.623.

123.622 Definition

A “known mailer” must meet one of the following definitions:

[Revise c(1) to remove First-Class Mail International and add First-Class Package International Service to read as follows:]

- a. A federal, state, or local government agency whose mail is regarded as Official Mail.
- b. A contractor who sends out prepaid mail on behalf of a military service, provided the mail is endorsed “Contents for Official Use — Exempt from Customs Requirements.”
- c. A business mailer who enters volume mailings through a business mail entry unit (BMEU) or other bulk mail acceptance location, completes a postage statement at the time of entry, pays postage through an advance deposit account, and uses a permit imprint for postage payment. For this purpose, the categories of mail that qualify are as follows:
 - (1) First-Class Package International Service.
 - (2) International Priority Airmail (IPA) service.
 - (3) International Surface Air Lift (ISAL) service.

123.623 Conditions

[Revise b and c to specify FCPIS packages or IPA and ISAL packages (small packets), to read as follows:]

The following conditions apply to “known mailers”:

- a. The mailpieces must contain no merchandise or goods, except as provided in 123.623b and 123.623c.
- b. Merchandise may only be mailed as First-Class Package International Service packages (small packets) (or as IPA packages (small packets) and ISAL packages (small packets) for commercial mailers). The mailpieces may contain hard copy printed matter or recorded media (e.g., CDs, DVDs, flash drives, video

and cassette tapes), for which no customs form is required in the destination country. Authorization to mail items under this subsection without a customs form is subject to the following conditions:

(1) The mailpiece must not require an export license as described in 510, 520, 530, or 540.

(2) Any packaging used for package-sized items under this subsection must be transparent, such as shrinkwrap or polywrap material, so that the contents are fully visible for inspection.

c. First-Class Package International Service packages (and IPA packages (small packages) and ISAL packages (small packets) for commercial mailers) may contain goods of nominal value (less than \$1.00) in conjunction with communications or informational materials for which no customs form is required in the destination country. In addition, authorization to mail items under this standard is subject to the following conditions:

(1) The mailpieces must not require an export license as described in 510, 520, 530, or 540.

(2) The mailpieces must not contain dangerous or prohibited items under IMM 135 or 136, or be otherwise prohibited by the destination country.

(3) The mailpieces cannot be destined to an E:1 country listed in 15 CFR 740, Supp. 2.

(4) The mailpieces cannot contain any items listed in the Commerce Control List (15 CFR 774) or the U.S. Munitions List (22 CFR 121).

- d. If the mailpieces are mailed with a postage statement, the mailer must certify on the postage statement that the mailpieces contain no dangerous materials that are prohibited by postal regulations.
- e. The import regulations of the destination country must allow individual mailpieces without a customs form affixed
- f. For IPA and ISAL mailings, the mailer must pay with a permit imprint or with a combination postage method (meter postage affixed to the piece and additional postage by permit imprint). IPA and ISAL mailpieces that are paid for by postage solely with a meter do not qualify for the “known mailer” exemption
- g. Failure to comply with the conditions in this section, or with any other applicable regulations or policies of the Postal Service or other relevant governmental authorities, may result in the suspension or revocation of eligibility to mail items without a customs form affixed pursuant to this section. For example, a suspension or revocation may result when the mailer fails to ensure his or her compliance with 510, 520, 530, or 540, such as ensuring that no mailings are sent to persons blocked from transacting in such items by the federal agencies described in those IMM sections.

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2 Conditions for Mailing

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290 Commercial Services

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292 International Priority Airmail (IPA) Service

292. 1 Description

292.11 General

[Revise the second sentence to read as follows (including content-based requirements):]

International Priority Airmail (IPA) service, including IPA M-bags, is a commercial service designed for volume mailings of all First-Class Mail International postcards, letters, and large envelopes (flats), and for volume mailings of First-Class Package International Service packages (small packets). The sender must prepare mailpieces in accordance with the requirements of this subchapter and with the content-based and shape-based requirements of the applicable service – see 240 for First-Class Mail International items, and see 250 for First-Class Package International Service items.***

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292.2 Eligibility

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292.25 Dutiable Items

[Revise the first sentence to read as follows (referring only to First-Class Package International Service and removing an outdated reference to ordinary or insured Priority Mail International items):]

Dutiable items may be sent in accordance with the applicable rules in this subchapter for First-Class Package International Service only. Priority Mail International items may not be mailed with IPA service.

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293 International Surface Air Lift (ISAL) Service

293.1 Description

293.11 General

[Revise the second sentence to include content-based requirements, to read as follows:]

International Surface Air Lift (ISAL) service, including ISAL M-bags, is a commercial service designed for volume mailings of all First-Class Mail International postcards, letters, and large envelopes (flats), and for volume mailings of First-Class Package International Service packages (small packets). The sender must prepare mailpieces in accordance with the requirements of this subchapter and with the content-based and shape-based requirements of the applicable service — see 240 for First-Class Mail International items, and see 250 for First-Class Package International Service items.***

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293.2 Eligibility

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293.25 Dutiable Items

[Revise the first sentence to read as follows (referring only to First-Class Package International Service and removing an outdated reference to ordinary or insured Priority Mail International items):]

Dutiable items may be sent in accordance with the applicable rules in this subchapter for First-Class Package International Service only. Priority Mail International items may not be mailed with ISAL service.

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We will publish an appropriate amendment to 39 CFR part 20 to reflect these changes.

Stanley F. Mires,

Attorney, Federal Compliance.

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