Candida albicans for immunotherapy and/or provocation/neutralization).

(KKK) Treatment of chronic fatigue syndrome.

(LLL) Extracorporeal immunoadsorption using protein A columns for conditions other than acute idopathic thrombocytopenia purpura.

(MMM) Dynamic posturography (both static and computerized).

(NNN) Laparoscopic myomectomy.

(OOO) Growth factor, including platelet-derived growth factors, for treating non-healing wounds. This includes Procurene®, a platelet-derived wound-healing formula.

(PPP) High dose chemotherapy with stem cell rescue (HDC/SCR) for any of the following malignancies:

(1) Breast cancer, except for metastic breast cancer that has relapsed after responding to a first line treatment.

(2) Ovarian cancer.

(3) Testicular cancer.

Dated: December 30, 1996.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 97–101 Filed 1–6–97; 8:45 am]

BILLING CODE 5000–04–M

Department of the Air Force

32 CFR Part 813

Schedule of Fees for Copying, Certifying and Searching Records and Other Documentary Material

AGENCY: Department of the Air Force, Department of Defense.

ACTION: Final rule; removal.

SUMMARY: The Department of the Air Force is amending Title 32, Chapter VII of the CFR by removing Part 813, Schedule of Fees for Copying, Certifying and Searching Records and Other Documentary Material. This rule is removed because the source document has been rescinded.

EFFECTIVE DATE: January 6, 1997.

FOR FURTHER INFORMATION CONTACT: Ms. Patsy J. Conner, Air Force Federal Register Liaison Officer, SAF/AAX, 1720 Air Force Pentagon, Washington DC 20330–1720, telephone (703) 697–4191.

SUPPLEMENTARY INFORMATION:

List of Subjects in 32 CFR Part 813

Freedom of information.

Authority: 10 U.S.C. 8013.

PART 813—[REMOVED]

Accordingly, 32 CFR, Chapter VII, is amended by removing part 813.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 97–88 Filed 1–3–97; 8:45 am]

BILLING CODE 3910–01–P

32 CFR Part 818b

Legal Assistance Program

AGENCY: Department of the Air Force, Department of Defense.

ACTION: Final rule; removal.

SUMMARY: The Department of the Air Force is amending Title 32, Chapter VII of the CFR by removing Part 818b, Legal Assistance Program. This rule is removed because it has limited applicability to the general public. This action is the result of departmental review. The intended effect is to ensure that only regulations which substantially affect the public are maintained in the Air Force portion of the Code of Federal Regulations.

EFFECTIVE DATE: January 6, 1997.

FOR FURTHER INFORMATION CONTACT: Ms. Patsy J. Conner, Air Force Federal Register Liaison Officer, SAF/AAX, 1720 Air Force Pentagon, Washington DC 20330–1720, telephone (703) 697–4191.

SUPPLEMENTARY INFORMATION:

List of Subjects in 32 CFR Part 818b

Legal services, Military law, Military personnel.

Authority: 10 U.S.C. 8013.

PART 818b—[REMOVED]

Accordingly, 32 CFR, Chapter VII, is amended by removing part 818b.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 97–87 Filed 1–3–97; 8:45 am]

BILLING CODE 3910–01–P

32 CFR Part 844

Distribution of Literature and Protest and Dissident Activities

AGENCY: Department of the Air Force, Department of Defense.

ACTION: Final rule; removal.

SUMMARY: The Department of the Air Force is amending Title 32, Chapter VII of the CFR by removing Part 844, Distribution of Literature and Protest and Dissident Activities. This rule is removed because it has limited applicability to the general public. This action is the result of departmental review. The intended effect is to ensure that only regulations which substantially affect the public are maintained in the Air Force portion of the Code of Federal Regulations.

EFFECTIVE DATE: January 6, 1997.

FOR FURTHER INFORMATION CONTACT: Ms. Patsy J. Conner, Air Force Federal Register Liaison Officer, SAF/AAX, 1720 Air Force Pentagon, Washington DC 20330–1720, telephone (703) 697–4191.

SUPPLEMENTARY INFORMATION:

List of Subjects in 32 CFR Part 844

Civil disorders, Military academies, Military personnel.

Authority: 10 U.S.C. 8013.

PART 844—[REMOVED]

Accordingly, 32 CFR, Chapter VII, is amended by removing part 844.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 97–89 Filed 1–3–97; 8:45 am]

BILLING CODE 3910–01–P

POSTAL SERVICE

39 CFR Part 20

Global Package Link (Formerly International Package Consignment Service)

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: The Postal Service, after considering the comments submitted in response to its requests in 59 FR 65961 (December 22, 1994) for comments on interim regulations implementing International Package Consignment (IPCS) service, and in 60 FR 61660 (December 1, 1995) on an amendment of the interim regulations implementing International Package Consignment Service, hereby gives notice that it is adopting the interim regulations as amended on a permanent basis, without modification. The Postal Service also announces that the name of the service has been changed to Global Package Link (GPL) service.

EFFECTIVE DATE: 12:01, a.m., January 6, 1997.

FOR FURTHER INFORMATION CONTACT: Robert E. Michelson, (202) 268–5731.

SUPPLEMENTARY INFORMATION: On December 22, 1994, the Postal Service published in the Federal Register interim regulations implementing Global Package Link (GPL) to Japan and

requested comments. 59 FR 65,961 (December 22, 1994). GPL is an international mail service designed for mail order companies sending merchandise packages to other countries. The service was initially available to Japan, with Canada to be added as a destination country in the future. Other destination countries would be added as customer needs dictated. To use GPL, a customer would be required to mail at least 25,000 packages in one year to each country to which it wants to use the service, and to agree to link its information systems with the Postal Service's so that the Postal Service could extract certain information about the contents of the customer's packages for customs clearance and other purposes. The notice stated that implementation of GPL would benefit (1) U.S. mail order companies and other customers that export goods by making it easier and less costly to do so; and (2) all other users of the Postal Service by increasing the total contribution to fixed costs realized by the Postal Service from its international operations. Comments were due on or before January 31, 1995.

On December 1, 1995, the Postal Service published an amendment of the interim regulations. 60 FR 61660 (December 1, 1995). Under the original proposal, the Postal Service would pick up parcels from GPL users within 500 miles of the GPL processing facility at John F. Kennedy Airport in New York. Customers farther away from JFK would be responsible for bringing their parcels to the JFK facility. Under the amended interim regulations, the Postal Service would provide work stations to customers farther away than 500 miles that would prepare packages as required by the Postal Service. Packages would then be verified and picked up from these customers' plants and would be taken to the nearest appropriate international exchange office for dispatch to Japan. Comments were due on or before January 2, 1996.

I. Original Regulations

The Postal Service received comments on the original interim regulations from four organizations: a mail order company which sends merchandise to Japan and other countries, Lands' End; two companies engaged in the international transportation of merchandise, United Parcel Service (UPS) and Federal Express Corporation; and an association of companies engaged in the international transportation of merchandise, the Air Courier Conference of America (ACCA).

Lands' End expressed support for GPL service because GPL would help it to export goods to Japan more efficiently and cheaply. It also stated that it would eagerly evaluate similar programs to additional destination countries. It did not object to taking its packages to New York's JFK airport for posting but would like to have additional acceptance points in the Midwest and the West Coast. In particular, it suggested Chicago O'Hare airport as an additional acceptance point. These comments confirm the Postal Service's belief that GPL service will benefit U.S. exporters. Additional destinations will be considered depending on customer need. Additional acceptance points will also be considered, again depending on customer need. See 61 FR 39,592 (July 30, 1996). In addition, under the amendment of the original interim regulations, the Postal Service permits mailers to do some of the work associated with preparing packages for dispatch in exchange for the Postal Service picking up the packages at the customer's facility more than 500 miles from the JFK facility. This new option should make the service more convenient for mailers who are more than 500 miles from JFK.

UPS, Federal, and ACCA oppose GPL service on various grounds and urge that it be terminated immediately. UPS asserts that the regulations implementing GPL service are arbitrary and capricious because the Postal Service did not publish any cost or other data to support GPL rates. It asserts that such support is necessary because GPL rates appear to be below cost. Federal Express also asserts that GPL rates may not cover costs and likewise criticizes the Postal Service for not releasing cost data underlying the rates. Both companies assert that GPL rates will adversely affect mailers which do not qualify for GPL service. UPS states that the current international package mix includes both relatively higher-cost and lower-cost mail. As unit revenue decreases as presumably lower-cost mail migrates to GPL, other package rates will have to increase to cover the relatively higher-cost mail that remains in the other rate schedules to avoid cross-subsidization of package mail by other mail. Other mailers would also be injured if GPL rates were below cost, because they would be subsidizing GPL rates. Federal Express states that in the event that GPL rates are below cost or fail to make an adequate contribution to overhead, domestic mailers will be worse off. ACCA also criticizes GPL rates and asserts that they are unreasonable because the Postal Service did not state that the rates would produce a reasonable contribution to overhead.

The Postal Service does not agree with these assertions. First, no statute requires the Postal Service to publish cost or other data to support international postage rates. Such data are recognized by all in the international package business as commercially sensitive. Second, GPL rates produce revenues greater than costs. They are not subsidized by other mail. As at least one of these commenters appears to have recognized, higher volume customers mail packages that are lower cost than single piece packages. Insofar as these packages cause the Postal Service to incur lower costs, lower rates are also justified. In addition, higher volume customers have more options in selecting service providers, and will use other companies if they provide a better combination of service and price. If the Postal Service does not offer competitive rates and services, these customers will use competitive service providers, with the result that lower-cost packages will leave the other mailstreams anyway, and rates for those services will rise. Likewise, to the extent that higher-volume customers turn to other carriers because Postal Service international package rates are not competitive, the burden of overhead that they would have covered will fall in some part on other mailers. In sum, the high-volume packages carried by the Postal Service today are likely to migrate from the other mailstreams in any event, so that if users of other services are going to receive any benefit it is better that those packages migrate to another Postal Service mailstream where contribution can be maintained rather than to another service provider where the Postal Service will receive no contribution at all.

The Postal Service's experience to date also undermines the assertions of adverse impact on non-GPL mailers. A large part of the volume that GPL has attracted is new to the Postal Service, and, indeed, appears to be new volume to Japan. In this respect, this new volume is doing what the Postal Service intended it to do: adding new contribution to offset the need for obtaining contribution from other mailers.

UPS, Federal Express, and ACCA also assert that GPL rates are unduly discriminatory or preferential in violation of 39 U.S.C. § 403(c). ACCA asserts that the rates are discriminatory because they are significantly lower than single-piece rates. ACCA and UPS assert that the rates are discriminatory because in certain rate steps the rates for express parcels are lower than the rates

for standard air parcels, and because the rates for some standard air parcels are lower than for economy air parcels. UPS asserts that GPL rates are unduly discriminatory because the discounts are tied to the annual volume tendered by the mailer rather than to per-mailing volumes. UPS and Federal Express further assert that the rates are discriminatory because customers within 500 miles of JFK are provided ground transportation to JFK while those more than 500 miles from JFK must transport their packages at their own expense. Federal Express asserts that the rates are discriminatory because the interconnection of the customers' and the Postal Service's computer systems must be negotiated and agreed.

The Postal Service again does not agree. Section 403(c) does not prohibit all discriminations or preferences, only those that are undue or unreasonable. *UPS Worldwide Forwarding* v. *U.S. Postal Service*, 66 F.3d 621 (3d Cir. 1995). Single-piece mailers and higher-volume mailers are not similarly situated. They require different kinds of services and different types of service features. For example, mailers which use GPL service forgo service features such as mailing at a local post office in favor of bulk entry of mail at the New York gateway or performing some of the dispatch preparation work in exchange for pick up at their facility. In addition, it is not possible to be all things to all customers. Judgments must be made as to which services, and how much of them, can be provided at specified rates, and the 500 mile limit on providing ground transportation to JFK reflects such a judgment. It is also important to note that the Postal Service received no comment from any potential user of GPL service objecting to the 500 mile limit. In the Postal Service's view, this disparate treatment is reasonable. In addition, as pointed out above, under the amended regulation the Postal Service will pickup packages for customers outside the 500 mile limit if the customer is willing to do some of the package preparation. That should alleviate some of the burden on such customers.

Likewise, in any task as complex as linking different computer systems, it is impossible to treat any two customers exactly alike. Even though each customer's computer system is different from another's, it cannot be reasonably said that the two customers are not similarly situated. Accordingly, any differences in the computer links does not create any undue discrimination or preference.

The differences in rates for the different levels of service reflect differences in the cost structures for those services. Economy service is available only for items which qualify as small packets for which the Postal Service pays the Japanese postal administration AO terminal dues rates. Standard Air service items are postal parcels for which the Japanese postal administration charges a per-kilogram inward land rate it establishes that is different from the per-kilogram rate for small packets. Express items are EMS items for which the Japanese postal administration charges a per-item charge it establishes. The differences in the manner in which the Japanese postal administration is compensated for the services it provides are reflected in the rates the Postal Service charges its GPL customers.

Finally, it is not unduly discriminatory to tie discounts to a customer's annual volume. First, at the higher annual volumes customers do in fact tender more parcels per mailing than do customers with lower annual volumes, which results in some cost savings. In addition, because higher-volume customers have more options than lower-volume customers, their price sensitivity is greater than lower-volume customers, which makes them not similarly situated. It is not unduly discriminatory to offer different rates to mailers who are not similarly situated.

It should also be noted that these arguments of charging the same rate to mailers who allegedly receive different services were a necessary consequence of the District Court's decision in *UPS Worldwide Forwarding, Inc.* v. *Postal Service*, 853 F. Supp. 800 (D. Del. 1994), which held that the Postal Service was not authorized to negotiate customized services and rates with large-volume customers. Rather, the court said that the Postal Service was required to offer only categories of mail services to different types of mail and mail users. That required the Postal Service to group mailers together for the purpose of providing services and establishing rates even though those mailers might have unique needs and might not actually use all the service features that might be available. This ''averaging'' of services rendered and rates charged is a common feature of postal services in which significantly different services can be rendered at the same price, *e.g.*, mailing a letter across the street versus mailing a letter across the country. The District Court's decision has now been reversed, but the Postal Service has decided to continue GPL as originally conceived.

Federal Express asserts that GPL to Japan is cream skimming because it is offered only to Japan. The reasoning behind this assertion is unclear, especially since Japan is not a low-cost destination. In any event, that GPL was initially offered only to Japan is not an indication that it will only be offered to Japan. Every service has to start somewhere, and since there was an expressed need for such a service to Japan, that made Japan the logical place to start. Since then, service has been implemented to Canada and the U.K. and other destination countries will be added as demand justifies them.

Federal Express and ACCA assert that the Japanese postal administration's charges for delivery in Japan might not include all the costs incurred by that administration for delivery and that, therefore, the total economic cost for GPL service might not be included in the GPL cost base. ACCA urges that the cost base for GPL rates be revised to include any costs that the Japanese postal administration might have omitted. Neither cites any data source that might support their assertions, nor is the Postal Service aware of any data that might relate to them. While Federal Express is correct in saying that Japan charges UPU terminal dues rates for those packages that are small packets, the Japanese postal administration sets its own inward land rate for parcels and imbalance charges for EMS items. It would appear unlikely that Japan would set those charges at levels that would not cover their costs. Further, the UPU Convention authorizes postal administrations to negotiate terminal dues rates different from those in the Convention. The Japanese postal administration could negotiate different rates for small packets if it believed that those rates were inadequate. It has not raised that issue with the Postal Service. Accordingly, there is no basis for believing that the Japanese postal administration's charges do not cover the costs of delivery in Japan, and no basis to make any adjustment even if there were some rational economic reason to include any cost other than what the Japanese postal administration in fact charges for its services.

Similarly, ACCA urges that the costs of GPL service be adjusted upward to account for the economic value of the customs clearance services provided by the Japanese postal administration which ACCA asserts might not be correctly priced because such customs clearance services are not available to other international transportation service providers. The Postal Service disagrees. First, there is no basis for believing that the cost of customs clearance is not included in the charges established by the Japanese postal administration, since such services are

provided to all mail of the kind sent by GPL regardless of the rate charged by the Postal Service. Moreover, there are no data which could be used to make such an adjustment even if it were appropriate.

In a similar argument, Federal Express asserts that GPL is unfair competition because it receives postal customs clearance that it asserts is simpler than commercial customs clearance. The Postal Service disagrees. Just because postal customs clearance is different does not make it either better or worse than commercial customs clearance. In some respects the two are alike in that commercial invoices are required for both commercial and postal express shipments. In some respects, postal customs clearance is more burdensome because a customs declaration must be affixed to each item, a requirement that commercial customs clearance does not have. This is additionally burdensome for express items because the customs declaration is in addition to an invoice. It is also true that postal customs clearance requires individual inspection of each item, whereas commercial customs clearance relies on a manifest and typically only limited inspection of individual items, which also makes postal customs clearance more burdensome.

UPS asserts that the Postal Service did not comply with the Administrative Procedures Act (APA) in implementing GPL rates. In short, the APA does not apply to the establishment of international rates. Except as otherwise specifically provided by law, the APA does not apply to the Postal Service. 39 U.S.C. § 410(a). No provision of the Postal Reorganization Act or other statute makes the APA applicable to international ratemaking, even though there are provisions making the APA applicable in specific instances. *See* 39 U.S.C. § 3001(j).

UPS further asserts that even if the APA did not apply to the Postal Service, the Postal Service violated its own regulations by not publishing GPL rates until after their effective date. Part 20 of 39 C.F.R., to which UPS refers, does not specify when regulations must be published, and in fact contemplates that regulations will be published periodically regardless of their effective date. Moreover, Part 20 does not govern whether regulations can be made effective retroactively, which was the case in this instance.

UPS also asserts that there was no indication in the Federal Register notice announcing GPL service that the Postal Service had obtained the consent of the President to establish GPL rates. By a December 15, 1994, memorandum published in the Federal Register on December 19, 1994, 59 FR 65,471, the President delegated to the Governors of the Postal Service whatever authority he had under 39 U.S.C. § 407 to consent to the establishment of international postage rates. In accordance with that delegation, the Postal Service obtained the consent of the Governors of the Postal Service to establish GPL rates before implementing them, which consent was confirmed in Governors Resolution No. 95–4 adopted on March 6, 1995. In addition, the formality of obtaining the Governors' approval as the delegatee of the President has been rendered immaterial insofar as the Court of Appeals in the UPS Worldwide Forwarding case held that the prior practice of the Postal Service implementing international postage rates without the objection of the President was an acceptable interpretation of 39 U.S.C. § 407 based on over 120 years of practice.

ACCA not only asserts that GPL rates are illegal because they were not approved by the President, but also asserts that the President's delegation of authority to the Governors is unconstitutional because it violates the Due Process clause of the Fifth Amendment. ACCA cites several cases it believes support its position: *Carter* v. *Carter Coal Company,* 298 U.S. 238 (1936); *Gibson* v. *Berryhill,* 411 U.S. 564 (1973); *In re Murchison,* 349 U.S. 133 (1955); *Ward* v. *Village of Monroeville,* 409 U.S. 57 (1972); and *Tumey* v. *Ohio,* 273 U.S. 510 (1927). The Postal Service disagrees.

Tumey, Ward, and *Murchison* each involved judicial officers or city officials acting in a judicial capacity and stand for the principle that a person cannot act as a judge in a case in which he or she has a personal interest. The establishment of international rates is not a judicial act, nor are the Governors of the Postal Service, who are appointed to represent the public interest generally, 39 U.S.C. § 202(a), acting in a judicial capacity when they give consent to the establishment of international rates. Moreover, the Governors of the Postal Service do not have any personal stake in the revenues from the international postage rates charged by the Postal Service because they receive a fixed salary of $10,000 per year and $300 per meeting up to a total of $30,000 per year regardless of what action they take with respect to international postage rates.

Gibson involved a state optometry board proceeding in which the board, composed entirely of independent optometrists and acting in a quasi-judicial capacity, sought to revoke the licenses of all optometrists who worked for optical companies, approximately half of the optometrists in the state. The Court held that the board was biased and incompetent to proceed in view of the pecuniary benefit the board members would receive if they eliminated half of their competition. *Gibson* does not apply because the Governors of the Postal Service have no pecuniary interest in approving international postage rates.

Carter involved a New Deal program that was intended to stabilize the coal industry by regulating prices, wages, and working conditions. The Court struck down most of the legislation on the theory that coal production and sale did not involve interstate commerce. It also struck down a feature of the legislation that gave regional boards made up of coal executives and union representatives power to regulate the wages and working conditions of employees of all coal companies in the region. The Court concluded that this gave the large companies and unions the power to regulate their smaller competitors and therefore delegated a governmental function, regulation of the production of coal, to private persons. *Carter* does not apply in this case because the establishment of international rates does not involve the regulation of anyone's business other than the Postal Service, and the Governors are government officials appointed by the President with the advice of the Senate, not private persons acting in a private capacity.

ACCA also asserts that GPL is a new classification of international mail and must be submitted to the Postal Rate Commission for consideration and a recommended decision. ACCA asserts that *Air Courier Conference of America* v. *Postal Service,* 959 F.2d 1213 (3d Cir. 1992), held that 39 U.S.C. 407 excepted only international rates from submission to the Postal Rate Commission, not international classifications. ACCA is mistaken.

Section 407 has been consistently interpreted as applying to both international rates and classifications since the two things are largely inseparable from a practical point of view: one cannot establish rates without reference to the items to which the rates apply. Moreover, international mail classifications and services are established in postal treaties and conventions.

The basic classifications of LC, AO including both printed matter and small packets, and parcels are established in the Universal Postal Convention and Postal Parcels agreement, which are postal treaties ratified by the President

of the United States. The levels of service, surface, surface air lift (SAL), airmail, and EMS are also established in the Convention. GPL matches these classes and services with volume-discount rates that are attractive to large volume mailers. It does not create any new classes of mail or service. It should also be noted that the Postal Rate Commission has never asserted jurisdiction over either international rates or classifications.

II. Amendment

The Postal Service received one comment on the amendment of the original interim regulations. This commenter, United Parcel Service, reiterated the comments it made with respect to the original interim regulations. It also alleged that the amendment was unduly discriminatory because only some mailers would receive workstations with which to perform package preparation. In addition, it alleged that the Postal Service would incur additional surface transportation costs in transporting mail to the nearest airmail facility, and would incur additional air transportation costs in transporting mail from airmail facilities other than JFK, but would not charge rates different from those it established originally. Finally, UPS alleges that the reasons given in support of the amended interim regulations are contrary to the reasons given in the original interim regulations for the lower costs of GPL service.

Insofar as the comments with respect to the amendment are the same as the comments on the original interim regulations, the same responses apply, and will not be repeated.

UPS alleges that the amendment is defective because the Postal Service would provide workstations only to ''selected'' mailers. According to UPS, this would lead to discriminatory treatment of mailers. The Postal Service disagrees. The option of receiving work stations and performing the package preparation is selected by the mailer, not the Postal Service. Insofar as the option is available to all similarly situated mailers, there is no undue discrimination or preference.

UPS also alleges that the Postal Service would incur additional surface and air transportation expenses compared to the original proposal. The Postal Service might incur some additional transportation costs, but it will also save mail processing costs based on the package preparation performed by the mailer. These savings should largely off-set the additional expenses incurred, if any. In addition, the new option should attract new customers which would not have used GPL service as originally conceived. This additional revenue and contribution more than compensate for any additional expense that might be incurred.

UPS also asserts that the amendment is inconsistent with the original interim rule. According to UPS, the original rule was based on the rationale that the Postal Service would incur lower costs in processing GPL parcels because of greater availability of direct air transportation from JFK airport, efficiencies from processing all GPL parcels at a single facility designed for that purpose, efficiencies from dispatching all GPL shipments from a single facility, and that general operational and managerial considerations supported handling all GPL shipments at a single facility.

UPS's assertions in this regard are incorrect. The original interim rule was not based on the rationale that the Postal Service would incur lower costs because of the four factors cited. The original interim rule was based on a rationale stated in section II. A. of the Federal Register notice, which said that the Postal Service was implementing this new international service ''In order more closely to meet the needs of mail order companies and other customers that send merchandise packages from the United States to multiple international addressees.'' The four factors cited by UPS were, indeed, factors that led to the decision to process and dispatching GPL parcels from the JFK Processing Plant. That decision provided economies of scale and allowed the implementation of this new service in an efficient manner. As clearly stated in the amendment to the interim rule, however, the Postal Service subsequently determined, as volumes grew, that it could further reduce costs and improve service by allowing mailers to share the package processing workload if they met certain conditions. GPL is growing, both in numbers of mailers using the service and in volume, and the Postal Service will continue to develop procedures that will facilitate the use of this service by its customers.

Accordingly, the Postal Service adopts the following amendments to the International Mail Manual, which is incorporated by reference in the Code of Federal Regulations. See 39 CFR 20.1. All other changes in the original interim rule for Global Package Link which were published in the Federal Register as amendments of the interim rule remain in effect as interim rules.

List of Subjects in 39 CFR Part 20

International postal service, Foreign relations.

PART 20—[AMENDED]

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

Authority: 5 U.S.C. 552(a); 39 U.S.C. 401, 404, 407, 408.

2. Chapter 6 of the International Mail Manual is amended by adding new subchapter 620 to read as follows:

CHAPTER 6—SPECIAL PROGRAMS

* * * * *

SUBCHAPTER 620—GLOBAL PACKAGE LINK

621 Description

621.1 General

Global Package Link (GPL) is a bulk mailing system that provides fast, economical international delivery of packages containing merchandise. GPL is designed to make it easier and less costly for mail order companies to export goods. The Postal Service provides GPL on a destination county-specific basic pursuant to the terms and conditions stipulated in 620.

621.2 Admissible Items

621.21 Prohibited Enclosures

GPL packages may not contain:

a. Typewritten and handwritten communications having the character of current correspondence.

b. Any item that is prohibited in international mail. Refer to the Country Conditions of Mailing in the Individual Country Listings for individual destination country prohibitions.

621.22 Exceptions

GPL packages may contain an invoice as long as the invoice is limited to the particulars that constitute an invoice.

621.3 Availability

GPL is available only to destination countries identified in 620.

622 Qualifying Mailers

To qualify, a mailer must enter into a service agreement containing the commitments stipulated in 625.2 and must be able to meet the general and destination country-specific preparation requirements stipulated in 620.

623 General

623.1 Special Services

The special services provided for in Chapter 3 are not available for packages sent by GPL unless specifically provided for in 620.

623.2 Customs Documentation

The requirements for customs forms vary by destination country as stipulated in 620.

623.3 Size and Weight Limits

Size and weight limits for packages sent by GPL vary by destination country as stipulated in 620.

623.4 Postage

623.41 Rates

Rates vary by destination country as stipulated in 620.

623.42 Postage Payment Method

Postage must be paid by permit imprint.

623.43 Documentation

Each mailing of GPL packages must be accompanied by a manifest and other documentation in the form specified by the Postal Service.

624 Preparation Requirements

624.1 General Requirements

624.11 Barcode

Every GPL package must bear a barcode, in a format acceptable to the Postal Service, that identifies the package by a unique number. The mailer must place the barcode on the address side of the package.

624.12 Addressing

See 122. The name and address of the mailer and of the addressee also should be recorded on a separate slip enclosed in the package.

624.13 Sealing

Every GPL package must be sealed by the mailer. Wax, gummed-paper tape, nails, screws, wire, metal bands, or other materials may be used as suitable. The seal must be sufficient to allow detection of tampering.

624.14 Packaging

Every GPL package must be securely and substantially packed. In packing, the mailer should consider the nature of the contents, the climate, and the delivery method. The Postal Service will determine whether the contemplated packaging is suitable prior to the mailer's use of GPL.

624.15 Nonpostal Documentation

Forms required by nonpostal export regulations are described in Chapter 5.

624.2 Destination Country-Specific Requirements

Certain preparation requirements vary by destination country as stipulated in 620.

625 GPL Service Agreements

625.1 General

The mailer must enter into a separate service agreement for each destination country to which it wants to use GPL.

625.2 Required Provisions

Each service agreement must contain the following:

a. The mailer's commitment to send at least 25,000 packages by GPL during the next 12 months to the specified destination country.

b. The mailer's commitment to designate the Postal Service as its carrier of choice to the specified destination country.

c. The mailer's commitment to link its information systems with the Postal Service's so that (1) the Postal Service and the mailer can exchange data transmissions concerning the mailer's packages, and (2) by scanning the mailer-provided barcode on each package, the Postal Service can extract, on an as-needed basis, certain information about the package. The package-specific information that the mailer is required to make available varies by destination country as stipulated in 620.

d. For a mailer processing packages at the mailer's plant, the mailer's commitment to use Postal Service provided workstations to process all GPL packages and to sort and prepare those packages for dispatch as specified by the Postal Service.

625.3 Optional Provisions

Each service agreement may set forth any GPL-related arrangements between the Postal Service and the mailer that are technical in nature.

626 GPL to Japan

626.1 Description

626.11 General

GPL to Japan provides the mailer with three delivery options, and with preparation by the Postal Service (or on Postal Service-provided equipment) of the customs forms required by Japan Post.

626.12 JFK Processing Facility

All GPL packages processed by the Postal Service are processed at, and dispatched to Japan from, a dedicated facility located at JFK International Airport (the JFK Processing Facility).

626.13 Delivery Options

626.131 Express Service

Packages sent through Express Service are transported by air to Japan, where they receive special handling by Japan Post and expedited delivery. The mailer can track Express Service packages through delivery. Reports of delivery performance are furnished to the mailer in the formats and at the frequencies agreed upon by the Postal Service and the mailer.

626.132 Standard Air Service

Packages sent through Standard Air Service are transported by air to Japan, where they enter Japan Post's domestic airmail system for delivery. The mailer can track Standard Air Service packages through dispatch from the JFK Processing Facility or the appropriate airmail facility.

626.133 Economy Air Service

Packages sent through Economy Air Service are transported by air to Japan, where they enter Japan Post's domestic surface mail system for delivery. The mailer can track Economy Air Service packages through dispatch from the JFK Processing Facility or the appropriate airmail facility.

626.2 Acceptance

626.21 Within 500 Miles of JFK

If the plant at which the mailer's GPL packages originate is located within 500 miles of the JFK Processing Facility, the Postal Service accepts the packages at the plant and transports them by truck to the JFK Processing Facility according to a schedule agreed upon by the Postal Service and the mailer.

626.22 More Than 500 Miles From JFK

626.221 Drop Shipment to JFK

If the plant at which the mailer's GPL packages originate is more than 500 miles from the JFK Processing Facility, the mailer may present the packages for verification at the plant and transport them as a drop shipment to the JFK Processing Facility according to a schedule agreed upon by the Postal Service and the mailer.

626.222 Transport to Airmail Facility

Alternatively, the mailer may process the packages, using Postal Service-provided workstations, and prepare dispatches as specified by the Postal Service. The Postal Service verifies and accepts the dispatches at the mailer's plant according to a schedule agreed upon by the mailer, and the Postal Service transports the packages to an appropriate airmail facility for dispatch to Japan.

626.3 Required Package-Specific Information

The mailer must make available to the Postal Service, by means of data

transmissions in the formats and at the frequencies agreed upon by the Postal Service and the mailer, the following information about each GPL package:

a. Order number.

b. Package identification number.

c. Delivery option used for package.

d. Buyer's name and address.

e. Recipient's name and address.

f. Total weight.

g. Total value.

h. Total number of items in package.

i. Number of each individual item in package.

j. SKU and/or key-word description of each item.

k. Value of each item.

l. Country of origin (if available) of each item.

626.4 Insurance and Indemnity

626.41 Express Service

Packages sent through Express Service are insured against loss, damage, or rifling at no additional cost. Indemnity will be paid by the Postal Service as provided in DMM S500. However, Express Service packages are not insured against delay in delivery. Neither indemnity payments nor postage refunds will be made in the event of delay.

626.42 Standard Air Service

Packages sent through Standard Air Service weighing more than 1 pound may be insured at an additional cost. See 320.

626.43 Economy Air Service

Packages sent through Economy Air Service may not be insured.

626.5 Postage

626.51 Base Rates

See Exhibit 626.51. Postage is paid on a per-package basis.

GLOBAL PACKAGE LINK TO JAPAN BASE RATES EXHIBIT 626.51

Weight not over lbs.	Express service	Standard air service	Economy air Service
1	$14.35	$6.64	$5.43
2	15.69	9.23	9.35
3	17.80	13.63	13.27
4	19.91	15.74	17.20
5	22.02	20.14	
6	27.03	24.93	
7	29.39	29.86	
8	31.76	32.22	
9	34.12	37.15	
10	36.49	39.52	
11	38.85	41.88	
12	41.21	46.81	
13	43.58	49.17	
14	45.94	54.10	
15	48.31	56.47	

GLOBAL PACKAGE LINK TO JAPAN BASE RATES EXHIBIT 626.51—Continued

Weight not over lbs.	Express service	Standard air service	Economy air Service
16	54.29	65.78	
17	56.82	68.32	
18	59.36	73.60	
19	61.89	76.13	
20	64.42	81.42	
21	71.42	89.55	
22	74.12	92.25	
23	76.83	97.88	
24	79.53	100.58	
25	82.23	106.22	
26	84.93	108.92	
27	87.63	114.56	
28	90.34	117.26	
29	93.04	122.89	
30	95.74	125.59	
31	104.59	139.43	
32	107.47	142.30	
33	110.34	145.17	
34	113.21	151.16	
35	116.08	154.03	
36	118.95	160.02	
37	121.82	162.89	
38	124.69	168.88	
39	127.56	171.75	
40	130.43	177.73	
41	141.15	191.23	
42	144.19	197.57	
43	147.23	200.61	
44	150.27	203.65	

626.52 Discounts

Postage is reduced by the following additive discounts once the applicable volume thresholds are reached during a 12-month period:

a. 25,000 to 100,000 packages: 0.00%.

b. 100,001 to 250,000 packages: 4.75%.

c. 250,001 to 500,000 packages: additional 5.75%.

d. 500,001 to 1,000,000 packages: additional 6.00%.

e. More than 1,000,000 packages: additional 6.25%.

626.6 Size and Weight Limits

626.61 Size Limits

626.611 Express Service

Express Service packages must meet these size limits:

a. Minimum length and width: large enough to accommodate the necessary labels and customs forms on the address side.

b. Maximum length: 42 inches (36 inches until January 9, 1995).

c. Maximum length and girth combined: 90 inches (79 inches until January 9, 1995).

626.612 Standard Air Service

Standard Air Service packages must meet these size limits:

a. Minimum length and width: large enough to accommodate the necessary labels and customs forms on the address side.

b. Maximum length: 42 inches (24 inches for packages weighing 1 pound or less).

c. Maximum length and girth combined: 90 inches (79 inches until January 9, 1995). Maximum length, height, depth (thickness) combined for packages weighing 1 pound or less is 36 inches.

626.613 Economy Air Service

Economy Air Service packages must meet these size limits:

a. Minimum length and width: large enough to accommodate the necessary labels and customs forms on the address side.

b. Maximum length: 24 inches.

c. Maximum length, height, depth (thickness) combined: 36 inches.

626.62 Weight Limits

626.621 Express Service

Maximum weight: 44 pounds.

626.612 Standard Air Service

Maximum weight: 44 pounds.

626.613 Economy Air Service

Maximum weight: 4 pounds.

627 Customs Forms Required

The mailer is not normally required to affix customs forms to GPL packages sent to Japan if the packages are processed at the JFK Processing Facility. In such cases, the Postal Service prints the necessary customs forms based on the package-specific information transmitted by the mailer, and affixes them to the packages. If the packages are processed at the mailer's plant on Postal Service-provided workstations, those workstations print the necessary forms that the mailer normally affixes to the packages. During the interim period in which the Postal Service and the mailer are establishing the information systems linkages to enable the Postal Service to accomplish this, the mailer is required to affix the appropriate customs forms to the packages, as follows:

a. Express Service: Form 2966–A, *Parcel Post Customs Declaration—United States of America.*

b. Standard Air Service: Form 2966–A, Parcel Post Customs Declaration—United States of America (packages weighing 1 pound or less must bear Form 2976, Customs—Douane C1).

c. Economy Air Service: Form 2976, Customs—Douane C1.

628 Preparation Requirements

628.1 Express Service

628.11 Processing at JFK

Every package sent through Express Service must bear a label identifying it as an Express Service package. The mailer is not normally required to affix this label when such packages are processed at the JFK Processing Facility. In this case, the Postal Service prints the necessary label and affixes it to the Express Service package. During the interim period in which the Postal Service and the mailer are establishing the information systems linkages to enable the Postal Service to accomplish this, the mailer is required to affix Label 11–B, Express Mail Service Post Office to Addressee, or an alternative label as instructed by the Postal Service, to every Express Service package.

628.12 Processing at Mailer's Plant

When packages are processed at the mailer's plant on Postal Service-provided workstations, the workstations print the necessary label, and the mailer affixes it to the Express Service package.

628.2 Standard Air Service

There are no Japan-specific preparation requirements for packages sent through Standard Air Service (packages weighing 1 pound or less must bear the SMALL PACKET marking). See 264.21.

628.3 Economy Air Service

Packages sent through Economy Air Service must bear the SMALL PACKET marking. See 264.21.

* * * * *

A transmittal letter making the changes in the pages of the International Mail Manual will be published and transmitted automatically to subscribers. Notice of issuance of the transmittal letter will be published in the Federal Register as provided by 39 CFR 20.3.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 97–107 Filed 1–3–97; 8:45 am]

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39 CFR Part 20

Global Package Link (Formerly International Package Consignment Service)

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: The Postal Service, after considering the comments submitted in response to its request in 61 FR 13,765 (March 28, 1996) for comments on interim regulations implementing International Package Consignment (IPCS) service to Canada and the United Kingdom, hereby gives notice that it is adopting the interim regulations as amended on a permanent basis, without substantive modification. The name of this service has subsequently been changed to Global Package Link (GPL).

EFFECTIVE DATE: 12:01 a.m., January 6, 1997.

FOR FURTHER INFORMATION CONTACT: Robert Michelson, (202) 268–5731.

SUPPLEMENTARY INFORMATION: On March 28, 1996, the Postal Service published in the Federal Register interim regulations implementing Global Package Link (GPL) to Canada and the United Kingdom and requested comments (61 FR 13765 (March 28, 1996)). GPL is an international mail service designed for mail order companies sending merchandise packages to other countries. The service was initially available to Japan.

For the service to Canada, a customer would be required to mail at least 25,000 packages annually and to connect its information systems to the Postal Service so that the Postal Service and the customer could exchange information about the customer's packages. The customer would also be required to designate the Postal Service as its carrier of choice to Canada. There were two levels of service to Canada and there were rate discounts for sending larger numbers of parcels during the year.

For service to the United Kingdom, a customer would be required to mail at least 10,000 packages annually and to connect its information systems to the Postal Service so that the Postal Service and the customer could exchange information about the customer's packages. The customer would also be required to designate the Postal Service as its carrier of choice to the United Kingdom. There were three levels of service to the United Kingdom and there were rate discounts for sending more than 100,000 packages annually.

Comments were due on or before May 31, 1996. Comments were received from two commenters, a company engaged in international package delivery, WorldPak, Inc., and an association of companies engaged in international package delivery, the Air Courier Conference of America (ACCA). After considering these comments, the Postal Service has decided to adopt the regulations without substantive change.

WorldPak asserts that GPL rates to Canada and the United Kingdom are not permitted under the Acts of the Universal Postal Union because the rates for the highest level of GPL service are lower than domestic rates for single-piece Express Mail. No citation of authority is given, but the Postal Service believes that the commenter is referring to article 6.2, of the Universal Postal Convention, which provides, ''The charges collected, including those laid down for guideline purposes in the Acts, shall be at least equal to those collected on internal service items presenting the same characteristics (category, quantity, handling time, etc.).'' The Postal Service does not agree that GPL rates are inconsistent with article 6.2. In the Postal Service's view, it is inappropriate to compare rates for the highest level of GPL service with single-piece Express Mail rates. GPL is a bulk service, in which customers tender many packages at one time. There is no bulk Express Mail service and therefore no bulk Express Mail rates. Insofar as quantity is specifically a characteristic that article 6.2 recognizes as making a difference, article 6.2 does not require a comparison with single-piece rates. In addition, GPL does not guarantee delivery within any specific time. Express Mail guarantees delivery within one or two days, depending on destination, and postage is refunded if the service standard is not met. This also makes any comparison with domestic Express Mail rates inappropriate. Accordingly, the Postal Service concludes that GPL rates are not lower than the rates for any service having the same characteristics.

WorldPak also asserts that GPL service to Canada is unauthorized because it is a freight service, not a postal service. WorldPak asserts that GPL is a freight service because GPL items are delivered by a private sector contractor, not Canada Post Corporation, and GPL items are cleared through customs using commercial customs clearance procedures. The commenter also asserts, contrary to its argument that GPL rates are illegal because they are lower than domestic Express Mail rates, that GPL delivery by private contractors is not authorized by the Universal Postal Convention because it is not EMS service. The Postal Service does not agree that GPL service is unauthorized. The distinction this commenter attempts to draw does not appear to have any significance. Delivery by a private contractor is, and long has been, one of the ways mail is delivered. Moreover, in the current environment in which postal administrations in other countries are being privatized, e.g., Netherlands and