

REMARKS BY MR. CHRISTOPHER WAMBUA, AG. DIRECTOR GENERAL, COMMUNICATIONS AUTHORITY OF KENYA ON THE WORLD POST DAY 2023

**Our Chief Guest, Prof. Edward Kisiang'ani, The Principal Secretary, State Department of Broadcasting and Telecommunications,
Mr. John Tonui, Postmaster General, Postal Corporation of Kenya,
Mr. Hilary Iteka, Chairperson, Courier Industry Association of Kenya,
Ms. Anataria Uwamariya, Director, Business Competitiveness, TradeMark Africa,
Postal/Courier players
Distinguished guests,
Members of the Fourth Estate,
Ladies and Gentlemen,
Good morning,**

It gives me great pleasure to join local and global Postal community in marking this year's World Post Day.

This annual event affords us an opportunity to reflect on how we can continually position the postal and courier industry to better suit the dynamic consumer demands and realities of our times.

Even though the sector continues to face constraints, occasioned by emerging technologies, globally there have been concerted efforts to transform the threats into opportunities in order to offer efficient services and keep up with competition.

This is greatly pushing the industry to innovate as witnessed by the sustained rollout of new products and services that have opened up new business opportunities for the Post, especially within the context of the diminishing traditional postal business.

This year's theme, *"Together for trust: Collaborating for safe and connected future"*, could not have come at a better time. The reality is that the future of the Post strongly depends on its ability to collaborate and stay connected, to not only reach new destinations but also embrace technology.

One of the keys to innovation will be the Post's capacity to embrace new technologies and transfer its trusted brands into the digital space. To achieve this, it will be critical for the Post to develop digital competencies, along with the relevant operational efficiencies to support the new environment.

For successful integration, the Post will need to build a seamless network that is connected both virtually and physically, and that has a local and international presence. Full integration calls for the involvement of all key players in the postal supply chain, including customs and transport, and the facilitation of cross-border e-commerce

I wish to assure the industry that the Authority is alive to the realities of technological convergence in the wider ICT industry and therefore taking all measure to put in place enabling regulatory tools to facilitate all the players to innovate and thrive.

Ladies and Gentlemen,

The ICT sector is currently witnessing a number of regulatory and policy interventions all geared towards catalyzing the changing postal/courier market. These include:

(a) A comprehensive review of the Kenya Information and communications Act, that includes review of the postal and courier services market. This entails a relook at the postal/courier environment, the mandate of the

Postal Corporation of Kenya, funding for universal postal service obligations, and e-commerce, among other considerations.

(b) The development of a National Addressing System for Kenya with the policy and attendant legal instruments at the final stages of public validation before tabling at the Cabinet and subsequently to Parliament for enactment.

(c) The development of the National Ecommerce Strategy, expected to shore up the prospects of e-commerce in the country.

(d). Development of regulations to give effect to the Computer Misuse and Cybercrimes Act which shall greatly enhance the confidence of consumers in online transactions.

(f) Expansion of ICT and public postal networks particularly in unserved and underserved areas of the country through the Universal Service Fund (USF). There are also plans to roll-out digital infrastructure and hubs across the country to accommodate postal outlets in order to ensure universal access to postal services.

(g) Strengthening the Postal Corporation of Kenya to provide banking and mobile money agency services as means of diversifying its revenues and to promote digital financial inclusion.

Ladies and Gentlemen,

The Authority has invested in other development strategies such as carrying out of empirical studies to inform the most appropriate postal and courier development and regulatory interventions.

In the Financial Year 2021-2022, for instance, the Authority concluded study that has both informed the existing gaps and strategies to develop the sub-sector.

The study for instance, showed that areas of the North, North Eastern, and Northwestern parts of the country are facing acute access challenges to courier services. This reality has created the need to improve services and extend the reach beyond major significant towns to smaller towns in rural areas to ensure access to these critical services.

The study indicated glaring realities that counties like Garissa, Kwale, Tana River, Turkana, Samburu, Isiolo, and Marsabit are served by only one courier service provider each. Even worse was the realization that, others such as Mandera and Wajir had no courier coverage at all.

However, there is a silver lining to this gloomy story. I must say that there is a significant opportunity presented by the gradual improvement in the use of mobile telephony and spread of cellular mobile coverage that currently stands at above 97%.

With this kind of coverage, now courier operators can leverage possibilities like tracking of parcels, which was out of reach a few years ago.

The gaps we have identified through the study are also opportunities for existing and prospective players in the courier services to expand their networks and serve huge markets in these areas.

The study for instance, showed that the average distance between courier operators is 40.2 km. Presently, 56% of courier outlets are over 50km apart, with approximately 25 percent being less than 20km apart.

We are also actively exploring possible interventions and support to the sub-sector under the Universal Service Fund (USF), an issue that is currently under intense discussions among stakeholders in this postal/courier space.

Distinguished participants,

As I conclude, we have just come back from the Universal Postal Union (UPU) Extraordinary Congress that ended last Thursday in Riyadh, Saudi Arabia. This important meeting set in motion initiatives to spur the postal sector for the coming years.

Key issues included the question of postal financial services as a potential lifeblood for the post, innovation within the postal sector and the question of climate change and how postal services can contribute to reduction of carbon emissions within their networks in support of the global climate agenda.

As a fact, technology-driven business models will emerge as more critical than ever and will play a key role in defining our strategies as we re-imagine the future courier and logistics operations. For instance, there is a need to reduce dependency on physical labour across transportation, warehousing, distribution and last mile delivery.

I am pleased that the PCK has been on the frontline in adopting technology and in the recent years unveiled a number of innovations through partnership with other IT firms. But much more work needs to be done, to make the Postal business sustainable going into the future, and particularly, tapping into the immense e-commerce possibilities.

As we celebrate the World Post Day, it is a moment of reflection of what we must urgently do to boost the postal and courier business in Kenya.

At this juncture now, allow me to invite our chief guest, Prof. Edward Kisiang'ani, the Principal Secretary, State Department of Broadcasting and Telecommunications, to give the keynote address.

Thank you for your kind attention.