



Where to with Digital Transformation in Africa

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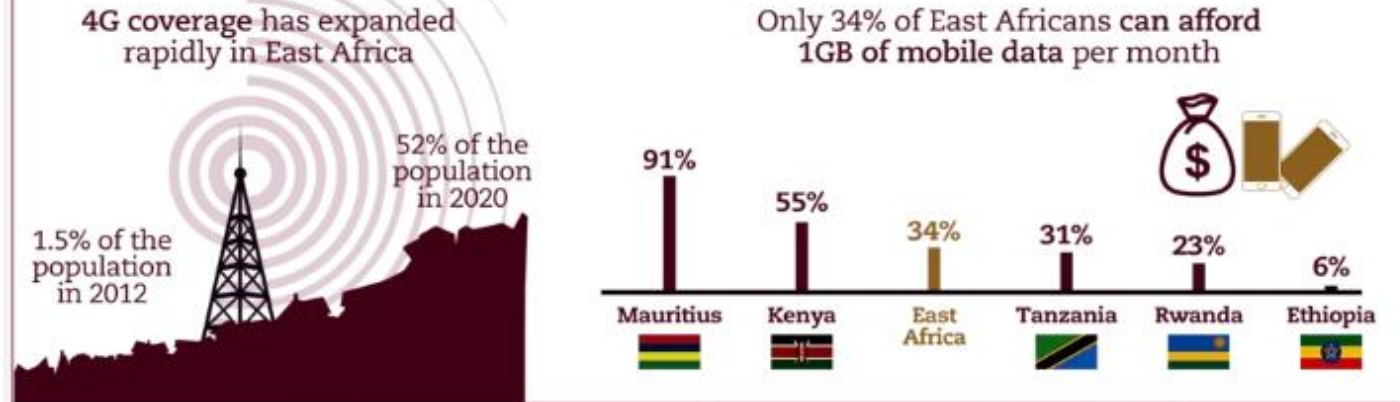
Universal Postal Union (UPU)



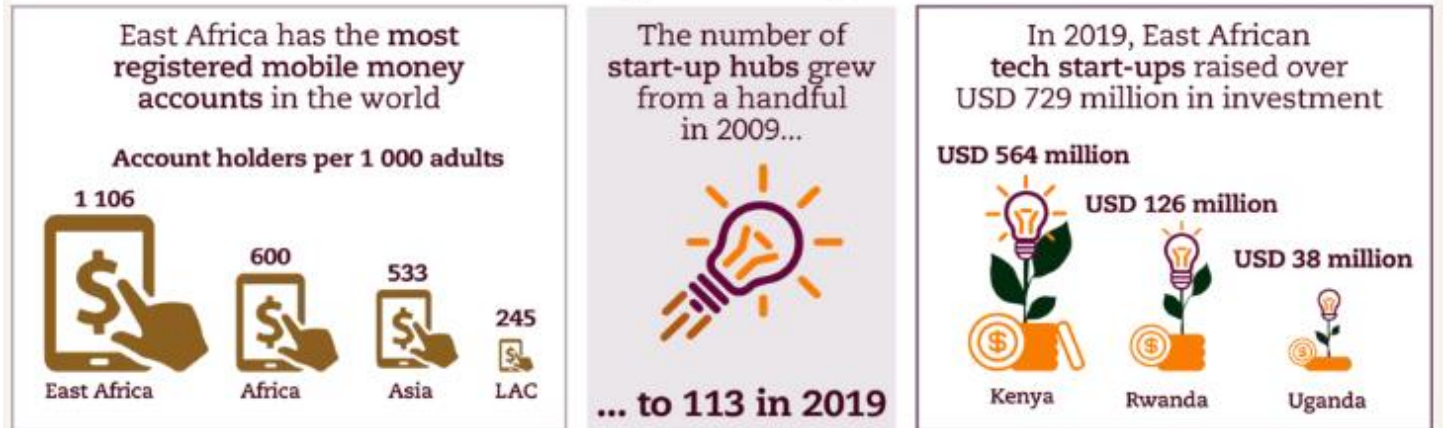
The conditions for leapfrogging to the digital age are ripe - but challenges remain.

Most conditions for digitalisation are ripe; however East Africa must further improve its human capital and disseminate technology

Communications infrastructure



Digital economy



What's next for policy makers?

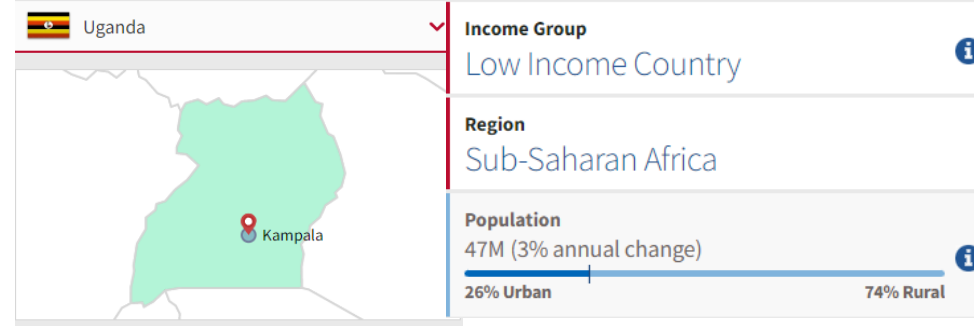
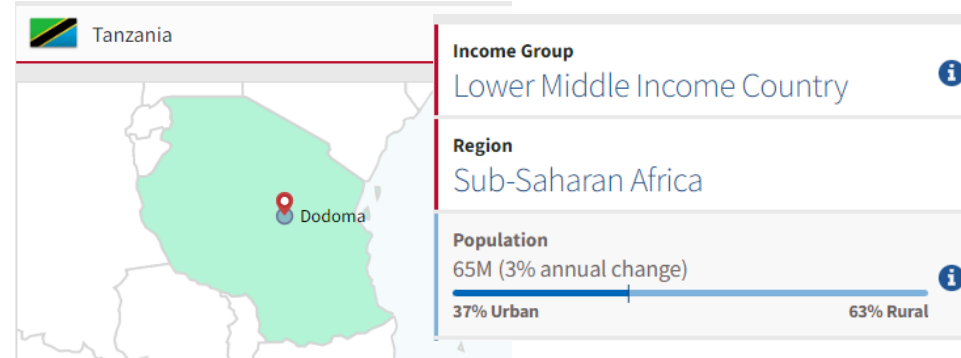
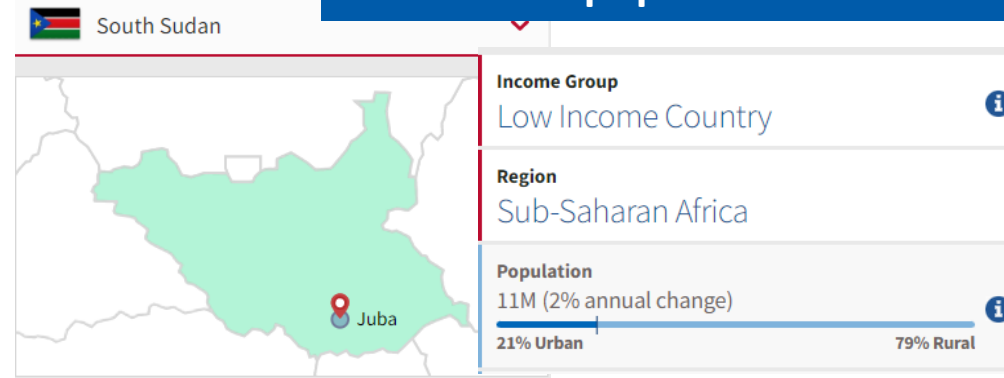
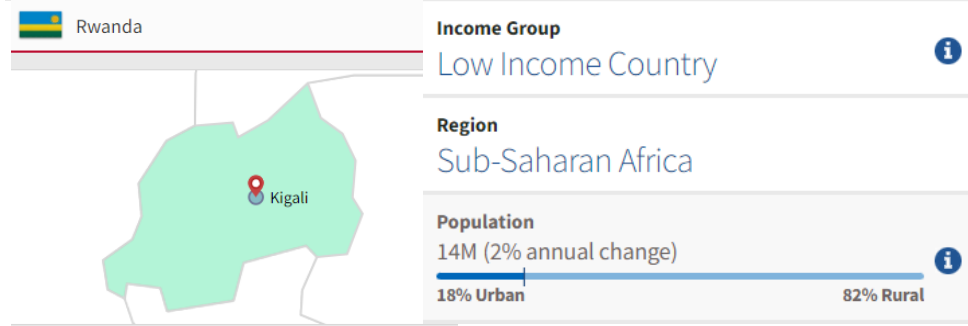
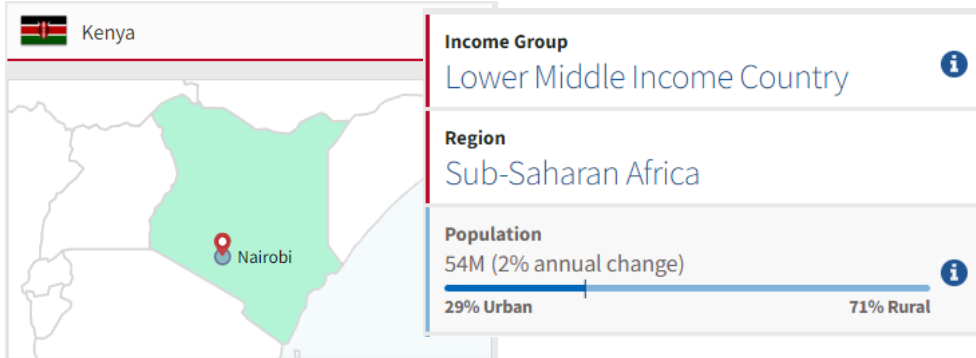
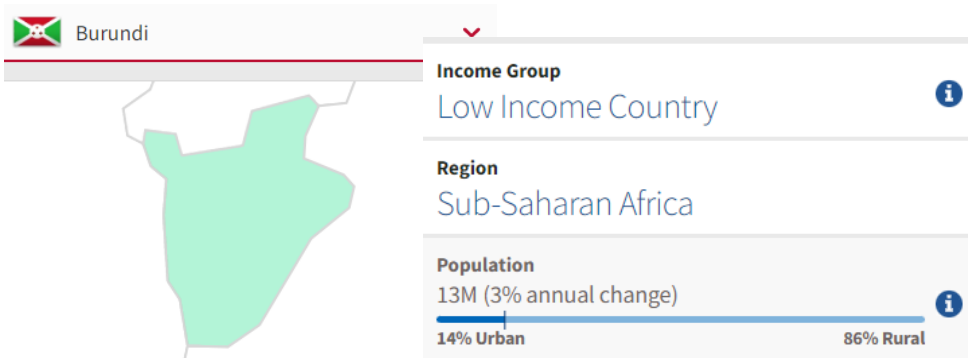


- Build cross-border communications infrastructure
- Regulate data protection and personal privacy
- Facilitate and regulate international mobile money payments



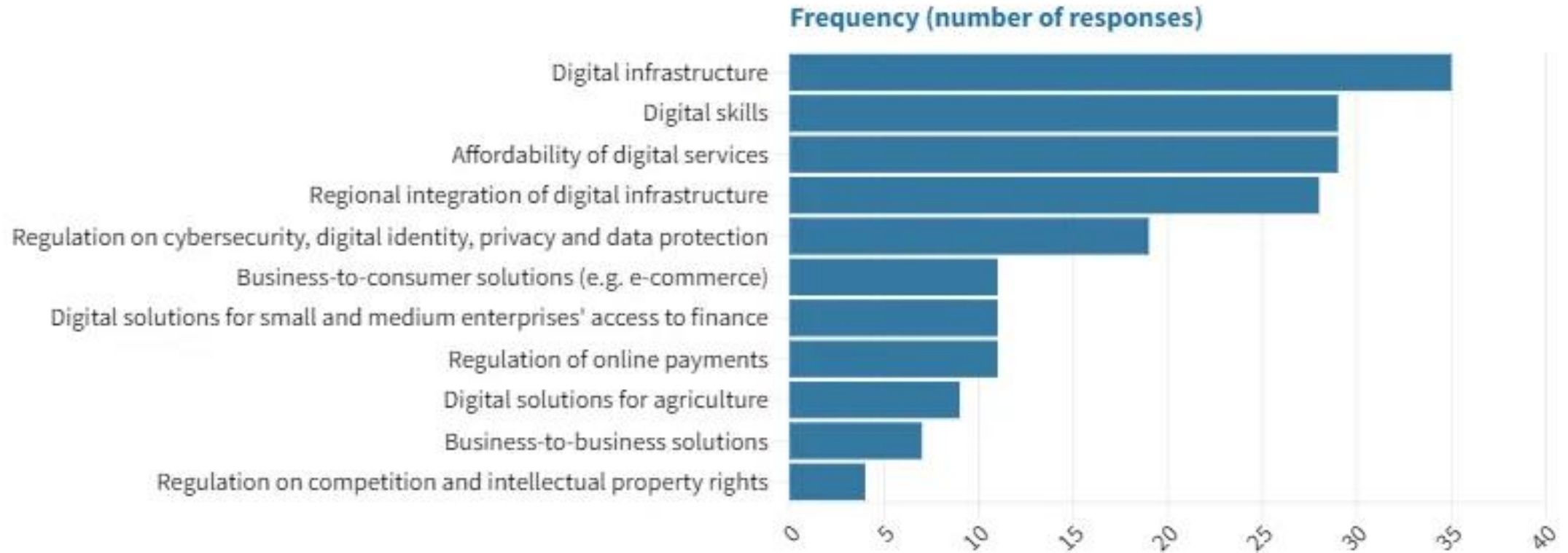
Characteristics of EACO

Most of the population lives in rural areas





What are the regional priorities of micro-small and medium business?



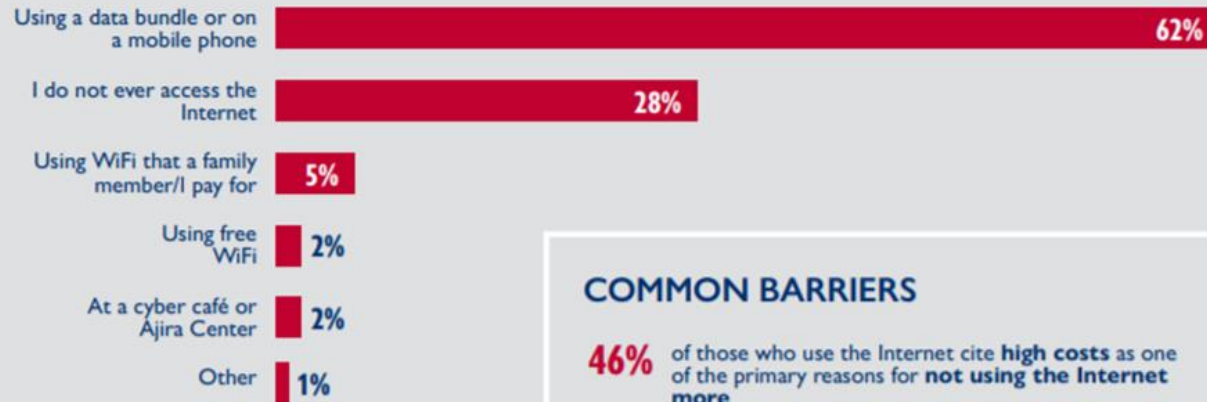
This figure shows answers to the survey question, “Which of the following areas of digitalisation do you think should be the priorities for regional and continental co-operation to help create more and better jobs in your region?”.

Source: AUC/OECD 2020 Expert Survey on Digitalisation in Africa





Digital customers are growing

MOST COMMON WAYS TO ACCESS THE INTERNET IN KENYA



COST AND FREQUENCY

 **66%** of those who buy data bundles to access the internet do so daily

 **44%** pay between 101 Ksh to 500 Ksh per week

COMMON BARRIERS

46% of those who use the Internet cite **high costs** as one of the primary reasons for **not using the Internet more**

53% **Not having a phone that can access the Internet** was the most cited reason among those who **never use the Internet**

20% **Not knowing how to use the Internet** was the second most cited reason among those who **never use the Internet**



Cost, access to a phone, and digital literacy can be considered as some of the primary barriers to using the internet.

Source: Based on nationally representative data polling conducted with GeoPoll. Complete survey data will be available at the USAID Development Data Library data.usaid.gov. See Appendix B for brief methodology.

Notes: Based on a sample of 1,000 respondents.



Key UPU Priority Areas for Digital Transformation

Digital inclusion
for the market



Digital Economy services:

- E-government
- E-Commerce
- E-Finance



Digital
Transformation

Digital skills

Digital infrastructure





Digital infrastructure & digital skills

Posts part of national, and regional digital upskilling plans: Eg. European Skills Agenda

Basic Digital Skills

ICT Specialists

Postal staff retrained and upskilled to support digitalization of postal operations

Posts' role in the deployment of secure and sustainable digital infrastructures

Data - Edge & Cloud

- Set up and manage data centers
- Leasing space in postal facilities for servers and edge computing equipment

Cybersecurity

- Contribute to infrastructure resilience
- Connect with national CIRTs

Connectivity

- Assisting in collecting data on wireless broadband services to inform deployment efforts
- Partner with telecom operators to access the Universal Service Fund (USF) to finance telecom networks deployment for meaningful connectivity

Enhanced digital infrastructure of post offices



Digital transformation & digital services

Posts' role in the adoption of e-government services

Digital identity: in a fragmented landscape, the postal sector could e.g.:

- Evolve UPU standard S68
- Position the postal sector in digital identity regulation, e.g. eIDAS 2.0

E-health: Posts as a trusted single-source supplier:

- Provide an e-health platform integrating Electronic Patient Record (EPR)
- Facilitate integrated treatment across all healthcare stakeholders

Policy example: Swiss Federal Act on the Electronic Patient Record (EPRO)

Diversification and innovation in new postal services

Post's role to enable private sector businesses' digital transformation

Technology up-take

AI, ML, robotics, big data, data analytics, cloud computing and DLTs

Innovation

Fostering an enabling environment for collaboration with start-ups, partnerships, open source

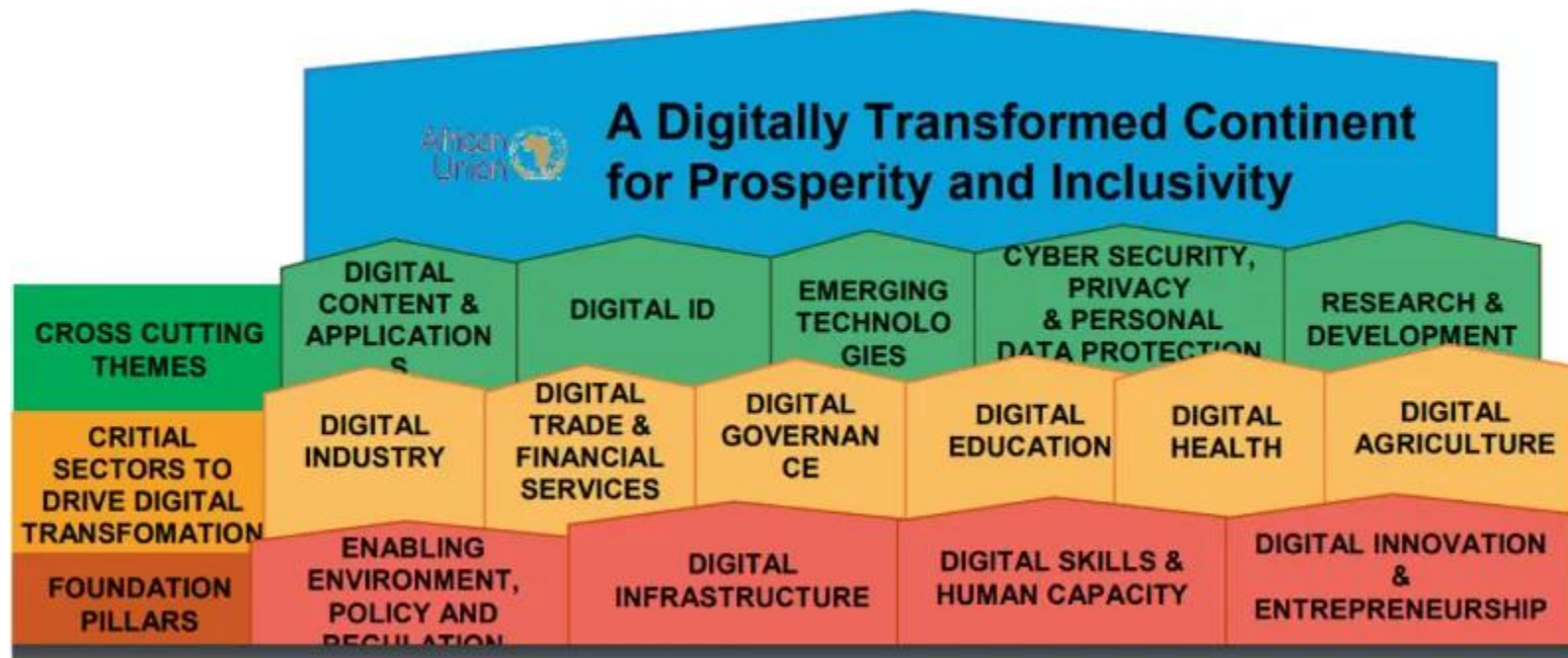
Policymaking

National E-commerce Strategies, National Digital Strategies

Sustainable digital transformation of Posts as a collaboration platform

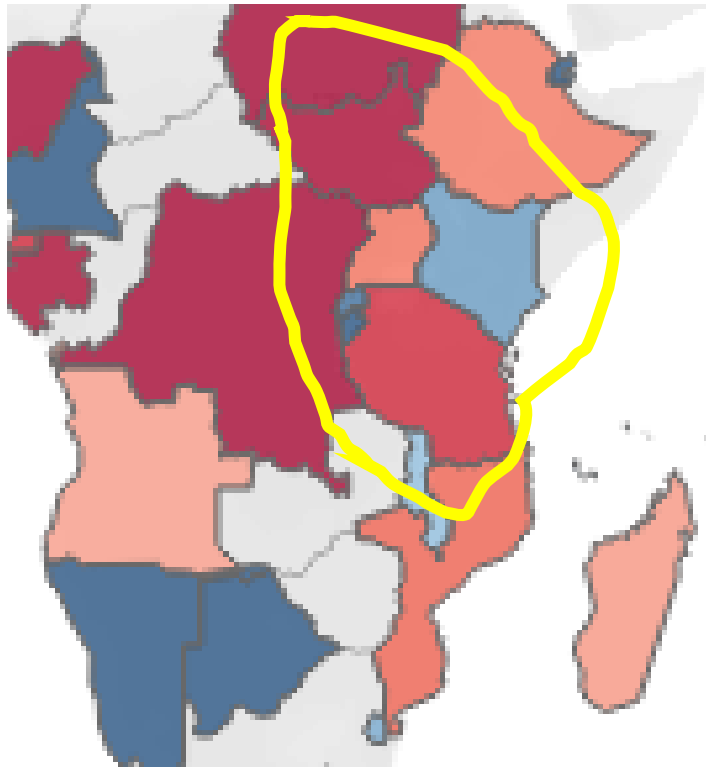


AU Digital Transformation Strategy





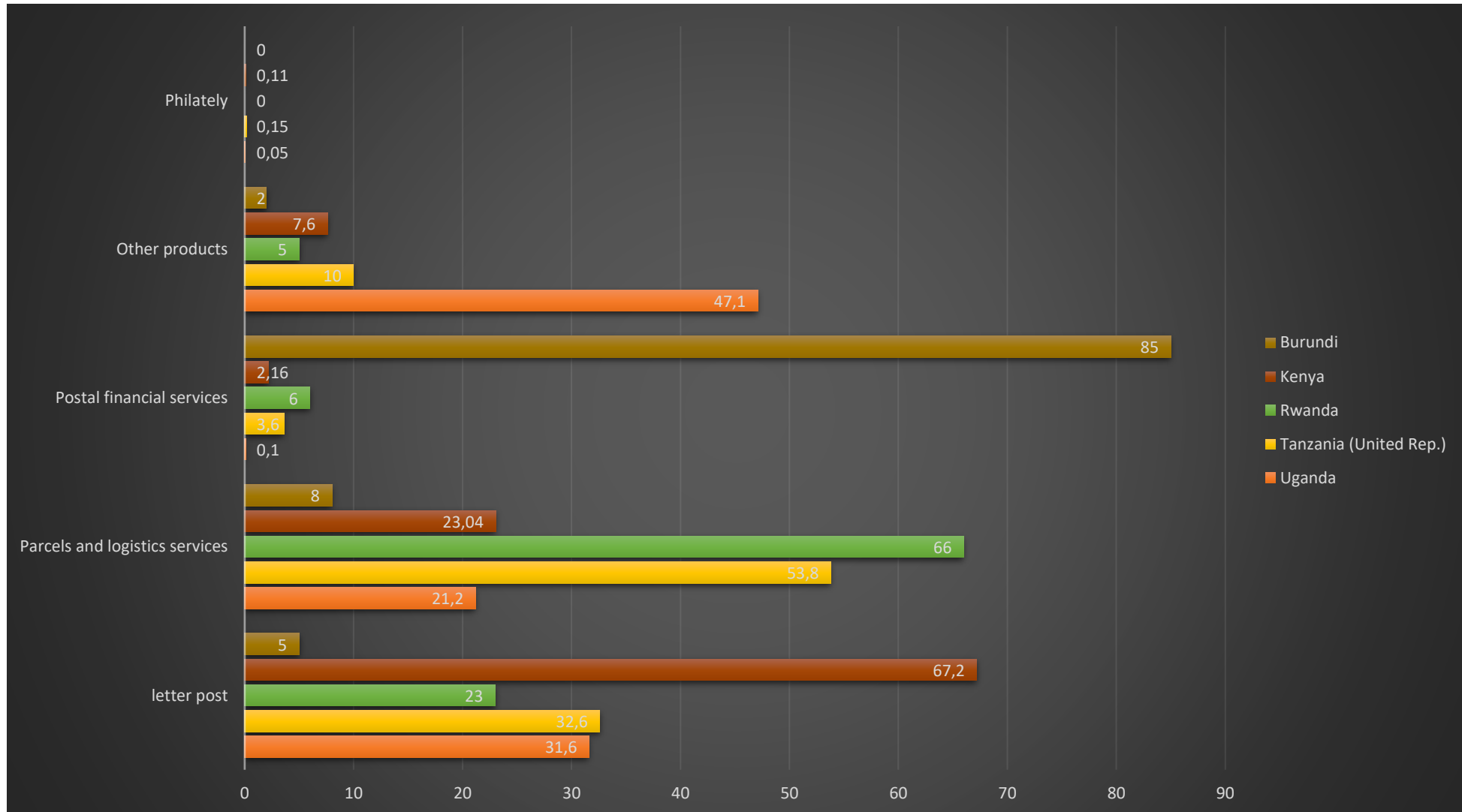
Digital Infrastructure in EACO - post office connectivity



Country	Co	region	Perce	Discon
Burundi	BI	Sub-Saharan Africa	100	0
Rwanda	RW	Sub-Saharan Africa	90	2
Kenya	KE	Sub-Saharan Africa	73	172
Uganda	UG	Sub-Saharan Africa	31	111
Tanzania, United Republic of	TZ	Sub-Saharan Africa	12	157
South Sudan	SS	Sub-Saharan Africa	2	61



Postal income profiles in EACO





ETRADE FOR ALL POLICY AREAS



E-commerce strategy



ICT infrastructure



Payment solutions



Trade logistics & facilitation



Legal frameworks



Skills development



Financing SMEs

E-trade Readiness Assessments

KENYA, UGANDA, TANZANIA

Include key recommendations for postal modernization

National E-commerce Strategy

KENYA, RWANDA

Africa

- Benin
- Burkina Faso
- Ivory Coast
- Lesotho
- Liberia
- Madagascar
- Malawi
- Mali
- Niger
- Senegal
- Tanzania
- Togo
- Tunisia
- Uganda
- Zambia
- Kenya
- Cabo Verde
- Comores
- Djibouti
- DRC
- Eswatini
- Guinea
- Sierra Leone
- South Sudan
- Zimbabwe
- ECOWAS

Africa

- Egypt
- Botswana
- Benin
- ECOWAS
- Kenya
- Rwanda
- Eswatini





Key achievements in the implementation of eT Ready recommendations in selected countries

*"To improve last-mile delivery in **Uganda**, post and courier services increased by 18 per cent the number of registered pick-up centers used for mail processing and delivery."*

*In addition, in the feedback received through the 2nd implementation review, **Uganda** reported being better equipped with a stronger analytical basis to engage at the regional level during the development of the East African Community (EAC) e-commerce strategy in 2021. The latter, led by the EAC Secretariat, has drawn on the eTReadies of **Tanzania** and **Uganda** as well as the Ecommerce Strategy of **Rwanda** for its preparation.*

Challenges include

- limited inter-ministerial coordination,*
- fragmented public-private sector cooperation, and*
- scarce resource mobilization from development partners for capacity-building in different policy areas.*



Digitalization of postal services

POSTAL SERVICES SHIFT TO DIGITAL DURING COVID

New demands led to digital innovations

- ✓ *Access to postal services from home on mobile or internet platforms*
- ✓ *Contactless services from postal employees*
- ✓ *Avoiding crowding or overcrowding at post offices*
- ✓ *Collaboration on digital platforms for social welfare distribution*
- ✓ *Customer care via digital channels*
- ✓ *Increase in demand for e-commerce and digital platforms*

5 areas posts must transform

- ✓ *eCommerce*
- ✓ *eGovernment*
- ✓ *ePayments*
- ✓ *Business Support*
- ✓ *Operational performance*





UPU Postal Digital Readiness Assessments

Improving the digitalization of postal services

THE 4 GOALS OF THE ASSESSMENT



1

Measure the level of **digital transformation** achieved by each of the 10 countries

2

Identify **challenges** and **key success factors** in each area through identifying best practices

3

Create a set of **tool** for posts to diagnose their situation, to compare themselves **on a scale of degree of digital transformation**

4

Make **recommendations** to member states to accelerate and improve the digital transformation of postal services

** eCommerce, eGovernment, eFinance, Business Support, Operational effectiveness*



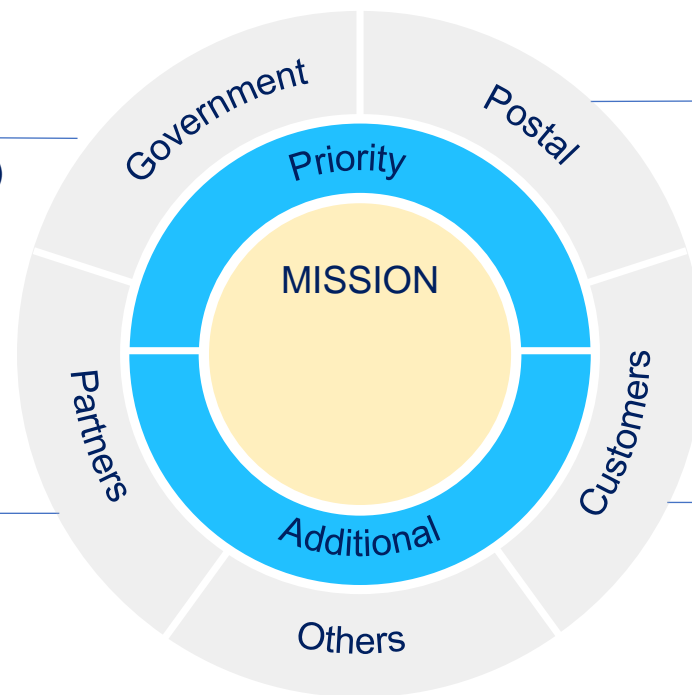
UPU Postal Digital Readiness Assessments

STAKEHOLDERS / INTERVIEWS



- Ministries (Post, Industry, Commerce..)
- Regulator
- Cross functional Committees

- National
- Regional (sub-regional)
- International
- Competitors / Integrators



- Postmaster General
- C suite
- Marketing & Growth
- Operational
- IT

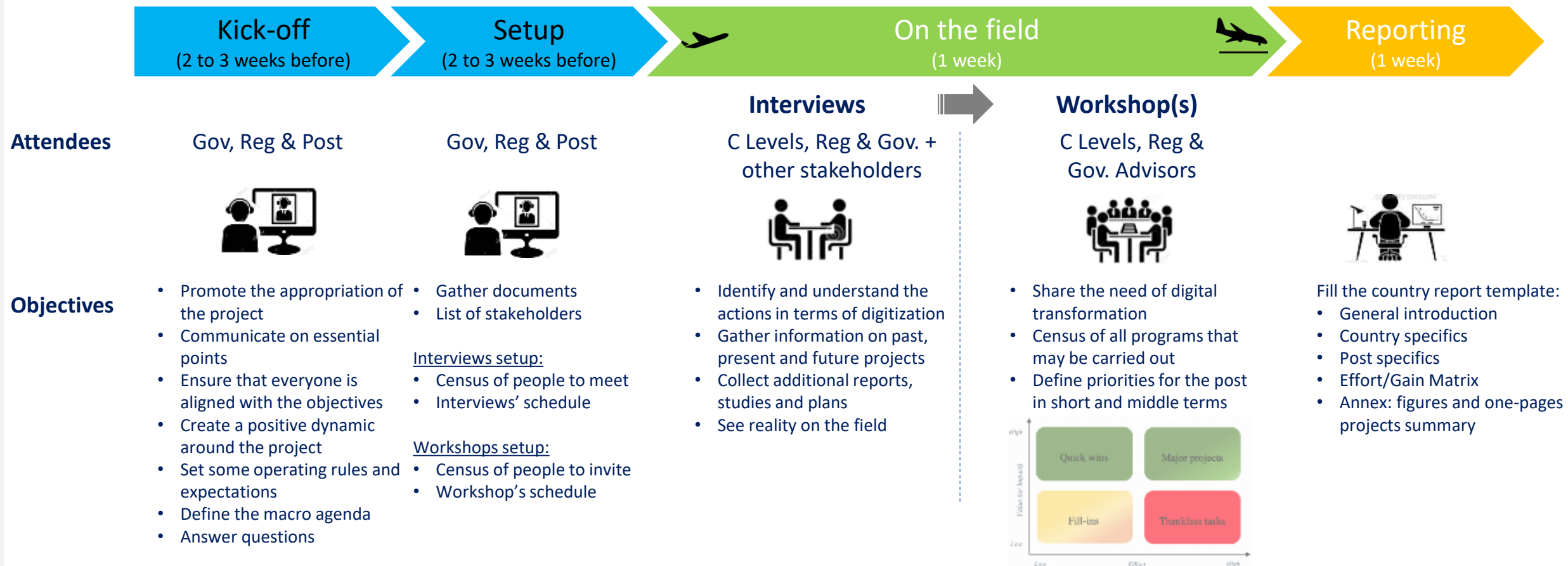
- Government (Nat+Local)
- Companies, ecommerce, payment, platform
- Associations – ecommerce, SME,
- Consumer groups?

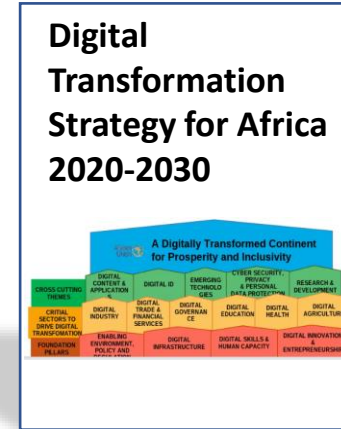
- Chambers of commerce
- Chambers of trades
- Central banks



UPU Postal Digital Readiness Assessments

Method and planning





THE POSTAL SECTOR FEATURES IN THE AFRICAN UNION'S AMBITION FOR GREATER SOCIO-ECONOMIC INTEGRATION OF AFRICA.

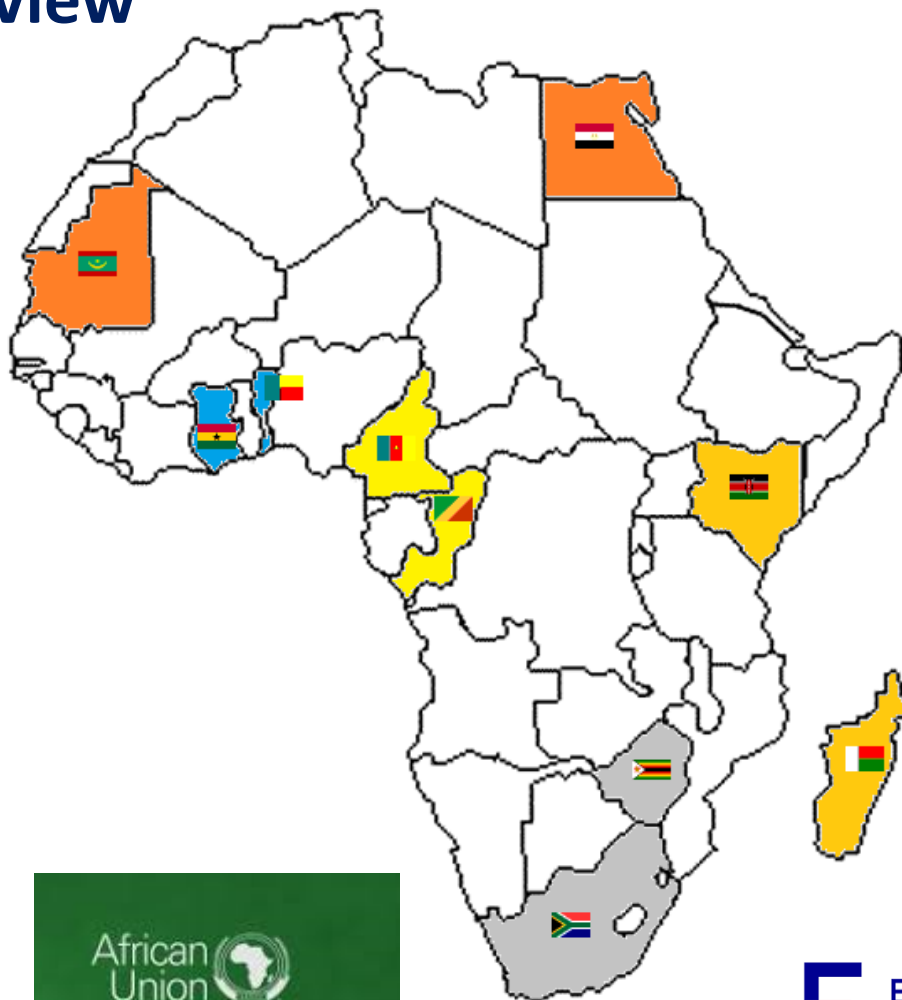
- The postal sector features in the short, mid and long term objectives of the African Union, within the framework of harmonization of standards, policies and legislations in the activities of various sectors;
- Post Sector as part of communications sector are vital for the success of the AfCFTA and e-commerce.
- 2010 February Assembly Declaration on ICT development in Africa called for particular attention to the postal sector, a vital vehicle for reaching out to populations in rural areas in Telecommunications/ICT development policies and strategies;
- AU Digital Transformation Strategy (DTS) 2020-2030 for Africa recognizes the key role of the Postal Sector as part of the digital transformation ecosystem;
- AU Executive decision endorsing the DTS requested the AU Commission to develop of sectorial implementation strategies and plans;
- Need to complement the AUC Guidelines on Common Approach for Digital Postal Transformation in Africa.



UPU Postal Digital Readiness Assessments

African Continental Review

- ✓ 10 countries selected by AUC:
2 per AU geographical region
- ✓ Assessments made in these 10 countries
 - PESTLE, SWOT, etc.
 - Challenges, successes and key factors
 - Recommendations to accelerate digitalization
- ❖ Continental report to identify priority activities for AUC
- ❖ Final report presented to AUC in Q3/2022
- ❖ Donor round table to seek funds to implement the recommendations



Northern Africa

- Egypt
- Mauritania

Western Africa

- Ghana
- Benin

Central Africa

- Cameroon
- Congo (Rep.)

Eastern Africa

- Kenya
- Madagascar

Southern Africa

- South Africa
- Zimbabwe

African Union





Improving the digitalization of postal services in Africa

Challenges

- Support the development of e-commerce through appropriate, pragmatic postal solutions adapted to local contexts
- To encourage the development of intra-continental postal activities as a condition for the development of inter-African trade
- Contribute to the integration of digital services sovereignty issues
- Enable better financial inclusion of the population, make the settlement of financial transactions more fluid and secure
- Provide practical solutions to e-government administrations.



Expectations

- Understand the digital development challenges and priorities identified in each country
- Identify for each country the roadmap assigned to the post office by the government & responsible ministry
- Review the strategic and marketing plan for each position and its suitability for assigned assignments
- Identify the different projects and solutions implemented by the post office in terms of digitalization in each of the 5 areas, the key factors for success
- Have the elements of understanding and analysis on each area in order to accelerate the digitalization of positions to diversify their activities, sell more and better, increase their efficiency and effectiveness, improve customer satisfaction







Some good practices identified



LESSONS LEARNED

KENYA

PostIT		Application to order a pick-up service with online track and trace solution. More info: https://vps.posta.co.ke/
Taxiye		Track and trace solution for the last mile delivery up to the client premises.
MPost		Transform a mobile phone number to a postal address and allow to be delivered at the post office or directly at home. More info: https://www.mpost.co.ke/about
Fleet with live tracking		Fleet equipped with GPS tracking.

ZIMBABWE

PostMoney	 	Digitalization of Electronic Money order and interoperability between the local telco companies.
CIC		Community Information Centers to provide eGov services
Zimbabwe Mall		Facilitation of online shopping, online advertising and last mile delivery (common platform for SMEs and one-stop shop for customers). More info: https://www.zimbabwemall.post/
Virtual PostOffice		Self-service platform to access to all Zimpost products & service.



African Continental report for digitalization of Postal Services

The continental report gives all African Governments a tool to give insight into the state of digital postal capability and how to improve it:

Accordingly, a **set of recommendations** embedded in regional digitalization strategies:

Postal operator

- Develop local partnerships to share costs, equipment, technologies, and training
- Increase post office computerisation and connectivity
- Reinforce staff IT skills
- Adapt the organization's structure to the new requirements of the digital economy, innovations, partnerships
- Simplify customer experiences using digital
- Develop the postal addressing system countrywide to facilitate e-commerce and e-government services

Regulator

- Modernize regulation to foster postal digitalization to facilitate e-commerce processes and deliveries
- Integrate digital postal services into the universal postal service
- Explore funding for postal digital infrastructure development from Universal Serviced Fund

Government

- Increase availability of broadband for post office connectivity
- Leverage the postal network for the digitalization of governmental and social services
- Review the policy and legal framework of the postal e-commerce obligations



Summary of recommendations and definition of stakeholders and potential partners

Strategic recommendations

- | | |
|------------------|--|
| Pillar 1: | • Adoption of regulatory reforms |
| Pillar 2: | • Development of infrastructure and mobile applications |
| Pillar 3: | • Development of digital postal services linked to e-government |
| Pillar 4: | • Development of e-logistics for shipping and delivering e-commerce |
| Pillar 5: | • Enhancement of the role of Posts in digital payments and financial services |
| Pillar 6: | • Development of B2C e-commerce platforms, oriented towards postal and SMEs products |
| Pillar 7: | • Recommendations for support functions |



The way forward

COUNTRIES





NEW WAYS OF THINKING





Are you preparing your Digital Future?

**Are you ready for
Digital Transformation?**

Your 21-Point
Readiness Assessment

**Request your own Digital Readiness
Assessment and action plan**

**Contact:
UPU Digital and Trade Policies Unit**

eservices@upu.int



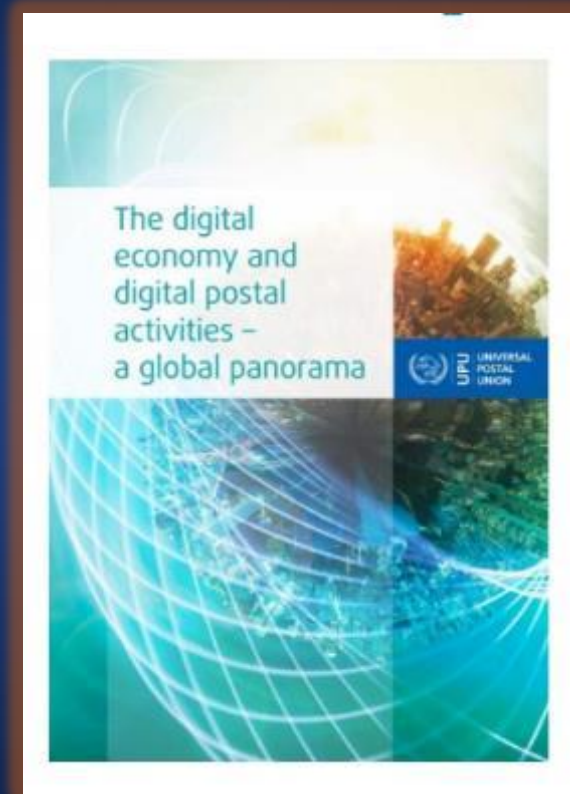
Thank you

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ADDENDUM

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National E-commerce Strategy (ECS)

Rwanda's National Ecommerce Strategy was recently completed

Includes a review of the country's draft e-commerce policy to ensure alignment between the umbrella policy and the e-commerce strategy that would serve as its implementation document.

Rwanda is the first country in the region to benefit from the implementation of strategic measures in support of e-commerce at both national and regional level, demonstrating the scope for coordinated actions at various levels.

For example, in the area of payments, the national strategy proposes measures aimed at incentivizing merchants and consumers engaged in e-commerce activities, including among disadvantaged groups, to adopt digital payments through training and awareness-raising campaigns and measures aimed at reducing charges for e-payments, while the regional strategy proposes the development of guidelines for mobile money payments interoperability across the EAC.