

**EACO POSTS & LOGISTICS FORUM
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**Presentation
by
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Regulatory Framework



- ✓ Liberalization as a catalyst for the development and expansion of ICT sector
- ✓ KICA 1998-**Communications Authority of Kenya**
- ✓ PCK as designated postal operator- universal service obligations
- ✓ The regulatory work is anchored on the current vision of digital and creative economy pillar of the BETA which seeks to deepen digital transformation of all sectors of the economy



- ✓ Focused on transformative program of delivering the BETA plan within the wider context and framework of sustainable development in line with the provisions of the Constitution.
- ✓ This calls for regulatory responsiveness to the changes in the market.
- ✓ In the age of digitalization, the postal sector has no choice but to innovate and embrace technology in order to drive growth in the new and rapidly growing frontiers of e-commerce.

Traffic in 2022



Letters - 1.27million

The trend is not unique to Kenya but global as the volume of global letter-post has continued to decline in contrast with the rise in traffic of small packets.



Parcels – 3.73 million

The proportion of parcels is attributed to consumer preference for online purchase of a greater variety of products (e-commerce)

E-commerce Ecosystem

Post has to be responsive to the shifting market dynamics and realities



E-commerce is celebrated in light of offering postal utilities additional opportunities in logistics and other ancillary services

Initiatives for the changing postal market



Comprehensive review of the Kenya information communications Act (KICA)



Development of addressing system to facilitate delivery of postal courier services in the country - Currently we are in final stages of developing a National Addressing System, policy and attendant laws.



~~Development of the National Ecommerce strategy –~~

- The strategy is ready for publication for use in the country.-
- Existence of E-Money Regulations
- Licensing of courier operators

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The government has developed the requisite laws on cybersecurity to enhance trust and security in e-commerce space(KCM&CA, KDPA)

Initiatives for the changing postal market



Government plans to restructure the Postal Licensee to align with market/technological changes and to diversify revenue streams to remain commercially viable



Digital hubs working with PCK



Digital financial services – Review of legal framework of the public postal operator mandate to strengthen and enable them provide banking and mobile money agency

Emerging Challenges

- ✓ According to UN statistics, in 2020, in the EU, 71% of postal carbon emissions resulted from deliveries of parcels up from 56% in 2017.
- ✓ This increase in carbon footprint is ascribed to the fact that parcel delivery requires significantly more logistical and transportation capacity than letter-post delivery.



- ✓ Climate change will shape the future of the global postal sector.
- ✓ There is a need to manage the significant risks that climate breakdown poses to postal operations, including threats to the safety of workers, damage to physical infrastructure, and the disruption of supply chains for postal items, fuel and materials.

*Thank
you*