

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Section 407 Proceeding

Docket No. IM2020-1

NOTICE OF POSTING OF PROPOSALS

(Issued March 26, 2020)

Pursuant to Order No. 5450, the proposals listed in Attachment A have been posted on the Commission's website in Docket No. IM2020-1.<sup>1</sup> Attachment B is a file of the proposals.

Erica A. Barker  
Secretary

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<sup>1</sup> Notice and Order Establishing Section 407 Proceeding, March 9, 2020, at 3 (Order No. 5450).

<b>Proposal No.<sup>1</sup></b>	<b>Title of Proposal</b>
Proposal 20.28.1	UPU Convention Article 28, Terminal dues. General provisions
Proposal 20.29.1	UPU Convention Article 29, Terminal dues. Provisions applicable to mail flows between designated operators of countries in the target system
Proposal 20.30.1	UPU Convention Article 30, Terminal dues. Provisions applicable to mail flows to, from and between designated operators of countries in the transitional system

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<sup>1</sup> The proposals amend the Second Additional Protocol to the Universal Postal Convention (Decisions of the 2019 Geneva Extraordinary Congress) (UPU Convention), available at [http://www.upu.int/uploads/tx\\_sbdownloader/actsActsOfTheExtraordinaryCongressGenevaEn.pdf](http://www.upu.int/uploads/tx_sbdownloader/actsActsOfTheExtraordinaryCongressGenevaEn.pdf).

File of Proposals



## 27th CONGRESS

Convention – Proposal

**20.28.1**

### Article 28

Terminal dues. General provisions

### COUNCIL OF ADMINISTRATION/POSTAL OPERATIONS COUNCIL

Amend paragraphs 7 to 9 and create new paragraph 8bis as follows:

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~~ 2022, ~~0.909~~ 1.016 SDR per kilogramme;

7.2 for the year ~~2019~~ 2023, ~~0.935~~ 1.044 SDR per kilogramme;

7.3 for the year ~~2020~~ 2024, ~~0.964~~ 1.073 SDR per kilogramme;

7.4 for the year ~~2024~~ 2025, ~~0.988~~ 1.103 SDR per kilogramme.

8 For registered items there shall be an additional payment of ~~4.400~~ 1.463 SDR per item for ~~2018~~ 2022, ~~4.200~~ 1.529 SDR per item for ~~2019~~ 2023, ~~4.300~~ 1.598 SDR per item for ~~2020~~ 2024 and ~~4.400~~ 1.670 SDR for ~~2024~~ 2025. For insured items, there shall be an additional payment of ~~4.400~~ 1.777 SDR per item for ~~2018~~ 2022, ~~4.500~~ 1.857 SDR per item for ~~2019~~ 2023, ~~4.600~~ 1.941 SDR per item for ~~2020~~ 2024 and ~~4.700~~ 2.028 SDR for ~~2024~~ 2025. 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.

8bis For tracked delivery items there shall be an additional payment of 0.400 SDR per item in accordance with the conditions specified in the Regulations. The Postal Operations Council shall be authorized to supplement remuneration for tracked delivery items on the basis of performance in the electronic transmission of information, as specified in the Regulations.

9 For small packets, registered and insured and tracked delivery 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.

**Reasons.** – Proposal as described in Congress–Doc 36.



## 27th CONGRESS

Convention – Proposal

**20.29.1**

### Article 29

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

### COUNCIL OF ADMINISTRATION/POSTAL OPERATIONS COUNCIL

Paragraphs 7 to 17bis. Amend as follows:

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~~ 2022, ~~0.334~~ 0.380 SDR per item and ~~2.585~~ 2.966 SDR per kilogramme;

8.2 for the year ~~2019~~ 2023, ~~0.344~~ 0.399 SDR per item and ~~2.663~~ 3.114 SDR per kilogramme;

8.3 for the year ~~2020~~ 2024, ~~0.354~~ 0.419 SDR per item and ~~2.743~~ 3.270 SDR per kilogramme;

8.4 for the year ~~2024~~ 2025, ~~0.362~~ 0.440 SDR per item and ~~2.825~~ 3.434 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~~ 2022, ~~0.705~~ 0.864 SDR per item and ~~4.584~~ 1.942 SDR per kilogramme;

9.2 for the year ~~2019~~ 2023, ~~0.726~~ 0.950 SDR per item and ~~4.632~~ 2.136 SDR per kilogramme;

9.3 for the year ~~2020~~ 2024, ~~0.762~~ 1.045 SDR per item and ~~4.714~~ 2.350 SDR per kilogramme;

9.4 for the year ~~2024~~ 2025, ~~0.785~~ 1.150 SDR per item and ~~4.765~~ 2.585 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~~ 2022, ~~0.227~~ 0.272 SDR per item and ~~4.774~~ 2.121 SDR per kilogramme;

10.2 for the year ~~2019~~ 2023, ~~0.233~~ 0.292 SDR per item and ~~4.824~~ 2.280 SDR per kilogramme;

10.3 for the year ~~2020~~ 2024, ~~0.240~~ 0.314 SDR per item and ~~4.875~~ 2.451 SDR per kilogramme;

10.4 for the year ~~2024~~ 2025, ~~0.247~~ 0.330 SDR per item and ~~4.928~~ 2.574 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;~~

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- ~~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~~ 2022, ~~0.264~~ 0.342 SDR per item and ~~2.064~~ 2.672 SDR per kilogramme;  
 12.2 for the year ~~2019~~ 2023, ~~0.280~~ 0.372 SDR per item and ~~2.188~~ 2.905 SDR per kilogramme;  
 12.3 for the year ~~2020~~ 2024, ~~0.297~~ 0.404 SDR per item and ~~2.319~~ 3.158 SDR per kilogramme;  
 12.4 for the year ~~2021~~ 2025, ~~0.315~~ 0.440 SDR per item and ~~2.458~~ 3.434 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~~ 2022, ~~0.234~~ 0.313 SDR per item and ~~1.834~~ 2.443 SDR per kilogramme;  
 14.2 for the year ~~2019~~ 2023, ~~0.248~~ 0.351 SDR per item and ~~1.944~~ 2.738 SDR per kilogramme;  
 14.3 for the year ~~2020~~ 2024, ~~0.263~~ 0.393 SDR per item and ~~2.057~~ 3.068 SDR per kilogramme;  
 14.4 for the year ~~2021~~ 2025, ~~0.279~~ 0.440 SDR per item and ~~2.180~~ 3.434 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 and 2016, 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~~ 3.97 items weighing ~~0.34~~ 0.14 kilogrammes and E format items account for ~~2.72~~ 5.45 items weighing ~~0.69~~ 0.86 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, and 11, ~~13 and 15~~ shall not apply.

**Reasons.** – Proposal as described in Congress–Doc 36.



## 27th CONGRESS

Convention – Proposal

**20.30.1**

### Article 30

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

### COUNCIL OF ADMINISTRATION/POSTAL OPERATIONS COUNCIL

Amend as follows:

1 (No change.)

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 (No change.)

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~~ may not be higher than:

3.1 for the year ~~2018~~ 2022, ~~0.227~~ 0.285 SDR per item and ~~4.774~~ 2.227 SDR per kilogramme;

3.2 for the year ~~2019~~ 2023, ~~0.233~~ 0.329 SDR per item and ~~4.824~~ 2.573 SDR per kilogramme;

3.3 for the year ~~2020~~ 2024, ~~0.240~~ 0.380 SDR per item and ~~4.875~~ 2.973 SDR per kilogramme;

3.4 for the year ~~2024~~ 2025, ~~0.247~~ 0.440 SDR per item and ~~4.928~~ 3.434 SDR per kilogramme.

3bis The rates applied for flows to, from and between countries in the transitional system for small (P) and for large (G) letter-post items may not be lower than:

3bis.1 for the year 2022, 0.272 SDR per item and 2.121 SDR per kilogramme;

3bis.2 for the year 2023, 0.292 SDR per item and 2.280 SDR per kilogramme;

3bis.3 for the year 2024, 0.314 SDR per item and 2.451 SDR per kilogramme;

3bis.4 for the year 2025, 0.330 SDR per item and 2.574 SDR per kilogramme.

4 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 shall be may not be higher than:

4.1 for the year ~~2018~~ 2022, ~~0.485~~ 0.864 SDR per item and ~~4.089~~ 1.942 SDR per kilogramme;

4.2 for the year ~~2019~~ 2023, ~~0.498~~ 0.950 SDR per item and ~~4.120~~ 2.136 SDR per kilogramme;

4.3 for the year 2024, 1.045 SDR per item and 2.350 SDR per kilogramme;

4.4 for the year 2025, 1.150 SDR per item and 2.585 SDR per kilogramme.

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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~~ 2022, not lower than 4.472 ~~6.376~~ SDR per kilogramme and not higher than 7.822 SDR per kilogramme;

5.2 for the year ~~2019~~ 2023, not lower than 4.592 ~~6.729~~ SDR per kilogramme and not higher than 8.681 SDR per kilogramme;

5.3 for the year ~~2020~~ 2024, not lower than ~~5.163~~ 7.105 SDR per kilogramme and not higher than ~~5.795~~ 9.641 SDR per kilogramme;

5.4 for the year ~~2024~~ 2025, not lower than ~~5.368~~ 7.459 SDR per kilogramme and not higher than ~~5.967~~ 10.718 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 2024~~ be as follows:

6bis.1 for the year 2022, 6.376 SDR per kilogramme;

6bis.2 for the year 2023, 6.729 SDR per kilogramme;

6bis.3 for the year 2024, 7.105 SDR per kilogramme;

6bis.4 for the year 2025, 7.459 SDR per kilogramme.

6ter (No change.)

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 4, 4bis, ~~4ter~~ and 5 shall not apply.

7 (No change.)

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, 3bis, ~~and 4~~ and 4bis 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, 3bis, ~~and 4~~ and 4bis above and article 28bis, as appropriate.

10 (No change.)

**Reasons.** – Proposal as described in Congress–Doc 36.