

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
INBOUND EXPRESS MAIL INTERNATIONAL (EMS)  
ORIGINATING FROM FOREIGN POSTS

Docket No. MC2009-10

Docket No. CP2009-12

**UNITED STATES POSTAL SERVICE QUARTERLY UPDATE IN RESPONSE  
TO ORDER NO. 162**  
(September 28, 2010)

In Order No. 162, the Postal Regulatory Commission (Commission) added Inbound International Expedited Services 2 to the Competitive Product List.<sup>1</sup> That order also directed the Postal Service to file a quarterly update of the “list organizing the [inbound Express Mail Service (EMS)] agreements to be grouped under each of the three tiers” of service.<sup>2</sup> The three service tiers included the following:<sup>3</sup>

- 1) Pay-for-performance: Members of the Kahala Posts Group and EMS Cooperative members who elect to comply with pay-for-performance provisions;
- 2) EMS Cooperative: EMS Cooperative members who elect not to comply with pay-for performance provisions; and
- 3) All Others: Foreign postal administrations who choose not to be members of the EMS Cooperative.

Subsequently, in the Postal Service’s Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability, filed in Docket

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<sup>1</sup> Order No. 162, Order Adding Inbound International Expedited Services 2 to Competitive Product List, Docket Nos. MC2009-10 and CP2009-12, December 31, 2008. See also Docket No. CP2009-57, which addressed Inbound International Expedited Services 2 rates for 2010.

<sup>2</sup> *Id.* at 9-10.

<sup>3</sup> Request of the United States Postal Service Regarding Inbound Express Mail International (EMS) from Foreign Posts to Add Inbound International Expedited Services 2 to Competitive Product List; and Notice of Establishment of Rates and Classifications Not of General Applicability, Docket Nos. MC2009-10 and CP2009-12, November 19, 2008, at 2.

No. CP2009-57, the Postal Service reiterated that, as it had “indicated previously, all members of the EMS Cooperative are now expected to participate in the Pay-for-Performance Plan” starting in calendar year 2010.<sup>4</sup> Thus, the former three-tier structure for Inbound International Expedited Services 2 has now been consolidated into two tiers:

Tier 1: postal operators with a performance-level agreement, such as EMS Pay-for-performance Plan participants and Kahala Posts Group members (former tiers 1 and 2), and

Tier 2: all other postal operators that transmit EMS to the United States (former tier 3).<sup>5</sup>

On August 19, 2009, the Commission issued Order No. 281, which determined that the Postal Service’s “proposed rates for Inbound International Expedited Services 2 are in accord with the relevant statutory and regulatory requirements.”<sup>6</sup> In neither that Order nor any succeeding Order concerning Inbound International Expedited Services 2 rates<sup>7</sup> did the Commission direct the Postal Service to file a quarterly update of the list organizing the agreements to be grouped under the two modified tiers, as it had in Order No. 162 with the original three tiers. Nevertheless, in keeping with the Commission’s direction given in Order No. 162, the Postal Service provides the attached listing of the

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<sup>4</sup> Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability, Docket No. CP2009-57, July 28, 2009, at 2.

<sup>5</sup> *Id.* at 3.

<sup>6</sup> PRC Order No. 281, Order Concerning Filing of Changes in Rates for Inbound International Expedited Services 2, Docket No. CP2009-57, August 19, 2009, at 5.

<sup>7</sup> See PRC Order No. 523, Order Concerning Filing of Changes in Rates for Inbound International Expedited Services 2, Docket No. CP2010-90, August 23, 2010.

countries assigned to the two tiers from July 1, 2010, through September 30, 2010.<sup>8</sup>

Respectfully submitted,

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September 28, 2010

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<sup>8</sup> One change to the listing of countries is the addition of Canada as a tier 1 country. The Postal Service advised the Commission of this impending change to the quarterly listing in a proceeding concerning other changes to the handling of items under the Postal Service's bilateral agreement with Canada Post Corporation. Notice of United States Postal Service of Proposed Minor Classification Change Concerning Canada Post – United States Postal Service Contractual Bilateral Agreement for Inbound Competitive Services, Docket No. MC2010-33, August 2, 2010, at 5-6; PRC Order No. 522, Order Accepting Minor Classification Changes Related to Canada Post – United States Postal Service Contractual Bilateral Agreement, Docket No. MC2010-33, August 20, 2010, at 3-4, 5.

**POSTAL ADMINISTRATIONS ASSIGNED TO EACH TIER OF  
 INBOUND INTERNATIONAL EXPEDITED SERVICES 2  
 (July 1, 2010 to September 30, 2010)**

<b>Tier 1: Pay-for-performance &amp; Kahala Posts Group Members</b>	<b>Tier 2: All others</b>
Anguilla	Afghanistan
Aruba	Albania
Australia	Algeria
Azerbaijan	Angola
Bahamas	Antigua and Barbuda
Barbados	Argentina
Belarus	Armenia
Belgium	Bangladesh
Belize	Benin
Bermuda	Bhutan
Brazil	Bolivia
Burundi	Bosnia and Herzegovina
Canada	Botswana
Cayman Islands	Brunei Darussalam
Chile	Bulgaria
Costa Rica	Burkina Faso
Croatia	Cambodia
Cyprus	Cameroon
Czech Republic	Cape Verde
El Salvador	Central Africa
Finland	Chad
France	Colombia
Ghana	Comoros
Great Britain	Congo (Dem. Rep.)
Greece	Congo (Rep.)
Hong Kong	Cote d'Ivoire
Hungary	Cuba
India	Djibouti
Israel	Dominica
Jamaica	Dominican Republic
Japan	Ecuador
Jordan	Egypt
Kazakhstan	Eritrea
Korea	Estonia
Lao People's Dem Rep.	Ethiopia
Lithuania	Falkland Islands
Madagascar	Fiji
Malaysia	French Polynesia
Maldives	Gabon
Malta	Gambia
Mauritius	Georgia

Tier 1: Pay-for-performance & Kahala Posts Group Members	Tier 2: All others
Mexico	Germany
Mongolia	Gibraltar
Netherlands	Grenada
Netherlands Antilles	Guatemala
New Zealand	Guinea
Portugal	Guinea-Bissau
Russia	Guyana
Rwanda	Honduras
Saudi Arabia	Iceland
Singapore	Indonesia
Spain	Iran
St. Kitts and Nevis	Iraq
St. Lucia	Ireland
Sweden	Italy
Syria	Kenya
Taiwan	Kiribati
Trinidad and Tobago	Kosovo UNMIK*
Uganda	Kuwait
Uruguay	Kyrgyzstan
Viet Nam	Latvia
	Lebanon
	Lesotho
	Liberia
	Libya
	Liechtenstein
	Luxembourg
	Macao
	Macedonia
	Malawi
	Mali
	Mauritania
	Moldova
	Monaco
	Montserrat
	Morocco
	Mozambique
	Myanmar
	Namibia
	Nauru
	Nepal
	New Caledonia
	Nicaragua
	Niger
	Nigeria
	Oman
	Pakistan

Tier 1: Pay-for-performance & Kahala Posts Group Members	Tier 2: All others
	Panama
	Papua New Guinea
	Paraguay
	Peru
	Philippines
	Poland
	Qatar
	Romania
	Saint Vincent and Grenadines
	Samoa
	San Marino
	Sao Tome and Principe
	Senegal
	Serbia
	Seychelles
	Sierra Leone
	Slovakia
	Slovenia
	Solomon Islands
	Somalia
	South Africa
	Sri Lanka
	Sudan
	Suriname
	Swaziland
	Switzerland
	Tajikistan
	Tanzania
	Thailand
	Togo
	Tunisia
	Turkey
	Turkmenistan
	Turks and Caicos Islands
	Ukraine
	United Arab Emirates
	Uzbekistan
	Vanuatu
	Venezuela
	Yemen
	Zambia
	Zimbabwe