



Article RL 175

Transmission of registered items

UNITED STATES OF AMERICA

Create the following new paragraph 1bis:

1bis Designated operators dispatching more than 100,000 registered items per year to a destination designated operator must dispatch all of their registered items under a mail dispatch series exclusively for registered items.

Reasons. – Requiring designated operators that send large amounts of registered items to separately dispatch those items in a pure stream would improve operational handling of non-registered items that are currently commingled with registered items, and would facilitate data collection for terminal dues purposes. Registered items would be sent under a separate dispatch series and, for barcoding/PREDES purposes, would use the registered mail subclass code (i.e. UR).

Registered items are processed separately from ordinary letter-post items for security reasons. Receptacles that are indicated (in the receptacle barcode or on the receptacle label) as containing registered items are routed to a secure area that may not be near the ordinary mail processing area. If registered items and ordinary letter-post items are commingled, the processing of ordinary letter-post items can be delayed by the additional processing (and possible customs review) required for registered items.

The separate location and secured area can also complicate data collection for terminal dues purposes. The pure streaming of registered items in their own dispatch series would make the sampling of registered items unnecessary. When registered items are commingled with non-registered items in a dispatch, the dispatch documents provide the exact number of registered items but not the weight. However, when registered items are dispatched separately under a different dispatch series, the dispatch documents provide the exact number of registered items and weight. The total number and weight of registered items can be added to the non-registered sample stream estimates to obtain an overall number of items per kilogramme, or registered items can be settled separately from ordinary letter post.



25th CONGRESS

Letter Post Regulations – Proposal

25.184.3

Article RL 184
Labelling of mails

UNITED STATES OF AMERICA

Amend paragraphs 1 and 4 and create paragraph 1ter as follows:

1 The labels of the receptacles ~~bags~~ shall be made of sufficiently rigid canvas, of plastic, of strong cardboard, of parchment, or of paper glued to wood. For bags, tThey shall be provided with an eyelet.

1bis Their layout and text for labels on all receptacle types shall comply with UPU standard S47 or conform to the specimens annexed hereto and mentioned below:

1bis.1 CN 34 in the case of surface receptacles ~~bags~~;

1bis.2 CN 35 in the case of airmail receptacles ~~bags~~;

1bis.3 CN 36 in the case of surface airlifted (S.A.L.) receptacles ~~bags~~.

1ter The labels for receptacles shall also reflect, in the corner, information regarding the contents of the receptacle, such as codes from UPU code lists 120 (format of contents) and 188 (special content codes). Trays must reflect "P" or "G".

4 A white label shall be used for all receptacles ~~bags~~ containing only ordinary items of the following categories:

4.1 to (No change.)

4.3

Reasons. – These modifications aim to incorporate the use of other receptacle types by designated operators.

Paragraph 1ter requires that the receptacle label clearly identify the format of contents so that the receiving designated operator may route the receptacles to the correct location within the plant for processing. The format of contents also provides valuable information that can be used for weighting sample data by receptacle type and format of contents.



25th CONGRESS

Letter Post Regulations – Proposal

25.185.3

Article RL 185
Use of barcodes

UNITED STATES OF AMERICA

Add the following new paragraph 2bis:

2bis Designated operators may agree bilaterally to use alternative codes, such as: a) code 161, Aggregate mailstream segregation codes, related to positions 24 and 25; or b) the following enhancements to the existing basic code options of 0/1/9 for position 25:

- 0 Registered/insured/IBRS items not present
- 1 Registered/insured/IBRS items present
- 2 Letter tray – ordinary items/trays with format P
- 3 Flat tub – ordinary items/trays with format G
- 4 Bag – ordinary items
- 5 Outside – ordinary item
- 6 Bulk container – ordinary items
- 7 M bag
- 8 Exempt
- 9 Contents unknown

Reasons. –The UPU Standards Board developed a complex series of code combinations for positions 24 and 25 that few designated operators have implemented (see code list 161 in the UPU Standards Manual). For operators that do not require this level of complexity, the above coding structure enhances the basic codes of 0, 1 and 9 currently being used by most operators. Code 161 is implemented by bilateral agreement. Operators may continue to use 0, 1 or 9, or implement the enhanced basic codes unilaterally.

Under this proposal, the existing options 0, 1 and 9 are not changed, except to add the presence or otherwise of IBRS in options 0 and 1. IBRS, registered and insured items are accountable items. For designated operators bilaterally agreeing to implement the new codes, codes 2–6 indicate receptacle type. Codes 7 and 8 indicate M bags and exempt receptacles not subject to terminal dues rates (M bags incur a separate delivery rate).

Although there are subclass codes and other PREDES indicators for receptacle type, IBRS, M bags and exempt items, a barcode indicator in position 25 would limit the number of additional dispatch series that would need to be created (e.g., UD, UI, UM), and not all operators send and receive PREDES messages for all streams. The barcode indicator would allow receipt systems to capture essential information via barcode scanning without additional data entry or links to PREDES data. The barcode indicator would assist the receiving operator with:



- routing of receptacles for processing;
- monitoring the amount of equipment by type received and dispatched;
- avoiding the inefficient use of a new dispatch series for small volumes of insured, IBRS or exempt items or M bags when the volumes are low;
- allocating the reported weight of a receptacle to the proper payment category for settlement purposes for those operators not using PREDES;
- supporting the alternative approach for statistical counts between designated operators in the target system (article RL 223), which improves precision and reduces sampling costs;
- selecting receptacles by type for automated sample selection, while excluding M bags and exempt receptacles.

In addition, this proposed structure provides a common UPU foundation for designated operators pursuing more automated means for processing settlements. The new standardized codes may assist designated operators in the validation of dispatch documentation via receipt scans. For designated operators pursuing PREDES-based settlements, adding these codes to the barcode provides a means of correctly assigning receptacles to billing streams in the event that a PREDES message is not available for a received receptacle. Designated operators wishing to settle on format may also bilaterally agree to use the code structure to designate "P" (2), "G" (3), and "E" or "X" (4).



25th CONGRESS

Letter Post Regulations – Proposal

25.194.2

Article RL 194
Verification notes

UNITED STATES OF AMERICA

Amend paragraph 11.1 and create a new paragraph 11.1bis as follows:

11 The offices to which the verification notes are sent shall return them as promptly as possible, and at the latest within one month of the transmission, preferably by electronic means, to the office of exchange from which they came, after having examined them and indicated thereon their observations, if any. The verification notes shall be considered duly accepted until proved otherwise:

11.1 if they are not answered within a period of one month from the date of their transmission, for verification notes transmitted by electronic means or by air;

11.1bis if they are not answered within a period of two months from the date of their transmission, for verification notes transmitted by land or by sea;

Reasons. – Given the lengthy times involved in transporting verification notes by land or by sea, 30 days – as currently measured from the date of transmission – is not a sufficient amount of time to allow for a response. It is more appropriate to allow a period of 60 days for a response to verification notes transported by land or by sea.



Article RL 221

Statistical counts for exchanges of mail between designated operators of countries in the target system

UNITED STATES OF AMERICA

Amend paragraph 1 and create paragraphs 1.0bis and 1.0ter as follows:

1 For exchanges of mail between designated operators of countries in the target system a statistical count shall be carried out. ~~However, to avoid sampling costs for small exchanges, the average number of items per kilogramme between designated operators of countries in the target system shall be applied for mail flows below a certain threshold, unless one or both designated operators concerned insist on sampling to know the exact number of items per kilogramme in one or both directions. The POC shall fix the threshold and the average number of items per kilogramme to be applied.~~

1.0bis In order to avoid sampling costs for small exchanges across all letter-post mail categories in a given direction, the average number of items per kilogramme (IPK) between designated operators of countries in the target system ("target country average IPK") shall be applied for mail flows below a certain threshold, unless one or both designated operators concerned insist on sampling to know the exact number of items per kilogramme in one or both directions. The designated operator insisting on sampling must provide sufficient justification to demonstrate that the sampling expense is offset by the gain in terminal dues. The POC shall fix the threshold and the average number of items per kilogramme to be applied for the target country average IPK across all mail categories.

1.0ter In order to avoid sampling costs for small exchanges of less than two tonnes in one or more, but not all, categories of mail received from a designated operator, the overall annual IPK for the larger mail category sampled shall apply to the smaller categories. The POC may adjust this threshold as appropriate.

Reasons. – This proposal is aimed at helping receiving designated operators utilize their sampling resources efficiently by eliminating the need to develop estimates for very small volumes of incoming mail.

This provision currently exists for small-volume exchanges between target system countries. In order for a designated operator to insist upon sampling for small volumes, it must show that the sampling expense is offset by the settlement gain in revenue.

For exchanges between target system countries which are subject to estimates, it may transpire that there is very little volume for one of the mail categories (e.g. a few thousand or even a few hundred kilogrammes). This proposal seeks to have the weighted IPK for larger mail categories apply to the smaller category of annual weight of less than two tonnes per year.

The examples below use the worldwide IPK by category of mail taken from the UPU flow study (i.e. 13.38 for airmail priority and 7.31 for surface non-priority) (see document POC C 1 TDG 2011.1–Doc 4a. Annex 4) and the 2013 maximum SDR per item rate. A target system country sending the minimum threshold amount of 50 metric tonnes in a given year (48 tonnes by air and two tonnes by surface) would pay 3,460 SDR (2%) more under this proposal than if the surface IPK applied. At 100 tonnes per year (two tonnes by surface), the percentage increase in payment goes down to 1%.



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Although a sending designated operator will pay more for the small stream, both operators will save on sampling expenses, and can allocate limited resources to sampling larger volume exchanges where financial impacts are greater. For example, using the 2013 maximum SDR per item rate, one IPK applied to two tonnes per year represents 570 SDR. One IPK applied to 100 tonnes per year represents 28,500 SDR. One IPK applied to 250 tonnes per year represents 71,250 SDR, etc.



Article RL 221

Statistical counts for exchanges of mail between designated operators of countries in the target system

UNITED STATES OF AMERICA

Paragraph 2. Amend as follows:

2 The statistical count shall conform to the principles set forth in article RL 220. The observation days shall be spread as uniformly as possible over the working days of the week (only working days for the office of exchange concerned shall be taken into consideration) and shall reflect modes of transportation used for the entire mail flow. If designated operators exchange letter trays and flat trays, the estimates of items per kilogramme (IPK) by modes of transportation and month/quarter shall reflect the composition of the mail by container type. The statistical count shall consist of at least 48 days of observation per year of sampling with four days per month. Within an observation day, designated operators may employ subsampling, if it is not feasible to conduct a complete count of all the mail received during the day concerned.

2.1 (No change.)

Reasons. – As indicated in article RL 220.1.1 ("General principles for statistical sampling and estimation of the number of items per kilogramme"), "both sampling and estimation of the average number of items per kilogramme shall reflect the composition of the mail [...] the composition of the mail varies with transportation mode, *container type*, time of year (month), and day of week [...]" [emphasis added]. Article RL 221.2 stipulates that observation days are to be spread over the days of the week and reflect the modes of transportation, and specifies the minimum number of sampling days per month. Although provided for in article RL 220, composition by "container type" is not covered by article RL 221.2. This should be included to be consistent with article RL 220.

In addition, for estimates of mail categories involving trays, reflecting the composition by receptacle type is very important. If designated operators oversample letter trays, which generally have a much higher IPK, the IPK for the mail category will be too high if the sample is not adjusted to the actual weight proportion by receptacle type. The example shown in the table below assumes that a mail category has 100 tonnes (10% letter trays and 90% bags), a letter tray IPK of 50.75, and a non-letter tray IPK calculated so that the overall IPK equals the overall format IPK of 12.23 from Table 4 of document POC C

1	TDG	2011.1–
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Doc 4a. Annex 4. If the sample weight for letter trays is 15% instead of 10%, the mail category IPK increases from 12.23 to 14.37 (an 18% increase in IPK, or a 215,000-item overstatement).



<i>Rec. Type</i>	<i>Gross IPK</i>	<i>Actual Kg</i>	<i>% Actual Kg</i>	<i>Calc. Actual Pieces</i>	<i>Smpl Gross IPK</i>	<i>% Sample Kg</i>	<i>Calc. Sample Pieces</i>
Letter tray	50.76	10,000	10%	507,600	50.76	15%	761,400
Non-letter tray	7.95	90,000	90%	715,400	7.95	85%	675,656
Overall	12.23	100,000	100%	1,223,000	14.37	100%	1,437,056
				Difference	18%		214,056

If designated operators adjust by receptacle type, the IPKs will be more accurate, and settlement delays and disputes will be reduced. This is particularly important as more and more designated operators join the target country system and begin to exchange sampling estimates.



25th CONGRESS

Letter Post Regulations – Proposal

25.221.5

Article RL 221

Statistical counts for exchanges of mail between designated operators of countries in the target system

UNITED STATES OF AMERICA

Create the following new paragraph 5bis:

5bis Registered letter-post items designated by mail subclass code UR and exchanged in mail flows between target system countries shall be excluded from statistical sampling. The statistical values shall instead be based on the actual counts of registered items recorded on forms CN 33, CN 55 and CN 56.

Reasons. – For target system exchanges, the recording of the count of registered items captured on UPU dispatch and accounting forms enables designated operators to rely on actual counts rather than on statistical sampling procedures. Using the actual counts of exchanged registered letter-post items better reflects actual volumes than any statistical derivation. Standardizing this procedure among target countries would promote better accountability and reliability in the settlement of invoices and revenues collected.

Related Proposal: 25.175.2.



25th CONGRESS

Letter Post Regulations – Proposal

25.224.2

Article RL 224

Preparation, transmission and acceptance of CN 53 and CN 54 bills for exchanges of mail between designated operators of countries in the target system

UNITED STATES OF AMERICA

Paragraph 3. Amend as follows:

3 In cases where the dispatching designated operator has carried out control statistics, the receiving country's annual number of items per kilogramme shall be regarded as valid if this number differs by 10% or less from that of the other designated operator and does not result in an annual payment difference of more than 5%. The percentage difference is calculated between the original IPK proposed by the receiving designated operator and the proposed adjusted IPK (supported with data) from the reviewing designated operator.

Reasons. – This amendment provides clarification on the application of the 10% rule. Because the IPK calculations by the receiving and dispatching designated operators will vary owing to differences in receptacles sampled and sampling programmes, disputes will routinely occur if a threshold is not established. Although the initial difference between the designated operators' IPKs may be 10% or greater, the dispatching designated operator cannot dispute an IPK unless it finds sufficient problems requiring an adjustment of the final value of more than 10%. Any other adjustments, even of 1%, could result in significant costs and diverted resources for receiving designated operators.



25th CONGRESS

Letter Post Regulations – Proposal

25.242.1

Article RL 242
Payment of air conveyance dues

UNITED STATES OF AMERICA

Amend paragraph 1 as follows, and delete paragraph 4.

1 Air conveyance dues shall be payable to the airline conveying the airmails for all or part of the distance flown as follows:

1.1 in the case of closed transit services, by the designated operator of the country which is being crossed or whose service takes part in the conveyance of the mails, which in turn shall be remunerated by the origin designated operator for these transit costs under the provisions of articles RL 203 and RL 205;

1.2 in the case of transshipment which does not involve the designated operator of the country being crossed, unless other arrangements have been made, conveyance dues for airmails directly transhipped between two different airlines shall be settled by the designated operator of origin:

1.2.1 either with the first carrier, which shall then be responsible for paying the subsequent carrier;

1.2.2 or with each carrier involved in the transshipment.

~~4 Unless other arrangements have been made, conveyance dues for airmails directly transhipped between two different airlines shall be settled by the designated operator of origin:~~

~~4.1 either with the first carrier, which shall then be responsible for paying the subsequent carrier;~~

~~4.2 or with each carrier involved in the transshipment.~~

Reasons. – This amendment seeks to clarify the role of the intermediary designated operator and the origin designated operator as regards payment of air conveyance dues to the airline conveying mails. The amendment clearly sets out the payment responsibilities and procedures during provision of closed transit services, versus a transshipment conducted between two airlines that does not involve an intermediary designated operator.

Additionally, this amendment seeks to clarify how an intermediary would seek remuneration for costs incurred in the provision of transit services.



25th CONGRESS

Parcel Post Regulations – Proposal

35.116.1

Article RC 116
Delivery procedure

UNITED STATES OF AMERICA

Paragraph 2. Amend as follows:

2 When delivering or handing over an ordinary parcel, the delivering designated operator shall obtain from the recipient a signature of acceptance, or register captured data from an identity card, or obtain some other form of evidence of receipt that is legally binding under the legislation of the country of destination to confirm acceptance, or provide other electronic evidence of delivery.

Reasons. – Designated operators are subject to liability or indemnity for ordinary and insured parcels; consequently, similar delivery methods are applied to both. The timely delivery of ordinary and insured parcels to the recipient in good condition is essential. The sender benefits from the availability of information showing that the parcel was delivered to the addressee.

Currently, many parcels are delayed because addressees must physically sign for them. Consequently, in many countries, alternative approaches have been developed to help addressees receive their parcels expeditiously and outside normal business hours. This is in response to customer demand for more convenient options that do not require customers to be physically present to receive a parcel either at their address or at the local post office during normal business hours. Even so, customers would like a wider range of options that would reduce the time they have to wait before they can take possession of their parcels.

This proposal offers designated operators options to meet customer requirements, while still maintaining the indemnity or liability provided with the service. This proposal does not seek to change the indemnity or the liability associated with the parcel, but it does seek to widen the options so as to reduce the time and costs involved in the capture of a physical signature in countries where, in response to customer demand and market conditions, designated operators have had to develop electronic alternatives for parcels in their domestic network.



25th CONGRESS

Parcel Post Regulations – Proposal

35.124.2

Article RC 124

Formalities to be complied with by the office of origin

UNITED STATES OF AMERICA

Paragraph 3. Amend as follows:

3 A date-stamp impression shall be applied on the dispatch note, only unless a posting/collection scan (EMA) or the information captured by such a scan is provided by the designated operator of origin to the designated operator of destination.

Reasons. – Barcodes are now required on all parcels. Although the acceptance ("EMA") scan remains optional, many operators already capture it and share the information with other operators. For these operators, the additional work of applying the date stamp to the dispatch note is unnecessary. This change will not affect those operators that do not capture or provide the information captured in the acceptance scans, as these operators can continue to apply the date-stamp impression to the dispatch note.



25th CONGRESS

Parcel Post, Forms – Proposal

39.77.1

Form CP 77
Statement of charges

UNITED STATES OF AMERICA

Amend the form as follows:

Add a new line under "Non-postal fees" and "Miscellaneous" to explain charges.

Reasons. – Currently, there are no limitations on what can be charged for returning or redirecting an undeliverable parcel. Both customers who have requested that their parcels be returned or redirected, and origin designated operators have no way of knowing what the return charge might be. Returned parcels, with charges that usually exceed the postage for sending the parcel, may result in non-payment since many customers refuse to pay these charges. In such cases, the origin designated operator has incurred the costs and cannot collect the charges for the return. This proposal would better clarify to the customer the amounts being charged by requiring an explanation as to the non-postal and miscellaneous fees.



STATEMENT OF CHARGES

CP 77

Designated operator of _____

Date _____

Office of exchange of _____

Parcel No.		
Reason for return		
<input type="checkbox"/> Unknown	<input type="checkbox"/> Refused	<input type="checkbox"/> Importation prohibited
<input type="checkbox"/> Gone away	<input type="checkbox"/> Unclaimed	<input type="checkbox"/>
Presentation-to-Customs charge	SDR	
Storage charge		
Return charge		
Redirection charge		
Non-postal fees		
Explanation		
Miscellaneous		
Explanation		
Total		