

CHANGING FACE OF INDIA POST AT THE WORLD FORUM (INTERNATIONAL INTEGRATION, MARKET REFORMS AND TRADE IN POSTAL & COURIER SERVICES)

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Abstract

The postal sector across the world has undergone profound changes due to globalization, technological advancement, liberalization of services, and increasing competition from private courier and express delivery companies. India Post, one of the largest postal networks globally, has actively participated in international postal forums while introducing innovative international mail and financial services. This research paper examines the changing role of India Post in the global postal system, its international business initiatives, global trends in postal and courier services, trade under the WTO framework, the European Union (EU) postal market, and barriers to trade in postal and courier services between India and the EU. The paper highlights policy challenges and future prospects for India Post in an increasingly competitive global environment.

Keywords: India Post, International Postal Services, WTO, GATS, EU Postal Market, Courier Services, Universal Service Obligation

1. Introduction

Postal services have traditionally been viewed as public utilities essential for communication, commerce, and social integration. However, rapid technological changes, digital communication, and the liberalization of trade in services have significantly altered the structure and functioning of the postal sector worldwide. The emergence of global courier companies such as DHL, UPS, FedEx, and TNT has intensified competition, particularly in the parcel and express delivery segments.

India Post has responded to these changes by strengthening its participation in international postal institutions, modernizing its service offerings, and engaging with global trade discussions. This paper analyzes how India Post's role has evolved in the international arena and evaluates the implications of global postal reforms for India.

2. India Post and International Relations

India Post has actively engaged with the Universal Postal Union (UPU) and other international platforms to align itself with global best practices. Indian delegations have participated in several high-level international meetings covering postal automation, financial inclusion, quality of service, and postal regulation.

Table 1: India Post Participation in International Forums (2009)

Event / Forum	Location	Duration	Indian Representation	Key Outcome
International Conference on Postal Automation (ICPA-17)	Lucerne, Switzerland	4–8 May 2009	Director (Foreign Post), ADG (PMU)	Exposure to global postal automation
UPU Postal Operations Council – Committee 3	Berne, Switzerland	23–26 June 2009	DDG (Global Business)	India chaired Postal Financial Services Committee
QSF Board of Trustees & EMS Cooperative Board	Boston, USA	20–23 July 2009	DDG (International Relations)	Oversight of quality improvement funds
UPU Council of Administration & POC	Berne, Switzerland	26 Oct–13 Nov 2009	Three-member delegation	India as Vice-Chair of UPU Strategy

Event / Forum	Location	Duration	Indian Representation	Key Outcome
				Committee
Financial Inclusion Workshop (UPU)	Berne, Switzerland	9–10 Nov 2009	Member (Tech.), DDG (FS)	Dialogue with RBI and regulators

India's leadership roles within the UPU demonstrate its growing importance in shaping international postal policies, especially for developing countries.

3. International Mail Business Initiatives of India Post

India Post has introduced several initiatives to modernize international mail services and enhance customer convenience.

Table 2: International Mail Business Initiatives of India Post

Initiative	Description	Key Benefits
International Flat Rate Boxes	Parcels of 1 kg, 2.5 kg, and 5 kg with fixed tariffs	Predictable pricing, global reach
Web-based Track & Trace	Online tracking of EMS and parcels	Transparency and reliability
MO Videsh	International electronic money remittance	Faster remittances, financial inclusion

These initiatives have helped India Post improve service quality and compete more effectively in the international market.

4. Global Overview of Postal and Courier Services

The global postal sector employs approximately 5.5 million people and operates nearly 666,000 post offices worldwide. Despite a decline in the number of post offices, revenues have remained strong due to diversification into logistics, financial services, and hybrid mail.

Table 3: Global Postal Sector Snapshot

Indicator	Global Statistics
Postal employees worldwide	~5.5 million
Number of post offices	~666,000
Global postal revenue	204.8 billion SDR
Share of revenue from letters	~52%
International mail items annually	5.6 billion

5. Market Share: Postal Operators vs Courier Companies

Private courier companies dominate the international parcel and express delivery segments, while postal operators retain a strong position in domestic letter-post services.

Table 4: Market Share of Postal and Courier Services (%)

Segment	Postal Operators	Private Couriers
Domestic Letter Post	94%	6%
International Letter Post	75%	25%
Domestic Parcels	29%	71%
International Parcels	18%	82%

6. Trade in Postal and Courier Services under WTO

Trade in postal and courier services is governed under the General Agreement on Trade in Services (GATS). While courier services have largely been liberalized, postal services remain sensitive due to their public-service nature and universal service obligations.

India has not made binding commitments in this sector, reflecting concerns related to employment, universal access, and the dominant role of India Post.

7. EU Postal Market and Express Delivery Industry

The EU postal sector contributes significantly to economic output and employment. Liberalization and privatization have transformed national postal administrations into commercially oriented entities.

Table 5: Contribution of Postal Services to the EU Economy

Indicator	Value
Postal sector revenue	€90 billion
Share of EU GDP	0.9%
Direct employment	1.71 million
Jobs dependent on postal sector	~5 million

The express delivery industry alone contributes over €10 billion to EU GDP and plays a crucial role in supporting trade and manufacturing.

8. Letters, Courier Services and Indian Legal Framework

Under the Indian Post Office Act, 1898, the government enjoys exclusive privilege over letter conveyance. However, the absence of a clear legal definition of “letter” has allowed private courier companies to operate in overlapping segments. Liberal FDI policies have further encouraged foreign participation in courier services, creating regulatory challenges for India Post.

9. Barriers to Trade in Postal and Courier Services

Table 6: Barriers in Postal and Courier Trade

Region	Major Barriers
European Union	High license fees, AEO requirements, stringent quality standards
India	Complex tax structure, unclear postal law, customs procedures

Indian companies often prefer operating through agents in the EU due to high compliance costs, while domestic players in India face infrastructural and regulatory challenges.

10. Conclusion

India Post is navigating a complex global environment marked by competition, technological change, and trade liberalization. Its active engagement in international forums, modernization of services, and diversification into financial services demonstrate adaptability. However, legal ambiguities, regulatory gaps, and competitive pressures persist. A balanced regulatory framework, clearer postal laws, and strategic collaboration with private players can help India Post strengthen its global position while fulfilling its universal service obligation.

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