



A MODEL REGULATORY FRAMEWORK FOR EXPRESS DELIVERY SERVICES

INTRODUCTION

GEA's members are DHL Express, FedEx and UPS, the three largest express delivery service providers in the world. They provide fast and reliable service in more than 220 countries and territories. They have estimated annual revenues in excess of \$200 billion, employ 1.7 million people worldwide, utilize more than 1,500 aircraft and 370,000 ground vehicles, and deliver more than 30 million packages each day. International Express shipments of goods have grown 7.6% per annum – that is, almost doubled - between 2011 and 2023.

Express delivery companies essentially combine a series of services into a unique business model.

In markets where express delivery thrives, the sector has developed successfully in a liberalized regulatory environment with certain features. One hallmark is the absence of an additional regulatory framework or licensing regime specific to express delivery services, and of licensing fees based on revenue percentage.

This does not mean express delivery services are not regulated. To the contrary, and explained in more detail below, they are subject to numerous kinds of regulations.

And yet, some countries may consider a specific set of burdensome regulations for express delivery that act as barriers to trade. This paper is for them and sets out best practices when countries feel regulation of this kind is necessary.

These suggestions are based on economic principles and the practice from countries with high quality and efficient transport and delivery sectors.



EXPRESS DELIVERY IS NOT THE POST, SO DON'T REGULATE IT LIKE THE POST

Post offices are strictly national networks. In most cases, they are a part of the government.

Even when not part of the government, they often are under a governmental obligation to provide a basic, affordable, universal postal service throughout the country. Moreover, they often enjoy legal privileges (e.g. a monopoly on letter delivery giving them captive customers, exclusion from tax obligations) that necessitate strict regulatory oversight.

The Universal Postal Union sets interface rules for posts to connect to each other when exchanging postal items across borders. For a postal item to be delivered under this UPU-governed system, it needs to change hands between the post offices on each side of the border.

In contrast, express delivery services operate worldwide, door-to-door logistics. They provide premium services, value-added services, not basic universal ones governed by the UPU.

They operate their own aircraft fleets, vehicles and facilities worldwide. This allows them to keep control of an international express parcel or document from door to door and deliver it in a time-definite manner. They also take care of customs clearance.

In other words, express companies already operate in a highly regulated environment. They are subject to aviation, road and other transport safety laws, compliance with customs requirements and formalities, data privacy and protection regimes, consumer protection laws, competition laws, workplace safety requirements—the list is very long.

Importantly, they do not enjoy any special legal privileges, rights or subsidies that are typically afforded to national postal operators.

Consequently, and in view of the economic and wider benefits that express delivery services provide, they should not be regulated like the post.



AVOID IMPOSING POSTAL LICENSES ON EXPRESS DELIVERY SERVICE PROVIDERS

We don't think an 'express license' is necessary, as express services are really a combination of many services that are separately regulated. Also, from an economic viewpoint, there is no market failure nor scarce resource that needs to be managed.

As noted above, express delivery companies are governed by many sector-specific regulations already (customs, air transport, road transport...).

A postal license should only be necessary for services that are reserved and/or within the scope of the universal postal service obligation. Express delivery carriers do not provide them (among other reasons, because they are not allowed to).

However, GEA acknowledges that some countries feel a licensing regime is necessary. In those cases, rather than a license, put in place a simple, registration or general authorization process and ensure it meets best international standards, such as the [WTO's Service Domestic Regulation reference paper](#), so that:

- The registration or general authorization process is transparent.
- Registration or general authorization criteria are public, objective and non-discriminatory.
- The authority in charge of the process is independent from any market operator (in particular, the post office).
- Any refusal to register or authorize is explained citing objective reasons, and any errors can be corrected. Fees are reasonable (and proportionate to the actual administrative costs of processing registrations), transparent and do not restrict the supply of express services and do not require express carriers to contribute a percentage of their revenue to the postal regulator.

A simple registration or general authorization process ensures that the sector remains innovative and competitive, so that your country's traders, consumers and businesses benefit from the sector's capabilities.



MAKE SURE THE MARKET IS OPEN TO ALL LOGISTICS-RELATED SERVICES

Express delivery companies can only provide a full range of services if market access is open to:

- Operate air services with their own fleet
- Handle their own aircraft at the airport
- Drive their own vehicles across the border
- Drive their own vehicles inside the national territory
- Operate their own warehouses inside and outside the airport
- Act as a freight forwarder
- Get their own customs broker license or serve as their own customs broker.
- Contract any of the above services locally if they so wish but not be forced to do so
- Establish their own fully owned subsidiary in the country

APEC for instance has a definition of 'logistics-related services' along these lines¹.

¹ APEC Ministers Responsible for Trade Statement of Chair, Bangkok, May 2022, Annex I.

<https://www.apec.org/meeting-papers/sectoral-ministerial-meetings/trade/apec-ministers-responsible-for-trade-statement-of-chair/annex-a-apec-definition-of-logistics-related-services>



MAKE SURE THE PLAYING FIELD IS LEVEL AND ENFORCE COMPETITION LAW

Competition amongst various logistics service providers should be open and encouraged. That includes governmental actors (like the posts) when they step outside their governmental mandate and compete with private operators.

As noted previously, the posts may have a restricted monopoly for certain basic mail services. Express delivery services are not among such basic services, nor should they be.

Because citizens in this space are captive to the monopoly provider, this “reserved area” should be defined clearly and narrowly, for example by using reasonable quantitative price-weight criteria that allow express carriers to provide services outside the excluded area.

Take measures to make sure no service suppliers, alone or together, including the post, can abuse their position or restrict competition.



FACILITATE CUSTOMS PROCESSES FOR COMPLIANT CARRIERS

International agreements such as the WTO's Trade Facilitation Agreement recognize that carriers that meet certain conditions should be granted better facilitation at the border. These conditions include:

- Sharing advance electronic data on incoming shipments with border authorities
- Securing their network
- Being able to track and trace shipments
- Providing customs infrastructure and defraying the customs authority's cost
- Support the collection of tax and duties

Express carriers meet all these criteria. They should be eligible for the facilitation measures that these agreements contemplate, such as:

- *A de minimis* threshold under which no duty or tax is paid
- Immediate release based on a consolidated declaration (a manifest, waybill, cargo declaration or inventory)
- Reduced documentation, data and inspections
- Rapid release times
- Deferred (that is, account-based) payment for duties and fees
- Reduced guarantees, securities or bonds that cover multiple imports over a period of time
- Single declarations for periodic imports and exports
- Clearance at their own premises or at authorized locations



SIMPLIFY THE COLLECTION OF DUTY AND TAX FOR LOW VALUE SHIPMENTS

E-commerce has led to an exponential growth in the importation of low value parcels. Authorities frequently struggle to collect duty and tax from them.

Consider simplifying that process and making the vendor collect the duty or tax off the border, such as those introduced in Australia and New Zealand. Further details can be found [here](#)².

Geneva, July 2025

² https://global-express.org/assets/files/Whats%20new%20section/GEA_Shipments%20low%20value%20proposal_Short%20leaflet%20F.pdf