

Forging Partnership for Cross-border eCommerce Logistics

Spanish national post office Correos joins forces with Hong Kong logistic giant to capture fast-growing China's eCommerce export growth.

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Julio Pazo Freire
Deputy CEO
K-Parcel



K-Parcel is a Hong Kong joint venture company set up in 2019 by Kerry Ecommerce Limited, Spanish national post office Correos, and Guangzhou-based consolidator Global Freight System. The joint venture is established to develop cross-border end-to-end eCommerce logistic solutions that connect Mainland China and the rest of the world.

Julio Pazo Freire, Deputy CEO of K-Parcel, highlighted the combined strengths of the joint venture partners that makes K-Parcel highly relevant for the market. “Leveraging Kerry Logistic’s experience as a third-party-logistic expert, and Correos as a traditional postal last-mile delivery provider, the synergy between them will offer an efficient and compliant cross-border solutions for Hong Kong and the South China market.”

Pazo sees Hong Kong as a natural expansion for Correos to capture outbound eCommerce parcel deliveries from China to every global destination. China is one of the largest trade and economic players in the world. “From a foreign investor’s perspective, Hong Kong has an efficient multimodal transportation and the world’s biggest cargo airport, as well as its competitive ground handling, forwarding services and efficient customs clearance procedures. Moreover, its financial infrastructure also makes multicurrency business operation at ease.”

Ramping up for GBA and BRI prospect

The company also considers the proximity to the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) as well as the vast development of the Belt and Road Initiative (BRI) as some of the key advantages of setting foot in Hong Kong. “GBA offers a gigantic customer base, with a concentration of around 50 percent on global cross-border flows from and into Mainland China,” he said. “The BRI is also one of the very important reasons for us coming to Hong Kong, as we firmly believe that it is a key strategy to enhance trade connectivity. The new infrastructures are much needed to enhance the cross-border logistic development. Therefore, we will try to optimise and capture the opportunities.”

According to Pazo, Hong Kong has a highly efficient and competitive business environment that can be a challenge for entrepreneurs. “In Hong Kong, there are lots of excellent suppliers and competitors, as well as very demanding customers. Those who have a sustainable and disruptive business model or managerial skills will not only survive, but also be able to recreate and transform these business skills elsewhere. If you can succeed in Hong Kong, you can conquer the world.”

Pazo relocated to Hong Kong in October 2020 and is in love with the city. “My family and I are extremely happy to live in Hong Kong. Despite the fact that we arrived during the pandemic, we have more time to discover the amazing landscapes, museums and local cultural spots, not to mention its cosmopolitan gastronomic offerings and its appeal as a cultural melting pot. Having been a visitor before and now a resident, I’d say it is a better experience to live than to just visit Hong Kong.”

K-Parcel

- K-Parcel is a Hong Kong joint venture company by Kerry Ecommerce Limited, Spanish national post office Correos, and Guangzhou-based consolidator Global Freight System
- Its main services are cross-border shipping and logistics from and into Mainland China, including B2B shipment, local B2C fulfillment, sortation, import/export custom clearance, and last-mile delivery