



Original: English
PAPU/ATC/OTC/01/2025 – Doc No. 05

**OPERATIONS AND TECHNOLOGY COMMITTEE (OTC)
18th JUNE 2025 ARUSHA, TANZANIA**

DIGITALIZATION AND INNOVATION WORKING GROUP (DIG) REPORT

1. Subject Digitalization and Innovation Working Group (DIG) Report	References/Paragraphs PAPU Action Plan 2022-2025
2. Decision Expected <ul style="list-style-type: none">• Adopt the Working Group Report.• Consider Recommendations of the Working Group.	

1.0 INTRODUCTION

The Digitalization and Innovation Working Group held its meeting, virtually, on 21st March 2025. During the meeting, the issues on the agenda that were deliberated on are as indicated below:

2.0 THE MAIN ISSUES TABLED FOR DISCUSSION

The following salient issues were deliberated on during the meeting:

- i) Status of Implementation of WG Action Plan;
- ii) Report on postal digitalization activities in Africa;
- iii) Activities conducted through cooperation with UPU and AUC;
- iv) PAPU Digital Financial Services Workshop Report;
- v) 28th UPU Congress Proposals

3.0 REPORT SUBMISSION

The detailed report of the Working Group meeting is annexed herewith.

4.0 RECOMMENDATIONS

The following were the key recommendations:

- i) DOs should benchmark on Model Digital Post Offices being implemented by some DOs and ensure implementation, where appropriate.
- ii) Regarding the Digitalization of postal services in Africa, DOs should focus on the pillars with low scores, particularly Financial and Postal Payment Services and Support Functions, which are essential and imperative for the sustainability of postal institutions;
- iii) The Union must benchmark and develop a Digital Transformation Framework and road map for Posts in Africa;
- iv) Member States should use local expertise in developing software and other IT solutions to support operations.

5.0 DECISIONS EXPECTED

The report is submitted for the Committee to:

- Adopt the Report.
- Consider Recommendations of the Working Group.



PAPU/ATC/OTC/01/2025 – Doc No. 05 ANNEX 1

DIGITALIZATION AND INNOVATION WORKING GROUP REPORT

(ONLINE MEETING HELD ON 21ST MARCH 2025)

1.0 INTRODUCTION

The Working Group on Digitalization and Innovation (WGDI) held an online meeting on Friday, 21st March 2025 to consider working documents for activities covering the period 2024-2025, in line with the Programme of Activities 2022-2025 adopted during the 40th Ordinary Session of the PAPU Administrative Council held in Kinshasa (DRC).

2.0 INTRODUCTORY REMARKS

2.1 Chairperson

- 2.1.1** The new Working Group Chairman, Mr. Seydou Diakhate, called the meeting of the WGDI to order at 09:05 am and commenced his remarks with greetings to the PAPU Secretary General, members of the Working Group Bureau, including the First Vice-Chair (Uganda) and the Second Vice-Chair (South Africa), and Member States in attendance.
- 2.1.2** The Chairman thanked the Union for convening such meetings regularly to help African countries share information and have a common and collective understanding of current issues.
- 2.1.3** The Chairman stressed that PAPU should pay special attention to the postal sector's digital transformation to support Member States in keeping up with market developments and customer expectations.
- 2.1.4** The Chairman highlighted the Group's sterling achievements, including organizing major activities such as the Workshop on Digital Financial Services held in December 2024. However, African countries are confronted with the challenges of financial inclusion and digitalization, and PAPU's support is crucial if they are to meet the challenges of transforming Africa's postal industry in the digital era.
- 2.1.5** The Chairman concluded his opening remarks by welcoming all the participants and wishing them productive deliberations.

2.2 PAPU Secretary General

- 2.2.1** The Secretary General, Dr. Sifundo Chief Moyo, extended greetings and welcomed the participants.
- 2.2.2** Secretary General congratulated Mr. Seydou Diakhate of Senegal on his recent appointment to represent Senegal as Chair of the Working Group, taking over from Mr. Abdaty Ka, who had ably steered the affairs of the Working Group since its inception. The SG used the opportunity to thank Senegal for its ongoing cooperation and support for PAPU activities, particularly this Working Group.
- 2.2.3** Dr. Sifundo Chief Moyo also thanked the participants for always attending the Working Group meetings.
- 2.2.4** The Secretary General further emphasized that technology was developing at meteoric rates, with innovations and advances constantly emerging. As a result, technology watch has become imperative. PAPU, therefore, needs to adapt and take a proactive approach to understanding and leveraging this transformation.
- 2.2.5** Dr. Sifundo Chief Moyo reminisced that postal services' digitalization and digital transformation have become a strategic priority for postal operators worldwide, who need to assist them in implementing new technologies to modernize, diversify, and adapt services to customer demand.
- 2.2.6** The SG added that the Working Group was established at the beginning of the cycle to drive the postal digitization agenda in Africa and monitor digitization developments and innovation trends in the global postal sector for benchmarking purposes.
- 2.2.7** The SG added that the General Secretariat was delighted to implement the digital transformation initiated by certain DOs following the proceedings of this Working Group. The Working Group is a platform for African designated operators to discuss and be guided on digitization and innovation, as well as financial and payment services issues affecting African postal organizations, including related proposals to be presented to the forthcoming UPU Congress.
- 2.2.8** The Secretary General drew participants' attention to the meeting's importance as it was the Working Group's last meeting for the 2022-2025 cycle. Therefore, it was important for the Working Group's members to harmonize their positions before the Dubai Congress on UPU Committee C3 and C4, which deal with Market Development & Innovation and Postal Financial and Payment Services, respectively.
- 2.2.9** The SG then stated that these initiatives championed by the Working Group were being shared and implemented to ensure that the African Posts adapt and keep abreast of new developments to remain relevant in this digital age.
- 2.2.10** Finally, the SG reiterated the General Secretariat's unwavering support to ensure successful outcomes for the Working Group and wished the participants fruitful deliberations.

3.0 CONFIRMATION OF THE BUREAU

3.1 Bureau of the Working Group

The bureau membership is as follows:

Chairperson:	Senegal
1 st Vice-Chair:	Uganda
2 nd Vice-Chair:	South Africa
Rapporteur:	NONE
Secretary:	PAPU General Secretariat.

3.2 Participation

3.2.1 Member States in attendance

More than ninety (90) participants from the following PAPU Member States attended the meeting: Algeria, Angola, Burkina Faso, Botswana, Côte d'Ivoire, Democratic Republic of Congo (DRC), Egypt, Eswatini, Ghana, Kenya, Malawi, Mauritius, Mozambique, Nigeria, Republic of Congo, Senegal, South Africa, Tanzania, Tunisia, Uganda, Zambia, and Zimbabwe.

3.2.2 PAPU General Secretariat.

The PAPU Secretary General, Dr. Sifundo Chief Moyo, led the General Secretariat Team.

4.0 ADOPTION OF AGENDA

The General Secretariat presented the Draft Agenda, i.e. document **PAPU/OTC/WGDI/01/2025 - Doc No.01**, which was adopted unanimously without amendment. The main areas of focus on the agenda are as follows:

- a) Implementation Status of WGDI Programme of Activities;
- b) Status Report on Postal Digitalization in Africa;
- c) Activities conducted through cooperation with UPU and AUC;
- d) PAPU Digital Financial Services Workshop Report;
- e) Focus areas on digitization, innovation and postal financial services to be addressed during the 28th UPU Congress.

5.0 DELIBERATIONS

The meeting deliberated on each agenda item as follows:

5.1 Implementation Status Report of WGDI Programme of Activities:

The General Secretariat presented the implementation status of the Working Group's Programme of Activities under **PAPU/OTC/WGDI/01/2025/Doc No.02**. The Status of Implementation of the Digitalization and Innovation Working Group for the Period 2022-2025 is attached as **Annex 1**.

It is essential to ensure that all activity items in the 2022-2025 Programme have been completed or are in progress by the end of the cycle. Thus, the main milestones on the status of Implementation of the WGD Programme of Activities are as follows:

- a) All four milestones are in progress on the “**Model Digital Post Office**”. Details are indicated in the remarks column of Annex 1.
- b) The three milestones on “**Digital Infrastructure and modernization of operations**” are in progress. Details are indicated in Annex 1, attached.
- c) On “**Digitalization of Postal Services**”, all activities were fully executed, but one of the milestones is still ongoing. Details are indicated in Annex 1
- d) On “**Postal home-grown digital innovations**” 33% of the milestones are in progress. Details are indicated in Annex 1.
- e) In “**Human Capital Development**,” the activity forecasts have been fully implemented.
- f) On “**Communication and Feedback on Digitalization and Innovation Progress**,” this component has been fully implemented.

5.2 Report on Postal Digitalization Activities in Africa

5.2.1 The General Secretariat presented a Report on Postal Digitalization Activities in Africa under **PAPU/OTC/WGDI/01/2024 No. 03** based on the findings after circulating a questionnaire on the digitalization of African postal services. The questionnaire was used to collect data to assess the level of implementation of digitalization of postal services in Africa for the years 2023, 2024, and 2025.

5.2.2 The questionnaire is structured into five main pillars of postal digitalization, namely:

- Postal financial and payment services;
- Mail services;
- Supply chain integration;
- Development infrastructure and mobile applications;
- Support functions.

5.2.3 The results show that the mail services pillar scored over 82%, followed by the supply chain pillar with over 48%.

5.2.4 Efforts must be made to digitalize financial services (22%) and support functions (21%). The level of digitalization of infrastructure and mobile applications remains low at 34 %.

5.2.5 It is worth noting, however, that the overall implementation rate of ongoing projects in the 42 Member States is estimated at 40%.

5.2.6 The General Secretariat's detailed analysis of the Member States' responses to the Questionnaire on Digitalization and Innovation will be presented under **PAPU/OTC/01/2025 Doc No. 06**.

The following observations/comments were made during the meeting:

- i) Although efforts have been made on specific pillars, particularly courier services and the integration of the supply chain, a huge gap needs to be filled to match UPU's internationally set standards. Achieving this objective should enable the DOS to offer quality and perform well in competitive markets.

- ii) Member States were urged to regularly provide accurate data/information that reflects the reality regarding the level of digitalization of Africa's postal services so that the Union can better prepare for the next cycle.
- iii) PAPU will continue its discussions with partners regarding digital solutions to support its members in the digital transformation and operationalize the Union's ICT Capacity Building Center. In this regard, PAPU, in collaboration with the AU Commission, is in discussion of organizing a donor conference to source financial assistance to implement the improvement of the Digitalization of Postal Services in Africa Project.
- iv) Being aware that the financial and technical assistance by the UPU through partners such as the Japanese fund is limited, it was recommended that alternative assistance and support be solicited both locally and internationally.
- v) The meeting requested DOs to contribute to this digital transformation process in addition to the efforts made by the General Secretariat.

5.3 Activities conducted in Cooperation with UPU and AUC

5.3.1 Cooperation Activities with UPU

5.3.1.1 UPU Webinar: Postal Networks as Facilitators of MSME Payments Digitalization.

PAPU participated in the UPU webinar organized on 2nd December 2024 to explore the topic of “Postal networks as facilitators of MSME payment digitalization.” UPU presented on the role and importance of MSMEs, followed by the challenges of digitalizing payments in emerging markets, including:

- Challenges in the merchant experience;
- Challenges in the end-customer experience.

Finally, the UPU presented the three business models considered to be relevant to meet these challenges:

- **Model 1:** Posts as financial service agents;
- **Model 2:** Posts as digital payment acceptors;
- **Model 3:** Posts as payment facilitators and delivery services for MSMEs.

5.3.1.2 Workshop on the implementation of “.Post” activities

- i) In preparation for the S7 session, a Workshop was organized on “**Building a secure and reliable digital space - How “.post”-backed services strengthen cyber resilience**”. PAPU attended this online workshop held on 13th February 2025. The sub-themes were:
 - “**Creating a secure and trusted environment for the postal sector via .Post**”;
 - “**The future of “.Post”, focusing on new horizons and opportunities**”.
- ii) Proposed changes to the future of .Post will be presented at the next Congress in Dubai, including a focus on cybersecurity: evolving the DPG from a cybersecurity-focused entity to one better able to meet the growing demand for cybersecurity solutions in the postal sector.

- iii) It was strongly recommended that UPU members and stakeholders be actively engaged in communicating the benefits of the proposed changes, ensuring buy-in and collaboration throughout the transition process.

5.3.2 Cooperation Activities with AUC

The General Secretariat honoured the Department of Infrastructure and Energy's invitation to the African Union Commission (AUC).

5.3.2.1 Data Collection Process on the AU DTS¹ platform

- i) The DTS implementation learning and evaluation Workshop took place on 8th October 2024 in virtual mode.
- ii) First, a test phase is undertaken to identify shortcomings and remedy them before deploying the **DTS platform**. For this exercise, access codes to the platform were allocated to the participating entities, including PAPU.
- iii) Secondly, the operational phase was used to enter postal sector data into the DTS platform. PAPU entered and shared on the platform the information falling within its scope under the supervision of PAPU's Head of Department, Operations and Technology. Difficulties, gaps, and constraints were reported to the AU for technical assistance.

5.3.2.2 AU Webinar on the Theme: The AU's Future Continental Cybersecurity Project

- i) In partnership with LuxDev² the AUC organized a webinar on 26 February 2025 to discuss the AU's future continental cybersecurity project. The project's main objectives are to deploy cybersecurity operations, incident detection, and management, set up and support a Computer Security Incident Response Centre/Team (CSIRC) and an Operations and Security Centre (OSC), and strengthen the cyber capabilities of organizations, sectors, and Member States.
- ii) PAPU attended this meeting and seconded two staff members as focal points.
- iii) Following the presentation, the Chairman opened the floor to discuss the lessons learned from these activities.
- iv) The following question was raised: "How can we benefit from the recommendations and perspectives of these important meetings for the DOs who have not had the opportunity to attend these meetings? Can we consider training or sharing sessions organized by PAPU?"
- v) In response to this question, the Secretary-General took due note of this suggestion while pointing out that the forthcoming cycle will incorporate these aspects, and PAPU's ICT Capacity Building Centre will likely be more active in assisting our Member States.

¹ Digital Transformation Strategy

² The Luxembourg Development Cooperation Agency

5.4 PAPU Digital Financial Services Workshop Report

- i) The Programme of Activities for the 2024/2025 financial year provided for the organization of the Workshop on Digital Financial Services under the theme: **“Fostering Financial Inclusion through Digital Solutions”**, which was held from 11th to 13th December 2024 at the PAPU Tower in Arusha, United Republic of Tanzania.
- ii) The workshop's main objective was to share knowledge, skills, and experiences, compare best practices, and appreciate the state-of-the-art tools needed to deliver and manage digital financial services.

The Digital Financial Services Workshop Report was presented under Document No. 05:

5.4.1 Day 1 Proceedings:

On Day one, two panel discussions were conducted under the “Financial Inclusion: Strategies and Technological Developments” sub-theme. Panel 1 discussed “The role of the post office in promoting financial inclusion to foster socio-economic development in the digital age,” while Panel 2 discussed “Digital solutions and their benefits for postal financial inclusion.” Presenters were Amarante Consulting Group, PAYTOTA, and Côte d'Ivoire.

5.4.2 Day 2 Proceedings:

On Day two, three (3) presentations and discussions were conducted under the sub-theme “Digital Solutions Enhancing Postal Financial Services Access”.

- i) UPU, VISA, Niger and Kenya made presentations on the topic: **“Money transfer: Role of Postal Operators in Cross Border Transactions”**;
- ii) Then PAYTOTA, UPU, Tanzania, VISA, and Botswana (online) presented on the topic: **“How can the Post be involved in enabling microfinancing solutions/initiatives through Partnership in Africa?”**
- iii) Finally, Zimbabwe, Tunisia, Senegal and Cote d'Ivoire presented on the topic: **“Benchmarking on how to foster digital financial inclusion through postal services”**.

5.4.3 Day 3 Proceedings:

On the third day, three panel discussions were held on the sub-theme: **“Digital solutions enhancing access to postal financial services”**. The panel discussions focused on the following topics:

- i) **Panel 1** had BOT³, PAYTOTA and TANZANIA as discussants under the topic: “Technological Innovations as Drivers of Universal Access to Basic Financial Services”. Moderated by VISA;
- ii) **Panel 2** had UPU, Morocco (online) and Tunisia as discussants dealing with the topic: “**Capacity Building is a Key Success Factor for Delivering Digital Postal Financial Services**”;
- iii) **Panel 3** with Burkina Faso, BOT, UCC⁴ and TCRA⁵ as panelists dealt with the topic: “**Can Regulatory Interventions make or mar digital financial services delivery?**”

The detailed report of proceedings is attached to this Report as **Annex 1**.

5.4.4 Workshop Recommendations

- i) Postal Regulators and Central banks should effectively assist and guide Designated Operators and ensure greater flexibility in granting licenses.
- ii) Postal Regulators and Central banks should reorganize the postal financial sector and clean it up to level the playing field.
- iii) The Operators should change their perception towards Regulators so that the latter are perceived as partners (not enemies) in tackling transformation challenges as they embrace innovation and new technologies, such as artificial intelligence.
- iv) Designated Operators should be aware of the many possible strategic advantages that FinTechs can develop in partnership with the Post Office by the adoption of innovation and new technologies such as AI, etc., compared with other players in the ecosystem;
- v) The role of the DOs in society needs to be redefined by creating products that meet current and future customer requirements.

5.5 Focus areas on Postal Digitalization to be Addressed During the 28th UPU Congress.

- i) Senegal, represented by the Working Group Chairman, made a presentation focusing on the proposed amendments to the Postal Payment Services Arrangement during the 28th UPU Congress in Dubai, United Arab Emirates.
- ii) The presentation cited that there are some proposed amendments requiring Congress approval as follows:
 - **Annex 1**
3 to 8, 10 to 20, 22, 23, and 25 to 28 as presented in document POC-C4 2024. 2-Doc 2a was approved without further amendments at the UPU S6 session in October 2024;
 - **Annex 2**
21 and 24 were amended by Committee 4 ‘Postal Financial Services’ before adoption;

³ Bank of Tanzania

⁴ Uganda Communications Commission

⁵ Tanzania Communications Regulatory Authority

- **Annex 9**

This was returned for revision and resubmission to the UPU session S7. The proposals were approved for formal submission to the next Congress in Dubai at this session. (See detailed presentation by the Working Group Chairman attached).

- iii) The presentation was insightful and relevant. Its contents will be part of the documentation summarizing all the key issues to be discussed at the Congress to guide our leaders who will defend Africa's position. This will ensure that Africa can speak with one voice on the issues discussed.
- iv) UPU's POC C3 and C4 Committees lead Member States, Market Development & Innovation (Tunisia and Burkina Faso) and Postal Financial Services (with Morocco and Senegal), respectively were called upon to discuss further to identify key points relating to Digitalization & Innovation and Postal Financial Services to better inform Africa's position at the Dubai Congress.

6.0 A.O.B.

- i) The PAPU Assistant Secretary General, Mrs. Jessica SSENGOOBA, thanked the participants for their active participation and added that it should be recognized that digitalization is no longer an option but rather a necessity for our postal administrations to bridge the digital divide by offering digital postal services, digital financial services, e-commerce and e-government services. The African postal sector must adopt the existing solutions that Experts offer to achieve this. Africa has a lot of talented experts available to support the industry in the digital transformation strategy.
- ii) The Assistant Secretary General continued by calling upon Member States to invest in capacity building, strengthen partnerships, and share best practices to accelerate the digital transformation of African postal services.
- iii) The ASG concluded by encouraging participants to concretize the digitalization process for greater efficiency and competitiveness.

7.0 DATE AND VENUE OF NEXT MEETING

The General Secretariat informed the meeting that the date and venue of the Working Group's next meeting would be notified following consultations with members.

8.0 CLOSING

8.1 The Secretary General

- i) In his closing remarks, the Secretary General expressed satisfaction and confidence that the Working Group would stay on course and continue delivering on its mandate.
- ii) SG thanked all participants, particularly the new Chairman, Mr. Diakhate, for their attendance and active participation and reaffirmed the General Secretariat's unfailing support for the Working Group.

- iii) Furthermore, SG indicated that at this stage, and probably during future meetings, the Working Group will have the opportunity to revisit the state of digitalization progress and propose more practical recommendations to integrate into our strategy.
- iv) The General Secretary outlined the Union's priorities, which were adopted at the last Administrative Council meeting. The first of these is “commitment to digital transformation.” He stated that this priority is nothing other than the driving force or *raison d'être* of this Working Group. All actors need to take concrete action for the benefit of all stakeholders.

8.2 The Chairman

- i) The Chairman also thanked the Secretary General for the kind words of encouragement to go ahead. He thanked all participants for their contributions during the meeting and promised to do his utmost to advance this Working Group's agenda by providing the necessary leadership.
- ii) The Chairman reminded participants that the Digitalization and Innovation Working Group is the powerhouse on which members can rely on to tackle the current challenges and invited everyone to work together to achieve the expectations of our Member States.
- iii) He declared the meeting closed at 11:54 hours (GMT).



PAPU/ATC/OTC/01/2025 – Doc No. 05 ANNEX 2

ACTION PLAN FOR THE PERIOD 2022-2025

SUBJECT MATTER	MILESTONE	DONE	WIP*	NOT DONE	REMARKS
DIGITALIZATION AND INNOVATION WORKING GROUP					
Model Digital Post Office	i) Develop a Digital Post Office Model benchmarked from other regions and industries;				Senegal and Tanzania have commenced the implementation of the pilot phase of the Model Digital Post Offices. Other DOs have been encouraged to benchmark on and adapt the initiatives by the two DOs.
	ii) Develop a Digital Transformation Framework and road-map for the Posts of Africa;				The implementation will be done following the analysis of the questionnaire on the digitalization of postal services in Africa, whose results will be incorporated in the PAPU Strategy 2026-2029
	iii) Adopt a streamlined postal digital transformation program				
	iv) Pursue coordinated implementation by Member States' DOs				Since the implementation process is still ongoing in the two pilot countries: Senegal and Tanzania, and other DOs are encouraged to benchmark on them, the coordinated implementation will be effectively done after incorporating the analysis of the Questionnaire results into the PAPU Strategy 2026 -2029
	i) Provision of digitization environment and infrastructure within Member States to cover the following: <ul style="list-style-type: none"> • Electrification and alternative power sources 				Among the 42 DOs that responded to the questionnaire, 36% have implemented the post office power and connectivity backup under electrification and connectivity of post offices; 45%

Digital Infrastructure and modernization of operations	<ul style="list-style-type: none"> • Internet connectivity • Networking of offices • Cloud computing 				are in the implementation process. Since 2024, PAPU has been engaging the UPU for financial assistance to revamp the ECP Project
	ii) Members to ensure the provision of hardware at Post Offices: <ul style="list-style-type: none"> • Servers • Computers/laptops • Printers • Scanners • Digital Scales 				Analysis of the questionnaire on digitalization further shows that the process is continuing.
	iii) Share information on postal systems and tools in order to develop specifications for ideal software for the digitalization of the Post in Africa				
Digitalization of Postal Services	i) Migration of services from the traditional onto the digital platforms: <ul style="list-style-type: none"> • E-Post • E-commerce • E-Government • Digital financial services • Mobile banking solutions 				
	ii) Deploy technology-based value-added features on the Integrated Product Plan (IPP) portfolio to ensure full implementation of IPP: <ul style="list-style-type: none"> • ECOMPRO • Tracked delivery service • Small packets 				It's still in progress. Some innovations are being implemented in some DOs. For example, implementing a digital solution for cash delivery is only effective in 12% of the DOs who responded to the question. 29% continue the process.
	iii) Participation in the Digitalization and Innovation projects in partnership with relevant industry stakeholders				
Postal home-grown digital innovations	i) Develop own digital solutions: <ul style="list-style-type: none"> • Software • Applications 				Initiatives are underway in someDOs. It terms of infrastructure development and software

					applications, 34% of the 42 Member States already have laready implemented while 39% are in progress.
	ii) Participate in Innovation exhibitions and competitions like the World Summit on the Information Society (WSIS)				
Human Capital Development	i) Members to capacitate staff on digital skills				
	ii) Organize a workshop on Digital Transformation and Financial Inclusion				
	iii) Training workshop: <ul style="list-style-type: none"> IT systems Tools Cybersecurity 				
Communication and Feedback on Digitalization and Innovation Progress	i) Members' active participation in the different projects <ul style="list-style-type: none"> Regional/Global Meetings on Innovation and Product Development Digitization implementation initiatives 				
	ii) Information feedback from Member States on the implementation of the projects				

WIP*- WORK IN PROGRESS