



WEBINAR ON US SUSPENSION OF DUTY-FREE DE MINIMIS EXEMPTION AND UPU DDP SOLUTION

Date: 27 August 2025
Time: 14.00 - 15.30 CEST (UTC+2)
Online via Zoom





Webinar Etiquette

- This webinar is available in English, French, Arabic, Russian and Spanish, please use the interpretation functionalities. We thank the interpreters for your valuable help.
- Please note that speaking opportunities are not available; kindly use the Q&A function for your questions.
- Questions submitted in advance have been integrated into the presentations or will be addressed during the Q&A portion of the webinar.
- Questions submitted via Q&A will be answered during the session or in follow-up afterward.
- The session will be recorded and made available on the UPU website at <https://www.upu.int/en/postal-solutions/programmes-services/postal-supply-chain/postal-supply-chain-integration>.



Opening Remarks

Mr Masahiko Metoki
UPU IB Director General



Background

Mr Abdel I. Bousseta

UPU IB Director of Postal Operations



Programme

Global De Minimis Suspension

Himesh Patel, Director, International Strategy & Business Development Support, USPS

Current status and UPU IB outreach

Mr Jan Bojnansky, UPU IB Supply Chain Coordinator

UPU's Delivered Duty Paid (DDP) Solution

Mr David Avsec, UPU IB Postal Technology Centre (PTC), Account Relationships Coordinator

Q & A section

Mr Javier Garcia, UPU IB Customs Facilitation and Standards Programme Manager

Closing remarks and Participants' survey

<https://www.menti.com/aligsiu8suve>



Global De Minimis Suspension

Mr Himesh Patel

USPS, Director, International Strategy & Business
Development Support



US Executive Order on the De Minimis Threshold Elimination:

**Impact on International Mail and actions
taken by the IB**

Mr Jan Bojnansky

UPU IB Supply Chain Coordinator



US Executive Order 14324 of 30 July 2025: Critical Changes for Mail Operations (1)

1. Elimination of \$800 De Minimis for all shipments to US

- All international postal items containing goods entering the US through any channel—including postal networks—will be subject to duties regardless of value.

Limited Exemptions Remain

- Documents (UL receptacles)
- Gifts valued up to \$100
- (also Military mail)

CBP Guidelines on Aug 15 provided more details on EO implementation

Transition Period Framework

From Aug 29, 2025 to Feb 28, 2026, carriers/other qualified parties can choose between:

- Flat per-item fee (\$80–200, origin-dependent)
- Percentage-based duty (ad valorem)

After February 2026, only **ad valorem duties** will apply.





US Executive Order 14324 of 30 July 2025: Critical Changes for Mail Operations (2)

2. Mandates collecting duties at Origin for postal shipments

- USPS collects duties from the recipient during the delivery at this moment; from August 29 **no more payments due at delivery**
- **Transportation carriers or other parties if qualified must collect and remit duties** to CBP

(Carriers are not interested in their new role to calculate/collect duties and remit duties)

3. Country of Origin of the article must be declared

These new EO requirements are changing dramatically the current Supply chain (SC) rules and impact all SC stakeholders (DOs, customers, carriers, customs, ...)





Communication with stakeholders (1)

The UPU International Bureau:

- 1. Sent and emergency (EmIS) message on 7th August to all UPU member countries providing guidance on the Executive Order;**
2. Engaged with US authorities, IATA-UPU Contact Committee, IPC, PostEurop, etc. to provide guidance and gather feedback;
3. Maintained regular communication with USPS and US Department of State to understand practical impacts and develop solutions to keep the mail moving;
4. Following inquiries from IATA-UPU CC co-chairs and major carriers, organized an extraordinary CC call on 13th August to share information, present the UPU technical solution and reduce uncertainty;
5. Designed a duty fee calculation solution with 3rd party to facilitate collection and remittance at origin and removing carriers' financial liability



EmIS 130/2025

- The **UPU International Bureau** informs member countries and their designated operators that it is closely analyzing the U.S. executive order of 30 July 2025, which suspends the duty-free de minimis exemption for postal shipments containing goods as of 29 August 2025 and introduces a new system for duty collection and remittance.
- The IB is assessing the operational impact of this measure, engaging with U.S. authorities and stakeholders, and preparing guidance to help member countries and DOs ensure continuity of international postal flows. In parallel, **the UPU's Postal Technology Centre is finalizing a technical delivered duty paid (DDP) solution that can be applied globally.** Further updates and recommendations will be provided soon, with contact points available for operational and technical inquiries.



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Communication with stakeholders (2)

6. Shared the information issued by the US Customs and Border Protection (CBP) with supply chain and IT partners, analyzed it and follow up on it (ZONOS was approved by CBP as a qualified partner on 15th Aug);
7. Communicated with IATA and key carriers to avoid a full embargo for mail;
- 8. Published US Circular on behalf of the US providing guidance on the exclusion of documents and gifts up to 100 USD from the EO**
9. DG letter to US on 22nd Aug with a message on UPU readiness to collaborate with U.S. authorities through consultations to minimize disruptions and ensure smooth implementation.
10. Organize the UPU global webinar on 27th Aug



EmIS 156/2025

- The **United States Postal Service (USPS)** informs UPU member countries and their designated operators that, effective **29 August 2025**, the U.S. executive order of 30 July 2025 **eliminates the duty-free de minimis exemption for goods valued at USD 800 or less**, making all dutiable international postal items subject to customs duties unless exempt (e.g. P and G format items containing only documents or goods without monetary value, and bona fide gifts up to USD 100).
- DOs must coordinate with **transportation carriers or other CBP-qualified parties** to ensure duties are collected and remitted in advance, as items without proof of payment will be deemed inadmissible. For the first six months, duties on goods under USD 800 may be calculated either on an ad valorem basis (using IEEPA tariff rates by country of origin) or via a specific flat-rate duty of USD 80, 160, or 200 depending on the tariff band, after which only the ad valorem method will apply. USPS also reiterates the obligation to provide complete and accurate electronic advance data (EAD) with HS tariff codes, notes that further procedural details will be published by CBP, and stresses that compliance with all legal requirements remains the responsibility of DOs, carriers, and qualified parties.



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Status of carriers' mail transport to the US

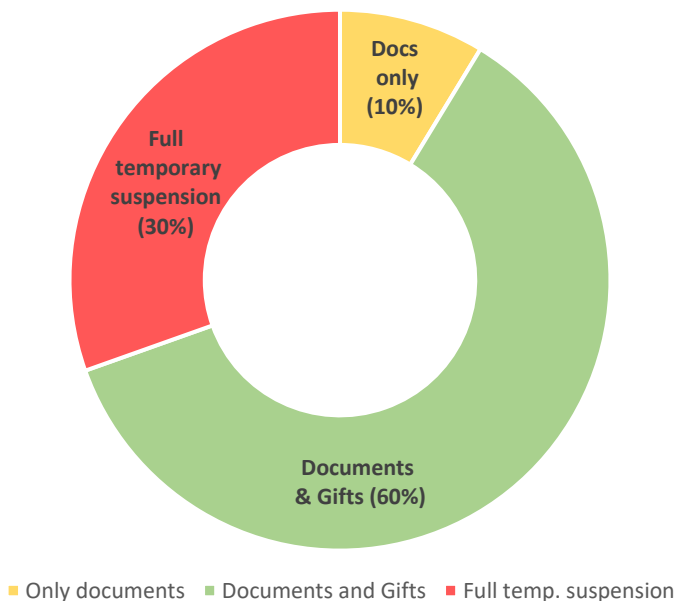
Information as at 27 August, 9h (CEST)

- Ongoing discussion with IATA secretariat, AMB members and carriers
- Quick **survey** on carriers' position on transport of mail to US after 29 Aug

Key outcomes

- Nearly a third of the carriers applies a full temporary suspension until CBP clarifies carriers' liability
- None carrier ready to take items containing goods from 27th Aug
- To carry documents and gifts, some carriers require signature of bilateral agreement or liability waiver; and/or limit the transport to some specific mail subclasses (UL, UP, ED).

Status: carriers' transport to the US





UPU readiness to support a smooth implementation

Cooperation with all SC stakeholders (USPS, CBP, IATA...)

to clarify the operational and legal responsibilities of carriers and DOs at origin in relation to US customs duty collection and remittance

Minimize disruption to intern. postal services

through identifying, potential transitional arrangements or phased approaches to implementation of the EO (including pilot testing with US, DOs, partners)



Exploring the role of existing UPU technology, standards & settlement systems in supporting compliance with specific customs frameworks adopted by the US and other member countries





Thank you

Please contact us for further details

bojnanskyj@upu.int



UPU Delivered Duty Paid (DDP) solution

27.08.2025

Mr David Avsec, Account Relationships Coordinator

UPU IB Postal Technology Centre (PTC)



UPU Delivered Duty Paid (DDP) - Overview

Context

- De minimis either getting lowered, or disappearing totally – worldwide
- Customer demands for a DDP product: DDP is the product adapted for eCommerce shipments

Objectives

- Provide a seamless and frictionless DDP service to postal customers (avoid risks of double taxation, delays for processing DDU items,...)
- Access a solution that is easy to deploy and use, and cost effective
- Rely on a robust system for tax collection and settlement

Solution

- Global, applicable for any country requiring DDP
- Scalable (specifically, regarding the financial settlement, from bilateral to UPU*Clearing)
- Vendor agnostic (can be powered by any of our current partners, or future contracted partners)
- Modular and standardized (part of the solution can be sourced from other providers, as long as the global model is respected)
- Involving Post (at origin) and Post/Customs (at destination): transportation carrier is not involved



UPU DDP Product – Status as at 27.08.2025

UPU Assets

- Contracts in place (since mid 2024) to use the APIs of two major vendors (Hurricane, Zonos)
- Their respective APIs integrated in Customs Declaration System (CDS) since Q1 2025
 - Data services, with these partners: HS, LC calculations
- Financial settlement services (through the UPU*Clearing)
- UPU solution available either “out of the box” (CDS, IPS integration) or through APIs to be integrated by non CDS/IPS users

Zonos Profile

Value proposition for US-inbound flows:

- Since 21.08.2025, one of qualified party for filing into US-CBP system (ACE)
- Takes all liability for the collection, and then settlement of taxes and duties with US-CBP

Way forward

Short term plan, for US-inbound:

- Priority to a UPU DDP “powered by Zonos” (existing UPU contract + US Qualified Party)
- UPU DDP model open to any other US Qualified Party (on demand, if required by origin Post, or by USPS)
- Dependency on non-technical aspects; data sharing agreements, acceptance by airlines etc.

UPU DDP model worldwide:

- The two contracted vendors can power the UPU model
- Additional vendors will be contracted on demand/according to market needs



How the UPU solution works

HS and LC

Calculations powered by the contracted vendor
CDS API integrations

ITMATT

For now, using ITMATT v1, enriched with (observation field):

- DDP flag (end-to-end identification of a DDP item)
- Declaration ID (to reconcile with the S10, when Customs declarations are prepared before label creation)
- Payment Status (=clearance flag, indicating that taxes and duties have been collected and by what party, and LC amounts)

International financial settlement

- Invoices injected into the UPU*Clearing
- Debtor and creditor configured according to each bilateral flow
 - Ex for the USA: creditor will be the selected party qualified by US-CBP, for the final settlement with them.



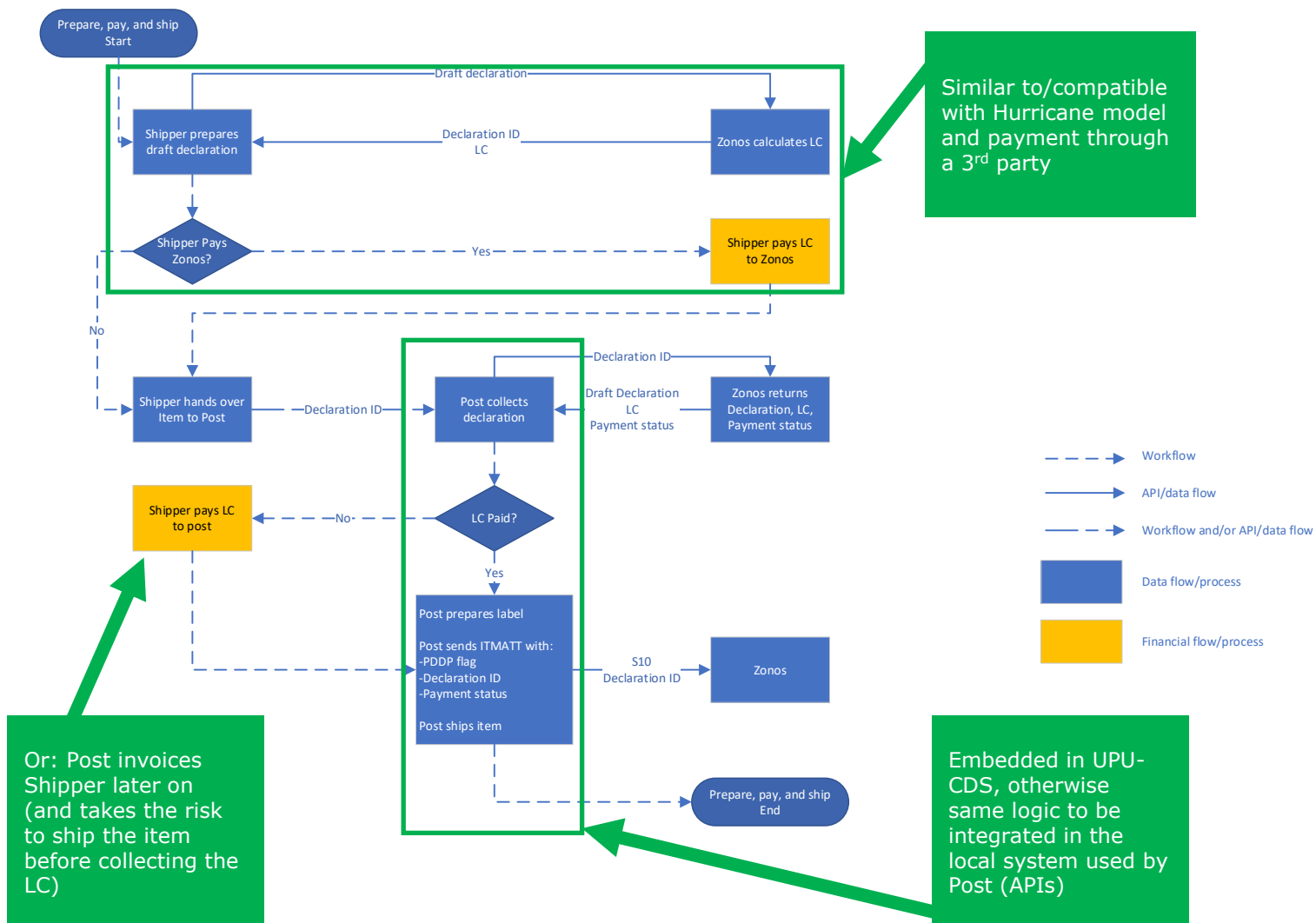
UPU DDP “powered by Zonos”

Design flowcharts



Customs declaration and payment of T&D

Zonos serves shipper directly (model A)



Customer type A

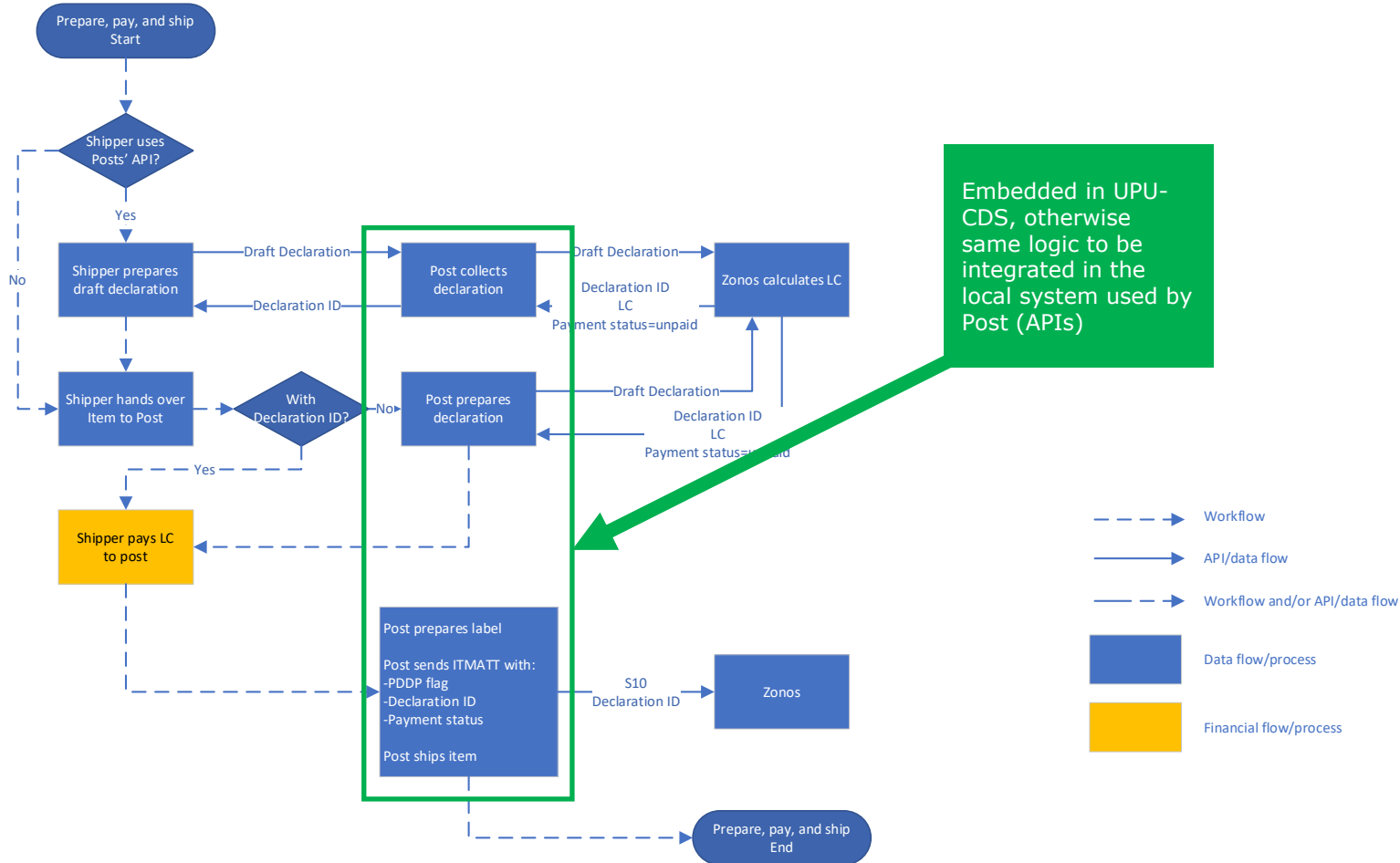
- Shipper has a direct relationship with Zonos for LC calculation and possibly direct payment of the LC
- Origin Post collects the shipments and associated data already prepared (draft Customs declaration, calculated LC)
- If not prepaid directly to Zonos, Post collects/invoices the calculated LC

Scenario of LC being re-assessed by US-CBP: not on the flowchart but covered by Zonos



Customs declaration and payment of T&D

Post serves shipper (model B)



Customer type B

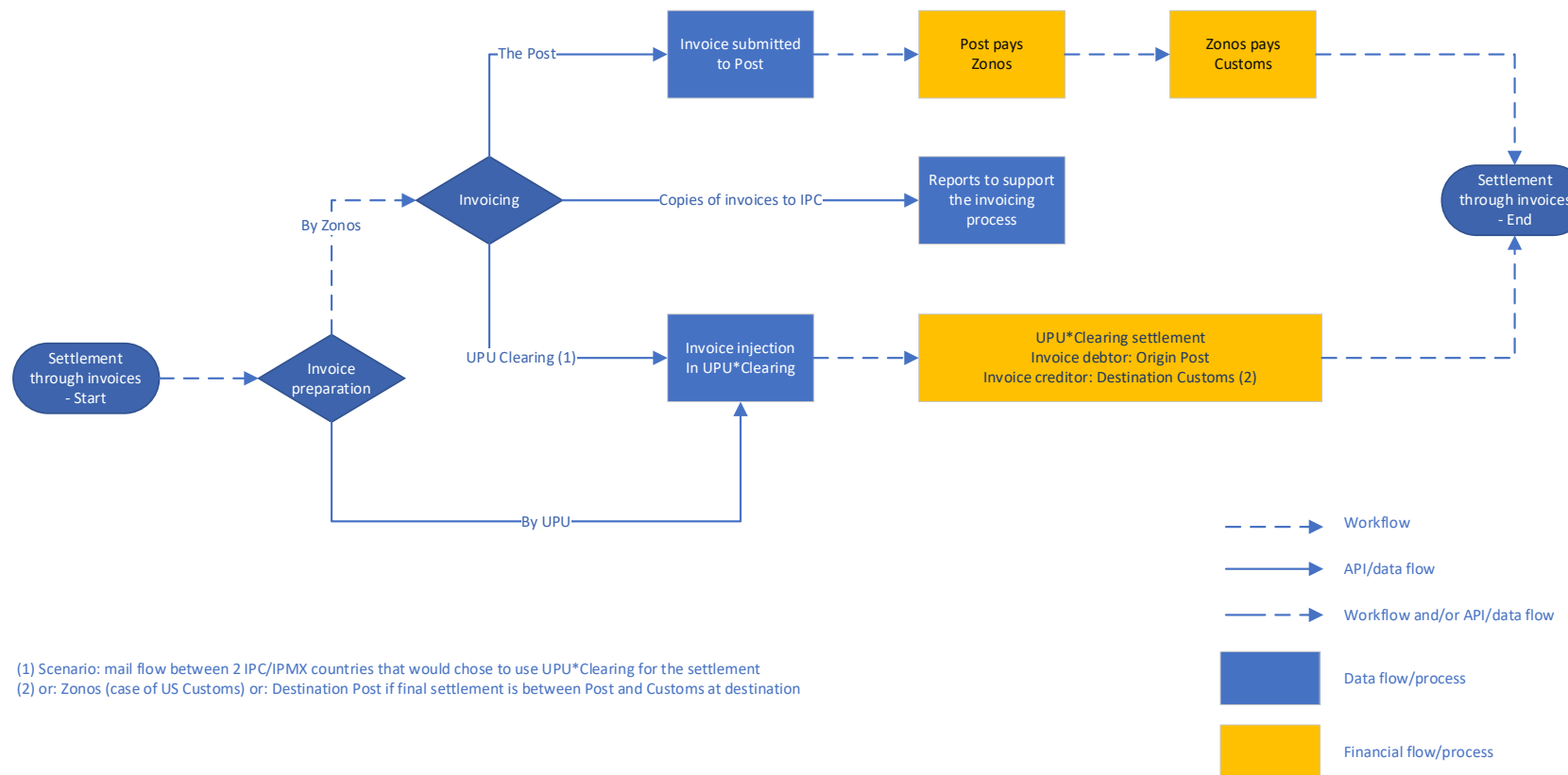
- Shipment data is prepared at Origin Post (or by Shipper, using APIs exposed by Post)
- Origin Post communicates the calculated LC, and collects/invoices them

Scenario of LC being re-assessed by US-CBP: not on the flowchart but covered by Zonos



International Financial Settlement

Invoicing, clearing, and final settlement



- ITMATT conveys the necessary data (LC amount, what party collected the LC, what party is qualified for final settlement with US-CBP)
- UPU (or other provider having access to ITMATT) can prepare the invoices and submit them to UPU*Clearing



Next steps

Publish APIs	PTC will provide central APIs (powered by Zonos) for Landed Cost calculator capability	29.08.2025 (TEST)
CDS	API integration in CDS. IB programmes to publish guides and manuals on the operational changes required to collect duties and taxes. (Note: upgrade of local CDS is required. CDS cloud and CDS.post will be upgraded transparently).	Update next week
UPU*Clearing	Presentation to UPU*Clearing board on 28.08.2025 Not on the critical path for the short term (Zonos can invoice directly for US-inbound)	Ongoing
	Model for: <ul style="list-style-type: none">• the security deposit• liquidity risks/aligning the settlement cycle with the final settlement with US-CBP (monthly, 7th day of the following month)	Not started
Costs	For using Zonos APIs through the UPU contract: https://www.upu.int/UPU/media/PTC/Documents/PUBLIC/SOC/PTC_Schedule_of_charges_EN.pdf	
	For the financial settlement with US-CBP (through Zonos-qualified party): <ul style="list-style-type: none">• variable, depends on the liquidity risk exposure of Zonos• study the possibility to reduce costs if liquidity risk is transferred to UPU*Clearing (security + liquidity deposit)	Under study



Thank you

Please contact us for further details
avsecd@upu.int



Q & A Section

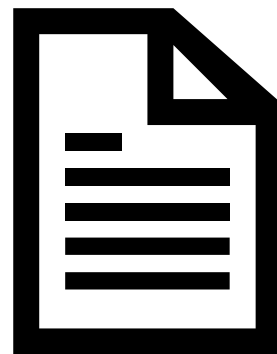
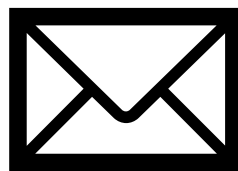
Mr Javier García

UPU IB Customs Facilitation
and Standards Programme Manager



Questions related to dispatching documents

Are there any new reporting or Customs Duty obligations related to EMS or E format letter-post items (including "registered") containing only documents of no monetary value?



Can origin Posts continue to dispatch these items in the current receptacles? ("UL", "UP", "ED", etc.)



Questions related to *bona fide* gifts (1)

*What about bona fide gifts up to 100 USD?
Is any additional marking required?*

Category of item (10)	<input type="checkbox"/>	Commercial sample	<input type="checkbox"/>	Other (please specify): _____
<input checked="" type="checkbox"/> Gift	<input type="checkbox"/>	Returned goods	Explanation: _____	
<input type="checkbox"/> Documents	<input type="checkbox"/>	Sale of goods		
Comments (11): (e.g.: goods subject to quarantine, sanitary/phytosanitary inspection or other restrictions)				

Can origin Posts continue to dispatch these items in "UA" receptacles?



Questions related to *bona fide* gifts (2)

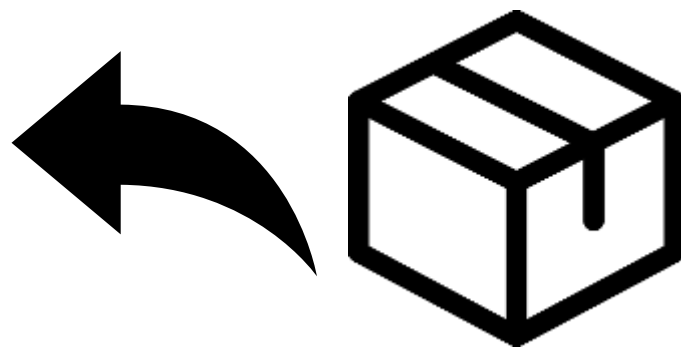
Related to bona fide gifts exempt from Customs Duty, can you confirm there are no new reporting requirements? (i.e. just the existing EAD/ITMATT)





Question related to undeliverable items containing goods being returned to the US

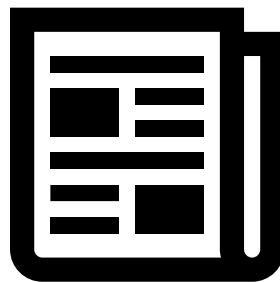
Can you confirm there are no new reporting or Customs Duty requirements for undeliverable items containing goods being returned to the US? (i.e. including merchandise returns?)





Question related to IEEPA exemptions

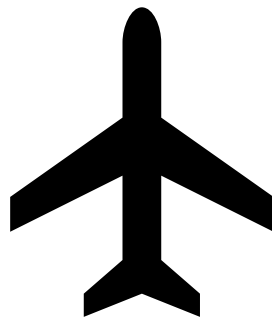
Do exemptions under IEEPA —such as information materials— also apply to postal items?





Question related to all customs duty exempt items, including documents and *bona fide* gifts

Is it enough for the Origin Post to sign an agreement with its carriers, eliminating any risk of liabilities for the carrier on these items?





Question related to items subject to customs duty (1)

Is Delivery Duty Unpaid still an option until the new model with CBP-qualified parties and carriers has been implemented?





Question related to items subject to customs duty (2)

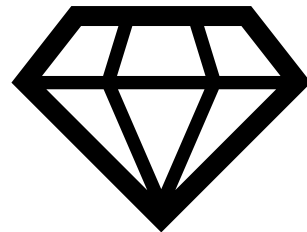
In terms of data elements for dutiable items, can you confirm that initially only the country of origin will be needed? (i.e. the 10-digit HTS code will not be required from 29 August?)





Question related to items over 800 USD, 2500 USD

Will there be additional requirements for items containing goods over 800 USD and over 2500 USD? Can they be handled under the same CBP-qualified party scheme as for items under 800 USD subject to Customs Duty?





Question related to all dutiable items

Is it enough for Carriers to sign an agreement with the CBP-qualified party, eliminating any risk of liabilities for the carrier on these items? (e.g. on reassessments, misclassifications, etc.)





Participants' survey

We value your opinion:



Thank you