# THE UNITED REPUBLIC OF TANZANIA



# MINISTRY OF WORKS, TRANSPORT AND COMMUNICATION
# (COMMUNICATION SECTOR)

# DRAFT NATIONAL POSTAL POLICY

March, 2018

# CONTENTS

# LIST OF ACRONYMS

| | |
|---|---|
| AIDS | Acquired Immune Deficiency Syndromes |
| BOT | Bank of Tanzania |
| CA | Council of Administration |
| CCPA | Commonwealth Conference of Postal Association |
| CIC | Community Information Centre |
| CRASA | Communication Regulators of Southern Africa |
| CSO | Civil Society Organizations |
| CSP | Courier Service Providers |
| DPO | Designated Postal Operator |
| EACO | East African Communications Organization |
| EMS | Expedited Mails Services |
| eGA | e-Government Agency |
| EPOCA | Electronic and Postal Communication Act |
| HIV | Human Immune Virus |
| IATA | International Air Transport Organization |
| ICT | Information Communication and Technology |
| IFAD | International Fund for Agriculture Development |
| IOM | International Organization Migration |
| IPS | International Postal Services |
| MDA | Ministries, Departments and Agencies |
| MoFP | Ministry of Finance and Planning |
| MoU | Memorandum of Understanding |
| NAPS | National Address and Postcode System |
| NIDA | National Identification Authority |
| NPP | National Postal Policy |
| PAPU | Pan Africa Postal Union |
| pCUM | Postal City Urgent Mail |
| POC | Postal Operation Council |
| PPO | Public Postal Operators |
| QSF | Quality of Service Funds |
| RALG | Regional Administrative and Local Government |
| SAPOA | South African Postal Operators Association |

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|---|---|
| SDG | Sustainable  Development Goals |
| TCRA | Tanzania Communications Regulatory Authority |
| TP&TC | Tanzania Posts and Telecommunication Corporation |
| TPC | Tanzania Posts Corporation |
| UCSAF | Universal Communications Services Access Fund |
| UNDP | United Nations Development Partners |
| UPS | Universal Postal Services |
| UPU | Universal Postal Union |
| USO | Universal Service Obligation |
| WCO | World Customs Organization |

# GLOSARY

| | |
|---|---|
| Basic Financial Services | Means money transfer, travellers cheque, money order, operation of Giro accounts, payments of pensions and dividends on behalf of government and other institution |
| Basic Postal Services | Means an acceptance, conveyance, transportation, and delivery of postal articles including letters, packets, parcels and goods under the terms and conditions determined by the regulators |
| Courier Service | Means a specialized services for the speedy collection, conveyance and delivery of postal articles other than letters |
| Designated Postal Operator | Means a postal operator designated by the government to offer Universal Postal Sevice |
| e-Commerce | Means a transmission of funds or data through the internet to facilitate the purchase and sales of goods and services. |
| e-Government Agency | Means a government semi-autonomous institution with the mandate of providing coordination, oversight and provision of e-Government standards to public institutions. |
| Financial Inclusion | Means individuals and businesses have access to useful and affordable financial products and services that meet their needs |
| Franchised Postal Office | Means a post office agency handling a minimum set of postal services |
| Letter | Means any form of written communication in the nature of current and personal correspondence . |
| Philatelic item | Means postage stamps produced, labels, postal impressions, envelopes, stationery and related items provided by Designated Postal Operators and sold to stamp collectors |
| Post | Means a logistics for the collection, dispatch, conveying and delivery of postal articles by or through public postal operator |

| | |
|---|---|
| Post Office | Means any building, house, room, equipment or place where postal articles are received, processed, delivered or dispatched by a public postal operator |
| Postal Operator | Means a service provider licensed to provide postal services |
| Postal Services | Means any service provided by a licensed postal operator |
| Private Letter Box | Means a small container/box installed in the post office premises as a point of mail delivery-sometimes known as "letter delivery box" |
| Regulator | Means government body responsible for overseing competition on provision of postal services and ensuring that universal postal services is provided in accordance with standards defined from time to time. |
| Reserved Postal Service Area | Means the exclusive right to collect or accept, process, convey, and deliver letters, weighing up to 500 and parcels weighing up to 10kgs grammes subject to conditions given by the regulator. |
| Smart Post Office | Means a digitised, self service postal office offering customers with personalised e-Government services, e-Commerce solutions, and acceptance and delivery of physical, hybrid mail and financial service |
| Sub post office | Means a post office operated on agency basis to provide a limited range of services |
| Universal Postal Service | Means a defined range of basic postal and financial services with a specified standards reserved for a Designated Postal Operator. |
| Universal Postal Union | Means a United Nations body that regulates the international movement of mail by postal administrations |

## PREFACE

The Postal System is the earliest means of communication system in the world, and for long time it has been the main means of communications in Tanzania. An efficient and reliable communication network of a nation that plays a crucial role in its socio-economic development by providing physical communication and logistical support to businesses and individuals. The Government recognizes that all citizens have a right to access basic postal services and will ensure that the country has a vibrant and efficient postal sector. This will be achieved by, among other things, ensuring that, there is in place appropriate policy, legal and regulatory framework for the postal industry.

The postal services in Tanzania are provided by the Tanzania Posts Corporation as a designated postal operator as well as private operators. The Tanzania postal sector is experiencing significant challenges which are characterized by increased customer expectations, increased competition, technological changes, and the internationalization of business, particularly in cross-border mail, express mail and logistics.

To guide Tanzania in the effective use of postal services, the government has been setting policy frameworks to address range of postal issues. The first National Postal Policy was formulated in 2003 and has enabled Tanzania to achieve its objectives in different areas of postal sector among others the opening of competition, expansion of postal network, enhanced gender equality, introduction of National Addressing and Postcode System, increased use of technology in offering postal services and greater contribution to financial inclusion in the country.

Despite these successes, the Postal Sector landscape has changed since the formulation of NPP 2003 which calls for review of the policy to benefit from the opportunities arising from technological advancement and globalisation. In order to acquire the potential and address challenges facing the postal sector, the Government has reviewed the National Postal Policy 2003 and has come up with National Postal Policy 2018 (NPP 2018). The new Policy provides a comprehensive framework for guiding the development of the sector towards effective contribution to socio-economic development of the country.

The policy formulation process was participatory, benefiting from contributions from a broad range of stakeholders, including government ministries, departments and agencies,

organisations or private institutions or private sectors, Postal Operators, research organizations, academia, development partners, Non-Governmental Organizations, public institutions, and the general public. Let me take this opportunity to extend my heartfelt appreciation to all stakeholders who participated in the preparation of this policy.

May I also seize this opportunity to reaffirm the government's allegiance towards improvement of the promising Postal Industry especially when our nation is geared to establishment of an industrialized economy by 2025. The achievement of this policy framework relies to a great extent on the cooperation of all stakeholders. I welcome the support and participation of all stakeholders in its implementation in order to realize its contribution in Tanzania's sustainable social economic development.

Prof. Makame Mnyaa Mbarawa (MP)
**Minister for Works, Transport and Communication**

March, 2018

# CHAPTER ONE
## INTRODUCTION AND STATUS

## 1.0    Introduction

The postal services are among services which play an important role in social-economic development. They are naturally considered to have the character of "essential public utility" in the same way as other services like education and health care.  This is due to the social responsibility of the State to guarantee a constitutional right, included also in the international law, to assure the basic level of communication to majority of population. The less known fact by many is that postal services meet commercial and social needs of the country and are important to both competitiveness and social cohesion. The postal services in Tanzania are provided by the Tanzania Posts Corporation (TPC) as well as a number of privately owned courier companies.

In recognition of the importance of postal sector the government in 2003 developed the National Postal Policy to provide guidance and directive of matters related to i) Universal Postal Services (UPS), ii) Commercialization of the Public Postal Operator, iii) Expansion and Modernization of the Postal Network iv) National Address System v) Postal Security and safety vi) Capacity Building vi) Gender Perspective and viii) International Cooperation, The policy vision was "*To ensure the provision of sustainable universal quality postal services to all segments of the population and sectors of the economy so that the postal sector in Tanzania  effectively becomes part of the global Info-communication society*" Since its development 14 years has passed in which there had been enormous changes occurred in the sector which affected implementation of the policy.

Though there were challenges, the National Postal Policy 2003 has provided the sector with a clear direction for its development. The Policy has assisted postal sector in Tanzania over the decade to create range of both social and economic benefits. In the course of implementation of the Policy, the Government enacted the Electronic and Postal Communications Act (EPOCA) in 2010 and issued Postal Regulations in 2011. The EPOCA, 2010 among other things enforced the utilisation of the national addressing and postcode system. The national addresses and postcodes initiative is one of the key achievements of the NPP 2003 with positive multiplier effects into other sectors of the economy. The Government also introduced regulated competition in the postal markets thereby increasing the supply of postal services

and widening choices by consumers. By the year 2018, licensed private courier operators were 35 including domestic and international.

The NPP 2003 allowed the Tanzania Posts Corporation to maintain a monopoly on basic postal infrastructure and operation of a reserved area of letter mail and smaller parcels. This monopoly has been regarded as a financing mechanism to support its requirement to provide universal service across the United Republic of Tanzania.  At the time of Policy inauguration, the TPC had a network consisting of 415 post offices including franchised, sub-postal offices and mail delivery centres. On the mail delivery infrastructure there were 169,081 private letter boxes, and 211 private bags. By the end of 2018, there has been a decrease of the TPC network with 344 post offices including franchised, sub postal offices and delivery centres During this period mail delivery infrastructure included, 173,000 private letter boxes and 262 private bags. These statistics of the postal network of the Designated Postal Operator (DPO) definitely affected the provision of the universal postal services. Challenges for the decrease of the network included inadequate investment in  the sector, inability to reach majority of the population due to lack of reliable national addresses and slow uptake of advancement in Information and Communication Technologies (ICTs) and other emerging technologies by the DPO thereby affecting participation in e-commerce and e-business.

The contraction of the DPO's network causes a serious concern to the Government due its importance of bearing performance in the Universal Service Obligation (USO).
Therefore, the National Postal Policy 2018 is a result of reviewing the 2003 policy, in order to address the challenges facing the postal sector, to reposition the sector and to enhance contribution of the sector to the national economy while taking into account the needs and demand, expectations and service requirements of all stakeholders.

## 1.1    Situation Analysis

### 1.1.1  Universal Postal Service (UPS)

UPS is the permanent provision of quality basic Postal services at all points in a country's territory, for all Customers, at affordable prices taking into account both the needs of the population and the nation's conditions. Government has set, within the framework of the

postal legislation, the scope of the postal services offered and the requirement for quality of services and affordable prices. Tanzania has defined the universal postal service in legislation, concession and license which is one of the requirements of the UPS. Tanzania Posts Corporation (TPC) is the Designated Postal Operator charged with the role of offering the UPS.

The Universal Postal Services provided by designated postal operator in Tanzania is meant to the whole community, even though these services might not be commercially viable to their own right.

Tanzania National Postal Policy, 2003 recognizes the need to ensure the provision of basic postal services to the whole population; and especially to the rural and economically disadvantaged areas of the country. The policy directed that, in order to adequately facilitate the provision of basic postal services, the Public Postal Operator will be charged with the responsibility of providing the universal postal service.

Restructuring and commercialization process of the DPO led to the hindrance of provision of UPS. In 2003 when the policy was developed there were marginal increase of departmental post offices from 154 to 158 in 2016, franchised postal offices from 85 in 2003 to 90 in 2016. Also there is declining of sub-postal offices from 149 to 65 in 2016 , increase of mail delivery centers from 27 in 2003 to 31 in 2016, decline of stamp vendors from 3715 in 2003 to 2641 in 2016 increase of private letter boxes from 169,081 in 2003 to 173,000 in 2016 and private bags from 211 in 2003 to 262 in 2016.

During implementation of the NPP, 2003 there has been a range of challenges in provision of the UPS, among them are lack of resources to improve service delivery, inadequate outlets to meet the UPU coverage standards of one postal office to serve 9,696 inhabitants, while the current set-up in Tanzania one postal office is serving 110,428 inhabitants. The UPU set standard indicates that at least Designated Postal Operator should have 8,500 postal offices compared to the 344 current outlets, that is 4% of the required standard. Another challenge is the lack of infrastructure to facilitate home delivery of mail.

The Policy objective provided that the Government will make efforts to establish special fund for development of postal services in rural and urban underserved areas. However, in 2006, the Government established a Fund known as Universal Communications Service Access Fund (UCSAF) which came into operations in 2009, with key objective to extend

communication services in rural and urban underserved areas. The Fund has provided and continue to provide support to postal services, to mention a few projects include design of delivery maps using postcodes system, establishment of telecentres using TPC offices etc.

Designated Postal Operator (DPO) face competition in all commercial segments due to limitation of capital as a result failed to finance the universal postal services. DPO has a limitation of capital because is not allowed to borrow from financial institutions or use its assets as collateral to raise funds for investment due to specifications under Treasurer Registrar. Specification of DPO limits the efforts to obtain addition resources to expand the commercial lines which could generate more benefits and be used to finance the universal postal services in the country.

### 1.1.2 Trade Facilitation and Bridging the Digital Divide

The postal network remains largest physical distribution network in the country and poised to play important role in the digital economy. An efficient postal sector is a force multiplier in the economy, promoting communication and commerce, and maximizing public goods. In the information age the postal sector is ideally placed to bridge the Digital Divide.  The postal sector offers not only an opportunity for the investors, but also constitutes an important pillar of commerce. The Tanzanian postal network has not been extensively used in the exchange of goods and services via evolving commercial platforms using electronic means like the internet. This has been due to slow uptake of the ICT and new technologies by the sector itself.

The digital economy requires strong ICT literacy to the majority of population and this has not been the case in Tanzania. Therefore one of the policy objectives is to  bridge the digital divide by integrating appropriate information and communications technologies into the postal services and  bring the benefits of information technology to the population in  rural areas and disadvantaged communities by using Government ICT infrastructure to a large extent.

In order to increase the use of ICT in postal services in the country, the Government had envisaged to develop 'smart post offices' that can be one – stop – centre for delivery of various Government services. The idea is at embryonic stage but has come at a right time when the country has pronounced her objective to developing a middle industrialised country by 2025. The Post Office is at the centre of provision of info-communication services in order

to enable Government, citizens, sellers, buyers, and manufacturers to forge business relationships. This innovative effort has to be supported by massive capital outlay to make the Post Office branches to be 'one-stop-centers' or 'smart post offices'.

### 1.1.3  National Addressing Infrastructure

Address is the important part of postal infrastructure which marks the directions for service delivery. For quality of postal services, the country should have reliable addressing system. The Government developed the National Postal Policy (NPP), 2003 which among other issues pronounced the need to put in place a comprehensive National Addressing System that includes among others street names and identification of buildings thus facilitating physical delivery of mail.  The Policy directed the establishment and use of a comprehensive National Address System.

On implementing the system, the following has been registered; Published National Postcode List which indicates numbers which represent area/wards; establish of an Address Database Systems which keep information of settlements and residents; Street Addressing Guidelines for implementation and use of the addresses; Postcode Guidelines for implementation and use of the postcode; rural and urban addressing standard system that have been issued and published by Tanzania Bureau of Standards. Furthermore, the physical infrastructure of the system has been laid in some wards in Arusha, Dodoma, Dar es Salaam and Zanzibar.

Some of institutions (public and private) are  using the system on mail communications, Tanzania Posts Corporation is using this system on providing a home delivery services through its brand named "Posta Mlangoni" on which letters, parcel etc delivered to the clients' premises (office, residence, hotel etc). National Identification Authority (NIDA) have incorporated Postcode on National ID. Generally, the use of physical address has been minimal due to uncompleted installation of street signage poles and house numbers plates in the cities, towns and other settlements.

Apart from the achievements registered on the implementation and use of National Addressing and Postcode System, there are some challenges that hinder the progress operation such uncompleted installation of street signage poles and house numbers plates; unplanned human settlement; low level of awareness on the benefits of the National

Addressing System; vandalism on the infrastructure; lack of delivery boxes in building and inadequate skills to the implementers.

### 1.1.4 Financial Inclusion

Financial inclusion or inclusive financing is the delivery of financial services at affordable costs to disadvantaged and low income segments of society. Financial inclusion efforts seek to ensure that all households and businesses, regardless of income level, have access to and can effectively use the appropriate financial services they need to improve their lives. Access to financial services is important in rural areas, where a large share of population are unemployed and do not have bank account. Financial inclusion is recognized in the Sustainable Development Goals (SDG) framework as a key part of fighting poverty and fostering development for all. A joint study by the World Bank and the UPU showed that Posts are better placed than banks to provide accounts to people excluded from the financial system, especially those in rural areas or precarious economic situations. This is very important in a rural development context, where the need for appropriate financial system is of paramount importance.

According to the 2014 Global Findex, 43% of the world's rural population has no bank account, 34% of adults in the Sub-Saharan Africa region had a bank account. The region leads the world in mobile money accounts: 12% of adults in Sub-Saharan Africa have a mobile money account, compared with only 2% of adults worldwide.

Postal networks have much to offer for financial inclusion. Post offices frequently offer remittances, money transfers and bill payments. Owing to their very dense physical networks, unique presence in rural areas and trusted status, Posts are vital players in financial inclusion.

Three quarters of Posts worldwide offer financial services, including domestic and international money transfer services. Postal networks also contribute to trade facilitation, in particular for micro, small and medium enterprises, by offering products and services tailored to the needs of those businesses. In addition, over 1.5 billion people worldwide are already using the financial services provided by Posts. The postal sector is therefore the second largest contributor to financial inclusion worldwide, behind banks but far ahead of microfinance institutions or mobile phone operators. The study reveals that 91% of Posts

worldwide offer some form of financial services, either on their own or in partnership with other financial institutions.

In 2012 the level of Financial Inclusion in Tanzania was still low despite various initiatives previously deployed by public and private sectors, statistics shows only 17 percent of adult population (about 3.7 million) has access to bank accounts. However, leveraging on mobile telephony technology with 30 million subscribers has significantly enabled nearly 43 percent of the adult population (9.8 million) to have active mobile payment accounts by September 2013.Tanzania has made remarkable progress in expanding the opportunities for people to use financial services. Formal inclusion has reached 65%, growing by 14% between 2013 and 2018. Study report by FinScope Tanzania 2018 shows that 78% of Tanzanian adults in rural have a financial access point within a 5km radius, which is 12% increase compared to 66% within the reach in 2014. Nationally, 86% of Tanzanian adults live within a 5km radius of a financial access point. Postal sector in Tanzania contributed in enabling  financial inclusion by providing the following services under financial services and agency services; introduction of money transfer tools called International Financial System (IFS), Posta Cash – Electronic Money Order, Post Giro (Dividends and Pensions), Postal orders, International Money Order (IMO), Bureau de change, Agency Banking , Money transfer (western union, money gram and mobile money), Sales of Electricity token, Phone cards recharge, Insurance agency, and  Collection of National Examination Fees.

Despite of achievement the sector face challenges such as lack of full information about clients so as to design appropriate products, problem of liquidity (availability of adequate cash) in Post office outlets in the rural areas,   underdeveloped public infrastructure such as lack of electricity and ICT connectivity in the post offices, and modern technologies which suit the needs of different segments of consumers.

### 1.1.5  Competitive Environment and Viability of Postal Network

The National Postal Policy of 2003, directed development of a competitive environment for delivery of efficient quality postal services. The introduction of regulated competition in the postal market was to ensure that postal operators compete with each other in providing services efficiently and at acceptable levels of quality and price. The Government therefore, created an attractive and dynamic postal business environment through structural and institutional restructuring, promotion of fair competition and encouragement of indigenous

participation. During this period (2003 – 2018) there was a clear demarcation of policy, regulatory and operational functions and as such all key stakeholders enjoyed working together for the good of the postal industry.

### 1.1.5.1   Licensing and creating a level playing field

An independent regulatory authority, Tanzania Communications Regulatory Authority (TCRA) was established in 2003 to supervise the implementation of the approved policies and regulate the industry. It was the responsibility of the regulator to ensure a level playing field and regulation was to be facilitative and geared towards development of the postal sector as a tool for sustainable development of a liberalized economy. The postal and courier sector has grown steadily over the period between 2003 -2018 in terms of revenue, during which the DPO recorded an annual average growth of 6.8% while number of courier operators grew from 3 to 59. However up to 2018  the active number of operators is 37. An entry of these private operators boosted the postal market in terms of quantities of products and services. Through these licensed courier networks, trade goods, packages and important documents can efficiently reach the destinations in the United Republic of Tanzania and major cities of the world in the expedited manner.

### 1.1.5.2   Commercialisation of the DPO

Commercialisation of the Designated Postal Operator is another focus area in the NPP 2003 whose objective was to have an efficient and effective commercially oriented Public Postal Operator so as to contribute to national socio-economic development. Over the last decade, Tanzania has experienced a moderate pace of commercialisation of the DPO but there has been no profit recorded. However, despite this performance, mail business and parcel business recorded an average growth of 2.2% and 7.4% respectively. While several reasons can be given for the performance, this mainly was attributed by the inadequate resources available to the DPO coupled with lack of incentives due to low investment on postal services.

### 1.1.5.3 Uptake of ICT and new technologies and Innovative products and services

The NPP 2003 envisaged attracting more investment and encouraging technological development to enhance expansion and improve operational efficiency and quality of services. Over the last decade, Tanzania has generally experienced a slow growing local ICT content development sector which in turn had affected the growth of the same in the postal sector. While there has been challenges to attract investment in the development of technology in the postal sector, the DPO has managed to install some low-level of automation in its operations. At the end of September 2018, there were 117 regional, Districts and branch Post Offices that have been completed with automation program making them to be connected online. The DPO managed to introduce new products and services including: philatelic webshop, post-giro, posta-cash, electronic money transfer, interstate money order, and internet cafes. The TPC has introduced ICT support services like: online P.O. Box application, International Financial system, track and trace of packets and parcels, and maintains an address and postcode directory. Despite the achievement mentioned above, more efforts is still needed to be put in place to realize the objective of modernization of postal network.

### 1.1.5.4 Monitoring of performance and quality of service

The NPP 2003, required the Regulator to monitor compliance with performance standards and code of conduct in respect of postal services as well as ensuring the existence of a level playing field in the postal sector, so as to enhance competition. In order to achieve this objective, the Regulator put several mechanisms to monitor the quality of service delivery by postal operators and managing the competition. Among others, the Regulator has developed quality of service performance standards by utilization of automatic quality mail measurement system and Global Mail System for the postal services.

### 1.1.5.5 Consumers' rights and responsibilities

The TCRA Consumer Consultative Council established under the TCRA Act, 2003 to represent the interest of consumers and to consult with industry, government and other consumer groups on matters of interest to consumers of regulated goods and services. Over the years, there has been minimum engagement of the Council in consumer awareness

programs which need to improved. There was however less consumer advocacy even though the TCRA Consumer Consultative Council existed by Law.

### 1.1.6  Postal Legal and Regulatory Environment

"The Tanzania Posts Corporation Act, 1993 established TPC as a sole provider of basic postal services in Tanzania contrary to National Trade liberalization policy and National Postal Policy 2003 which recognizes and open doors to other operators. Following to these policies, over a period of time postal services were provided by both Public postal operator and private operators (courier service providers).

To be in line with these policy directives, the Government in 2010 enacted Electronic and Postal Communications Act (EPOCA) in order to regulate the players of postal sector.

### 1.1.7  Postal Service Security and Safety

Postal services security and safety is an important aspect in every business around the world. In recent years, postal service provision industry has witnessed breach of security to an extent that it has called upon for all stakeholders to take necessary steps in ensuring safety in entire supply chain. The UPU recognizes that the safety and security of the postal sector as part of the global supply chain is critical in supporting worldwide commerce and communication.

Increasing threat to security and safety in postal supply chains is a worldwide challenge that should be considered in the bigger context of National and international supply chains operated by responsible and collaborating Postal Operators. Similarly, due to increased threat to security, various security systems have been installed at offices of exchange to ensure safety and security to the services provided as well as the personnel. During the implementation of the National Policy, the sector has experienced series of achievement in the area of security and safety including enhanced  collaboration among member countries in the region to ensure that postal services security best practices are shared among member countries, vetting and inspection by the regulator before awarding licences to postal services operators, Designated Postal Operator has established a specialized unit aiming at security assurance for postal items handled through its network such as monitoring theft, violation of

postal articles and detecting some dangerous and prohibited articles sent through the post. Despite of the mentioned achievement, there are some challenges which face the sector such as targeting, detection and threat handling solutions suitable for uninterrupted flow of the enormous volumes of letters, packets and parcels; weak information distribution and interoperability between postal securities stakeholders; and inadequate security infrastructure and systems that are capable to detect and capture all possible threats during operations.

### 1.1.8 Cooperation and Collaboration

International cooperation and collaboration facilitates the development of the sector through harmonization, standardization and resource mobilization. The postal sector, the world over, collaborates with other development partners at country, regional and global level in implementation of projects, support of programs and other efforts geared towards realization of the set goals and objectives. Tanzania developed the National Postal Policy (NPP) 2003 which among other issues direct enhancement of international co-operation in the exchange of mail and information between the United Republic of Tanzania and other countries worldwide. Moreover, National Postal Policy 2003 recognizes the need to ensure participation of the Postal sector in the International Cooperation's to take the advantage of the global single postal network.

The Universal Postal Union (UPU) is the primary forum for cooperation between postal sector players, also help to ensure a truly universal network and facilitate the flow of international mail. Tanzania is a UPU member and other International bodies such as Pan Africa Postal Union (PAPU), East African Communications Organization (EACO), South African Postal Operators Association (SAPOA), Communications Regulators Association of Southern Africa (CRASA) and Commonwealth Conference of Postal Association (CCPA).
The Union has close working relationship with several international organization including International Air Transport Association (IATA), World Customs Organization (WCO), International Fund for Agriculture Development (IFAD), United Nations Development Programme (UNDP), International Organization for Migration (IOM) and INTEPOL .

Cooperation and collaboration results to notable achievements, among of them are actively participation of Tanzania in the International Cooperation's forum like 23$^{rd}$ Congress of the Universal Postal Union (UPU) which established the Bucharest Postal Strategy in 2004, the 24$^{th}$ UPU Congress which established the Geneva Postal Strategy in 2008, 25$^{th}$ UPU

Congress, which established the Doha Postal Strategy in 2012 and the 26<sup>th</sup> UPU Congress, which established the Istanbul Postal Strategy in 2016. These meetings or conferences bring together plenipotentiaries of all member countries of the UPU. The Congress defines major objectives for development of the postal sector. One of the major accomplishments has been to allow member countries to develop new products and services and integrate them into the international postal network. In this way services such as registered letters, postal money orders, international reply coupons, small packets, postal parcels and EMS have been made available to great majority of the world's citizens.

Tanzania participated in the various activities of the Union and for different period served in the Council of Administration (CA) and Postal Operation Council (POC) as a member which has given the country opportunity to build professional capacity in related issues and project good image of the country in the International cooperation's forum. Tanzania has also been given the opportunity by UPU to host one of the 5 worldwide Regional technology support centres, which is hosted at Tanzania Posts Corporation. The Centre serves all the African English speaking Countries and Mozambique (Portuguese speaking).

Membership of Tanzania to the CA and POC of UPU made the country participate in making important decisions for the Postal development, share experience and learn from others in the sector. Some benefit has been derived from Quality of Service Funds (QSF) whereby the developing countries benefits from the fund contributed by the postal from developed countries to improve the world postal quality of services.

The country also has participated in other activities of the Pan African Postal Union with headquarters in Arusha, Tanzania.

Despite the achievement experienced, there is low level of country participation in international forums which results to inadequate accommodation of country's strategies and miss international opportunities.

## 1.2 Challenges

The following are the main challenges impeding the postal sector:-

i.   Rapid change of technology has negatively impacted on the mail volume and other traditional services, however it has provided new opportunities to postal sector to innovate and improve service delivery.

ii.     Low level of understanding and awareness of the public on usage of national addressing and postcode infrastructure;

iii.     Inadequate security systems that is capable of detecting and capturing possible threats on postal network.

iv.     The sector has not being able to satisfy needs of the customers due to weak addressing infrastructure;

v.     Insufficient specialized Information and Communication Technology (ICT) professionals and institutional capacity in the postal sector especially within the Designated Postal Operator;

vi.     Lack of visibility of the postal sector on contribution to the economy of the country in terms of input to the GDP, financial inclusion and e-commerce;

vii.     Creation of a profitable Designated Postal Operator – Postal reform has not produced the desired commercialization and profitability within the context of maintaining public ownership of DPO and universal service obligation (USO).

viii.     Slow pace of postal service sector to take advantage of opportunities of changing technology

# CHAPTER TWO

## POLICY RATIONALE

### 2.0 Introduction

The National Postal Policy was formulated in 2003, with more than fourteen years of implementation. Many developments have occurred during the period which include emergency of new technologies and changes of consumers' demands and behaviour. Thus a reviewed policy direction that will focus on consumer (and nation) requirements while effectively exploiting opportunities poised by technological development is of paramount importance. This has necessitated review of the policy on an account of advancement in Information Communication Technology (ICT) age particularly, business to consumer parcel market using e-commerce, electronic mail service and mobile payment services which have affected traditional postal services. Due to the fact that  the National Postal Policy (NPP), 2003 was anchored or based on traditional postal services; there is a need for reviewing the policy.

The post services in Tanzania are among services which play an important role in social-economic development. The postal services in Tanzania are provided by the Tanzania Posts Corporation (TPC) as well as a number of privately owned courier service companies. The Sector had undergone diverse changes as a result of liberalization, deregulations and fast advancement in information and communications technologies which resulted in the development of the first Postal Policy in 2003.  The National Postal Policy, 2003 had the vision which stated "To ensure the provision of sustainable universal quality postal services to all segments of the population and sectors of the economy so that the postal sector in Tanzania effectively becomes part of the global info-communication society".  Based on this vision, the mission was: "To develop reliable, effective, efficient, secure postal services which will meet the needs of the population and support socio-economic development of the country".  Generally, over the past fourteen years, Tanzania has achieved this vision which was based on physical communication as now days basic postal services are available countrywide. However, this vision need to be revised in order to suit the current business environment and consumer demand as the world's socio-economic affairs will be

affected by technology advancements brought by the global fourth industrial revolution which affect the nature of core postal networks, business platforms and consumer behaviour.

The National Postal Policy, 2003 was based on the eight (8) main objectives namely: Universal Postal Service (UPS); Commercialization of the Public Postal Operator; Expansion and modernization of the postal network; National address system; Postal Security and Safety; Capacity Building; Gender Perspective; and International Cooperation. Despite all efforts narrated earlier, the objectives of the NPP, 2003 had yet to be attained. Given the current changes and development in development of Information and Communication Technologies, the current National Postal Policy (NPP), 2003 needs to be reviewed to suit the current technology driven business environment and consumer demand.

The National Postal Policy, 2018 recognizes the crucial impact that the technological advancement has in the postal sector. The policy2018aims to develop and maintain a sustainable countrywide postal sector service provision that will meet public, business, household and individual needs. The NPP 2018 addresses access to postal services at standard and affordable costs; Capacity Building; National Addressing Systems; Financial Inclusion; Reserving Tanzania Heritage; Postal Legal and Regulations Environment; Security and Safety and Cooperation and Collaboration.

## 2.1 Policy Vision, Mission and Objective

### 2.1.1 Vision

*The Postal Sector an essential component for sustainable socio-economic development*

### 2.1.2 Mission

*To ensure secured, innovative, accessible and affordable postal services by using reliable infrastructures and technology*

### 2.1.3 Objectives

#### 2.1.3.1 Main Objective

To have secured, quality, accessible, efficient, affordable and sustainable postal and courier services that meet the customer needs

### *2.1.3.2 Specific Objective*

i. To have a functional, effective and efficient National Addressing and Postcode System;

ii. To promote innovative, sustainable, efficient, affordable and accessible postal networks that offer *e-services and* financial services;

iii. To strengthen legal and regulatory environment that facilitates provision of postal service among the public and private sector;

iv. To provide secure and trustworthy postal services to the public;

v. To collaborate with international postal players to improve postal sector and utilize the opportunities for social – economic development;

vi. To promote preventive measures against HIV and AIDS for strengthening labour power in provision of postal services;

vii. To promote public private partnership in the provision of the postal services;

viii. To enhance participation of gender in postal service provision in Public Postal and Courier Service Provider.

ix. To enhance market growth of the postal services

# CHAPTER THREE

## POLICY ISSUES, OBJECTIVES AND STATEMENTS

### 3.1 Universal Postal Service

#### *3.1.1    Policy Issue: Universal Postal Service*

Universal Postal Service is the permanent provision of quality basic postal services at all points in a country's territory, for all customers, at affordable prices taking into account both the needs of the population and the nation's conditions. It is provided in the legislation to ensure that users/customers get the right to universal postal services at all point in the country at affordable prices.

Government has set, within the framework of the postal legislation, the scope of the postal services offered and the requirement for quality of services and affordable prices. Tanzania has defined the universal postal service in legislation, concession and license which is one of the requirements of the UPS. Tanzania Posts Corporation (TPC) is the Designated Postal Operator in the country charged with the role of offering the UPS.

The dimension of the UPS is defined in terms of range of products, uniformity of prices and affordability, the mode of delivery, access to service and facilities, quality of services, geographical scope and security of mail.

The government requires that the DPO perform the social function and community presence. In these circumstances, the state has guaranteed an exclusive right to the DPO in the form of reserved postal service, to compensate for the provision of UPS on the territory where such activity is otherwise not profitable. In Tanzania the basic postal service includes the acceptance, conveyance and delivery of letters up to 500 grams, parcels and packets of up to 10 kg, and financial services delivered at tariffs approved by the Regulator.

Despite the given environment to DPO, availability of funds to facilitate implementation of Universal Service Obligation is still a challenge. Most of the citizens have no access to postal services.

### 3.1.1.1    *Policy Objective*

To develop a sustainable universal postal service adaptive to the social, economic and technological environment in the United Republic of Tanzania

### 3.1.1.2    *Policy Statements*

The Government Shall:

i.   Facilitate availability of fund to support Universal Service Obligation (USO);

ii.  Promote scope of Universal Postal Services (UPS); and

iii. Strengthen Quality of service for Universal Postal Services (UPS).

## 3.2   Competitive Environment and Viability of the Postal Network

### 3.2.1    *Policy Issue: Competitive Environment*

The profitability and viability of postal operators are vulnerable to a range of commercial competitive pressures from the expansion of electronic communications and commerce. The postal market in Tanzania is undergoing profound changes including: declining of mail volumes is threatening the sustainability of universal postal service provisioning, technological challenges (including the need for modernization and the increased threat of product substitution), the need to attain profitability, the need for investment and improved service performance, the need to embrace new services and products (such as the Internet).

However, new technologies also provide opportunities to enter a range of new product and service markets based on these new electronic technologies. To meet this challenge, postal operators must step up its effort to modernize postal network, innovate and diversify its product portfolio, deliver high quality of service and develop human capital to ensure that it remains relevant to the customers in the market place. Product and service diversification and

innovation are key strategies to overcome the challenging economic cycles and reap the opportunities from the digital economy.

### 3.2.1.1    Policy Objective

To create a competitive environment and viability of the Postal Network in Tanzania.

### 3.2.1.2    Policy Statements

The Government shall:-
(i)      Strengthen regulatory functions to monitor competition and universal services.
(ii)     Ensure that there is well organized and governed postal sector.
(iii)    Create conducive environment for private sector participation in the development of a vibrant postal industry.

### 3.2.2    Policy Issue: Commercialisation of the DPO

Corporatization is increasingly considered the model to create sufficient postal management and financial flexibility required to combine commercialization, competitiveness and profitability with the provision of a universal public service. The Public Postal Operator forms the core of the postal sector. Post Office network is an important national infrastructure. A strong and self-sufficient DPO is essential for the survival of the sector, as this alone has a countrywide distribution network, which can be leveraged for profitable partnerships involving the private sector or other government agencies. Initially the DPO had 415 outlets country wide, the number of outlets kept on declining to 344.

Despite having 344 outlets nationwide still there is ineffective collaboration between DPO and other stakeholders to utilize the infrastructure in delivering of the postal services.  Other challenges impeding commercialization of the DPO include low capital injection initiatives of expanding provision of other services such as value added services.

### *3.2.2.1    Policy Objective*

To develop DPO into a commercially viable entity.

### *3.2.2.2    Policy statements*

The Government shall:-

(i)     Increase investment in the postal sector in order to build a reliable national network for efficient and cost effective communications needed to facilitate sustainable economic growth.

(ii)    Create conducive environment of collaboration between key stakeholders and DPO to ensure provision of postal services such mails.

(iii)   Ensure there is  cooperation between postal operators and customs authorities to improve customs treatment of postal items;

(iv)    Ensure that postal service is of high quality and market-oriented services, including mail service, financial services, commercial communications services and other value-added services.

(v)     Ensure performance contract is executed in postal sector;

(vi)    Have an integrated delivery network that gives DPO the structure and tools to compete with large international parcel integrators on the business-to-consumer (B2C) market

### *3.2.3    Policy Issue: ICT technologies , Innovative products and services*

The ICT capabilities to its traditional strengths of last mile reach and trust of the masses will make the postal network the ideal choice to deliver e-governance and e-commerce. The e-service solutions will improve the speed and efficiency of service delivery to the citizens and institutions and attract more demand for improved postal services. The Postal Sector and in particular the DPO has not been able to adequately adopt the ICT and new technologies in its operations and in designing of new products and services. This therefore creates the need to address policy challenges facing low ICT and new technologies uptake in order to develop innovative, integrated and inclusive postal products and services.

### 3.2.3.1    Policy Objective

Enhance ICT and new technologies to develop innovative products and services

### 3.2.3.2    Policy Statements

The Government shall:-

 (i) Stimulate the use of technology to improve productivity of the postal sector;

 (ii) Collaborate with stakeholders to promote innovations in products and services of postal sector;

 (iii) Adopt and embrace emerging technologies and business models to help the postal sector achieve sustainability in the growing digital and mobile economies.

### 3.2.4    Policy Issue: Monitoring performance and quality of service

Improving the quality of postal services requires investments in infrastructure, adoption of technologies, and maintenance of a well-trained and motivated workforce. Postal infrastructure consists of elements like distribution networks, national addressing and postcode system, mail posting boxes, private letter boxes, mail sorting centre, data management systems and viable transportation system. As the postal sector is changing rapidly and continuously in terms of form and delivery, there is a need to utilise a national address system and postcodes.

### 3.2.4.1    Policy Objective

To strengthen monitoring of performance and quality of services

### 3.2.4.2    Policy Statements

The Government shall:-

 (i) Strengthen quality measurement systems applicable to all postal operators.

 (ii) Enhance mail security by installing state of the art technologies in sorting centres and enforce appropriate standards.

 (iii) Promote quality of service in the postal production chain

(iv) Strengthen national capacity to manage security in the postal network.

(v) Conduct periodic performance audit so as to verify compliance with the license conditions.

## 3.3 Trade Facilitation and Bridging the Digital Divide

### *3.3.1 Policy Issue: Trade Facilitation*

The mandate of the postal sector is three dimensional - being a channel for moving information, physical and financial. This mandate makes postal services a tool of development, an enabler of commerce and a facilitator of the aspirations of the people. The parcel service for instance, recorded an impressive growth in the last few years as a result of e-commerce and online shopping worldwide. This is an opportunity to the country and postal sector to be involved in trade in the global economy. As more individuals and enterprises have the tools to buy and sell at their fingertips, the postal sector will continue to grow and prosper. This trend indicates that the Internet is not necessarily a threat to the postal and courier service. Instead, the Internet complements it.

The exchange of goods and services will be made possible and facilitated by reliable networks of information and communications, which drives the need for further investments in the postal sector to support the smooth functioning of the economy and public services in each country and the continent as a whole.

The Government through the DPO intends to roll out the SMART-Post-Offices or Community Information Centres in all postal retail outlets. The plan is aimed at facilitating e-commerce, e-government services delivery and bridging the Digital Divide in Tanzania.

### *3.3.1.1 Policy Objective*

The Postal sector to be key tool for trade facilitation and bridging the digital divide

### *3.3.1.2 Policy Statements*

The Government shall:-

(i) Transform Postal Offices into effective public delivery channel for e-commerce, and financial inclusion;

(ii) Utilise the postal sector network to bridge the digital divide including

    developing one  stop services centre for improving services access to public to

### *3.3.2        Policy Issue: Consumers Rights and Responsibilities*

It is essential for the success of the policy objectives in the postal sector that these reforms should be conceived and implemented in a transparent and participatory manner. In that regard, the policies and reforms should take cognisance of consumers' rights and responsibilities. The TCRA - Consumer Consultative Council (TCRA CCC) has to be enhanced in order to carry out advocacy on postal services and products. Consumers have rights to access to basic postal services of acceptable quality standards at reasonable prices and access information on postal services offered by any provider to facilitate the making of choice. Comparative information should be available to facilitate choice between different providers: products, prices, terms and conditions.

### *3.3.2.1      Policy Objective*

Enhance consumer and public advocacy for postal products and services

### *3.3.2.2      Policy Statements*

The Government shall:-

(i)      Put appropriate participation mechanism in the process of formulating and implementation of postal policies.

(ii)     Enhance the activities of the CCC in advocacy of Postal services.

## 3.4  National Addressing Infrastructure

### *3.4.1        Policy Issue: National Addressing and Postcode System*

National Addressing and Postcode System uses house numbers, street names and postcodes to identify locations and buildings including office premises and residential houses.  National Address and Postcode System simplifies communication and delivery of various services such as letters and parcels to the society as well as government and private institutions.

Moreover, other services supported by the system through by identifying exact targeted location include revenue collection, fire fighting and rescue.. Generally, the National Addressing and Postcode system is imperative for social-economic development of nation.

In recognizing the importance of the system, various efforts have been undertaken such as publication of National Postcode List which are numbers representing area/wards, establishment of Address Database Systems which keep  information of settlements and residents, developed Street Addressing and Postcode Guidelines for implementation and use of the system and addressing standard system have been issued and published.

 Despite of these efforts, the country is facing a number of challenges that hinder the implementation of the system which include uncompleted installation of street signage poles and house numbers plates, unplanned human settlement, low level of awareness on the benefits of the National Addressing System, vandalism on the infrastructure, lack of delivery boxes in building and inadequate skills to the implementers.

### 3.4.1.1  Policy Objective

To have a functional, effective and efficient National Addressing and Postcode System

### 3.4.1.2  Policy Statements

The Government shall:-

i.   Ensure street signage poles, building and house numbers plates installed and fixed

ii.  Collaborate with other stakeholders to ensure that the level of  awareness on the importance of the National Addressing System is raised

iii. Ensure that all buildings contain mail delivery boxes

iv.  Collaborate with other stakeholders to ensure that capacity on implementing the system is built.

### 3.5   Financial Inclusion

#### 3.5.1   Policy issue: Financial Inclusion

Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way.

Financial inclusion has a direct correlation with social economic prosperity, as opposed to financial exclusion which has direct correlation with poverty. Financial inclusion efforts seek to ensure that all households and businesses, regardless of income level, have access to and can effectively use the appropriate financial services they need to improve their lives.

The benefits of financial inclusion are not only significant for individuals but for growth of economies as well. Moreover, financial inclusion serves financial services in urban and rural areas where a large share of population are unemployed, illiterate and do not have bank account.

Postal Network plays a role in financial inclusion by providing the following services under financial services and agency services; introduction of money transfer tool such as International Financial System (IFS), Posta Cash – Electronic Money Order, Post Giro (Dividends and Pensions), Postal orders, International Money Order (IMO), Bureau de change, Agency Banking, Money transfer, Sales of utilities token, Phone cards recharge, Insurance agency, Collection of National Examination Fees.

In 2012 the level of Financial Inclusion in Tanzania was still low despite various initiatives previously deployed by public and private sectors, statistics show only 17 percent of adult population (about 3.7 million) has access to bank accounts (reference ???.........). Tanzania has made remarkable progress in expanding the opportunities for people to use financial services. Formal inclusion has reached 65%, growing by 14% between 2013 and 2018. FinScope Tanzania 2018 shows that 78% of Tanzanian adults in rural have a financial access point within a 5km radius.  However, Postal sector is facing a number of challenges that hinder provision of financial services such as lack of full information about clients needs so as to design appropriate products, liquidity problem (inadequate capital) in Post office outlets especially in rural areas, lack of electricity power and ICT connectivity in rural and underserved areas.

### *3.5.1.1  Policy Objective*

To promote financial services through innovative, sustainable, efficient, affordable and accessible postal networks.

### *3.5.1.2  Policy Statements*

The Government shall:-

i)   Position the postal sector as a key player in provision of financial services by linking with mobile phone companies and financial institutions

ii)  Collaborate with other stakeholders through advocacy activities to ensure that the level of awareness on financial inclusion is raised.

iii) Ensure that there is quality of service and security in Post office outlets.

## 3.6   Legal and Regulatory Environment

### *3.6.1   Policy Issue: The Postal Legal and Regulatory environment*

An appropriate and dynamic legal and regulatory framework is mandatory to act as the foundation for the development of postal services. In execution of this National Postal Policy, it is essential that a supporting legal and regulatory framework be defined, based on an effective institutionalframework. The development and implementation of effective legal and regulatory framework can, among other things, support the use and deployment of Postal for development and growth of the economy in Tanzania.

The Tanzania Postal Corporation Act, 1993 established Tanzania Postal Corporation as a sole provider of postal services in Tanzania. However, the Electronic and Postal Communications Act (EPOCA), 2010 has liberalized the postal services and Courier Service Providers are now increasing. There obviously competition here that was not contemplated by the TPC Act. The TPC Act was enacted twenty four years ago at that time technology was not as advanced as it is now. The Act focused more on postal services and money order and postal orders. Currently, there is the growth of ICT sector and emerging technologies that hinders the execution of the TPC Act and implementation of National Postal Policy.

### 3.6.1.1 Policy Objective

To strengthen legal and regulatory environment that facilitates provision of postal service among the public and private sector.

### 3.6.1.2 Policy Statements

The Government Shall:

i) Ensure that there is appropriate institutional and supportive legal and regulatory framework that promotes competition in the postal sector;

ii) Put in place legal mechanism to facilitate development of postal sector.

## 3.7 Security and Safety

### 3.7.1 Policy Issue: Postal Service Security and Safety

Postal services security and safety is an important aspect in every business not only in Tanzania but also around the world. In recent years, postal service provision industry has witnessed breach of security to an extent that it has called upon for all stakeholders to take necessary steps in ensuring safety in entire supply chain. The UPU recognizes that the safety and security of the postal sector as part of the global supply chain is critical to supporting worldwide commerce and communication.

Increased and improved postal service provision has been associated with the increase of other related risks in postal service which distorts the good image of the sector. Some of the associated risks include money laundering, injuries to personnel due to the carriage of dangerous goods which can be harmful to staff or recipient if not handled careful. Apart from these risks, also there are some challenges that face the provision of quality postal services.

The Public Postal Operator and courier service operators have taken measures to assure security for postal items handled through its network by establishing a specialized unit. Measures taken include the use of electronic surveillance machines which are capable of monitoring theft, violation of postal articles and detecting some dangerous and prohibited articles sent through the post.

Therefore, it is important for Service Providers to make sure that the issue of Postal Security and Safety is given high priority in order to prevent injuries to personnel due to the carriage of dangerous goods in the mail; Prevent loss or theft of mail that have been entrusted to Service Provider; Prevent revenue or asset losses by Service Provider; and Preserve customer confidence in the sector. Increasing threat to security and safety in postal supply chains is a worldwide challenge that should be considered in the bigger context of National and international supply chains operated by responsible and collaborating Postal Operators. Similarly, due to increased threat to security, various security systems have been installed at offices of exchange to ensure safety and security to the services provided as well as the personnel.

Despite efforts that have been taken, Postal Service security and Safety faces a number of challenges including targeting, detecting and threat handling solutions suitable for uninterrupted flow of the enormous volumes of letters, packets and parcels; dealing with information distribution and interoperability between postal securities stakeholders, among large scale market, organizational and regulatory changes affecting the sector and inadequate security infrastructure and systems that are capable to detect and capture all possible threats during operations.

### 3.7.1.1    Policy Objective

To provide secure and trustworthy postal services to the Customers.

### 3.7.1.2    Policy Statement

The Government shall:

i.    Ensure uninterrupted flow of mails,  packets and parcels through implementation of security systems that will target, detect and handle threats;

ii.    Collaborate with stakeholders in dealing with information distribution and interoperability between postal security stakeholders, organizational and regulatory changes affecting the sector; and

iii.    Ensure presence of adequate security infrastructure and systems that are capable to detect and capture all possible threats during operations.

### 3.8 Cooperation and Collaboration

#### *3.8.1 Policy Issue: Regional and International cooperation and collaboration*

International cooperation and collaboration facilitates the development of the sector through harmonization, standardization and resource mobilization. The postal sector under the umbrella of Universal Postal Union (UPU) which is a specialized agency of the UN responsible for facilitate collaboration with other development partners at country, regional and global level in implementation of projects, support of programs and other efforts geared towards realization of the agreed goals and objectives, also help to ensure a truly universal network and facilitate the flow of international mail. On recognizing this, Tanzania is the member of UPU and other International bodies such as Pan Africa Postal Union (PAPU); East African Communications Organization (EACO); South African Postal Operators Association (SAPOA); Communications Regulators Association of Southern Africa (CRASA) and Commonwealth Conference of Postal Association (CCPA).

Tanzania as a member of UPU, has been given access to International Postal System (IPS) and International Financial System (IFS) which is used in postal operation. Also, Tanzania has participated in the various activities of the Union and served as a member in the UPU Council of Administration (CA) and UPU Postal Operation Council (POC) which has given the country a good image in the International cooperation. Moreover, Tanzania has been given the opportunity by UPU to host one of the 5 worldwide Regional technology support centres, which is hosted at Tanzania Posts Corporation. The Centre serves all the African English speaking Countries and Mozambique (Portuguese speaking). Also, Tanzania host PAPU with its headquarters office in Arusha.

Despite of the facts that Tanzania being a member of all entities, there is unsatisfactory participation of Tanzania in international forums. This low level participation causes the country to miss some international opportunities.

### 3.8.1.1 Policy Objective

To strengthen collaboration with regional and international postal players to improve postal sector and utilize the opportunities for social – economic development.

### 3.8.1.2 Policy Statement

The Government shall:-

i.   Enhance membership of regional and international postal organization;

ii.  Ensure Tanzania participate effectively on regional and international forums, workshops, seminars and meeting; and

iii. Employ regional and international opportunities for country social-economic development.

## 3.9 Crosscutting Issues

### 3.9.1 Policy Issue: HIV /AIDS

In Sub Saharan, Africa is the most severely affected with HIV and AIDS. Like other countries in Sub-Sahara,Tanzania also faces similar problem of HIV epidemic. According to HIV/AIDS indicator survey of 2014 it is estimated that 1.5 million of Tanzanian were living with HIV/AIDS with 8 hundred thousand above 15 years. Similarly adults aged 15 to 49 were the most affected, generally HIV/ AIDS have been affecting all groups including active age groups that contribute to skilled and non skilled manpower, and labour force involved in provision of postal services.  If serious measures will not be undertaken to decelerate the rate of prevalence more labour force will be affected and  provision of postal services impacted negatively.  This may result into spending more resources in treating HIV/AIDS patients thus reducing resources that would be invested in rendering postal services to the public at large.

### 3.9.1.1 Objective

To promote preventive measures against HIV and AIDS for strengthening labour power in provision of postal services.

### 3.9.1.2 Policy Statements

The government will:

(i) Ensure that HIV/AIDS postal sector labour force affected persons and vulnerable group are secured and protected;

(ii) Facilitate sensitization and awareness campaign on HIV/AIDS preventive measures to postal labour force.

(iii) Utilize postal sector network in dissemination of awareness campaign to the public

### 3.9.2 Policy Issue: Public Private Partnership (PPP)

The Government recognizes the role of private sector in bringing about socio-economic development through investments. Public-Private Partnerships (PPPs) have been identified as viable means to effectively address constraints of financing, management and maintenance of public goods and services. The government has already set conducive climate for Public Private Partnership to be done smoothly by developing Public Private Partnership Policy 2009. Also has enacted law to effect the policy; provide for institutional frameworks for the implementation of public-private agreements between public sector and private sector entities; set rules, guidelines and procedures governing public-private procurement, development and implementation of public private partnership; and provide other related matters.

The postal has embraced PPPs to fulfill its responsibilities in services by ensuring efficiency, effectiveness, accountability, quality and outreach of services. Various initiatives have been undertaken by PPOs to ensure that there is steady supply of postal services by entering into Memorandum of Understanding (MoU) for PPP arrangement to provide postal services such as Franchise arrangements. Other arrangements include MoU with Social Security Funds where by PPO remit monthly pension on behalf of the Fund.

Nevertheless, DPO has the UPS obligations such as provision of postal services "at regulated fees", and providing postal services in all administrative centres and in rural areas. However DPO has not yet utilised the great opportunities of PPP potentials available in the sector such as exploring other opportunities by continue arranging MoUs with others providers to provide postal services. Moreover the link between DPO and other operators is not very effective.

### 3.9.2.1  Objective

To promote Public Private Partnership in the provision of the postal services.

### 3.9.2.2  Policy Statements

The Government Shall:

i)     Explore great opportunities available of PPP arrangements in provision of postal services.

ii)    Ensure provision of postal services "at regulated fees", and providing postal services in all administrative centres and in rural areas;

iii)   Ensure linkage between Public Postal Office and Courier Service Providers in rendering postal services; and

iv)    Ensure enforcement of the fairly postal service among the public and private sector.

### 3.9.3   Policy Issue: Gender

Promoting decent and productive employment and income opportunities equally for women and men is one of the key priorities of the ILO's Decent Work Agenda.  Integrating gender concerns into employment promotion can contribute to more effective boosting of productivity and economic growth; human resources development; sustainable development; and reducing poverty. The Postal sector has been implementing a gender mainstreaming strategy in its sub sectors. In managerial level or decision making position  DPO has 30 percent women. The total labour forces employed in the DPO comprises 57 per cent  women. Large number of men is employed in various private postal service providers (courier). There are 59 service providers registered to render postal services across the country.

Despite of this gender inequality in employment at postal sector still there is room to emphasise and encourage other service providers to consider gender issues during recruitment processes for realization of equitable level of diversity.

### 3.9.3.1 Objectives

To enhance equal participation of gender in postal service provision in Public Postal and Courier Service Provider

### 3.9.3.2 Policy Statements

The Government Shall:

i) Ensure equal representation of both men and women in postal service provision in Public Postal and Courier Service Provider;

ii) Enhance capacity of women in management of postal sector;

iii)Ensure equal opportunity for recruitment in processes for realization of equitable level of diversity

# CHAPTER FOUR
## LEGAL FRAMEWORK

The regulation of provision of postal services and power to issue postal license is governed by two principal legislations namely; the Tanzania Communications Regulatory Authority Act No. 12 of 2003 and the Electronic and Postal Communications (EPOCA) No. 3 of 2010. The EPOCA, 2010 was given powers to designate a public postal licensee to perform all or any of the functions relating to the operation and provision of universal postal services in the United Republic. Consequently, the Tanzania Posts Corporation, which was established by Act No. 19 of 1993 was designated Public Postal Licensee and hence given postal exclusivity rights to issue stamps, installing private letter boxes, installing posting letter boxes and use of the word "post office" or "letter box", and use of the word "postage stamps". The Tanzania Posts Corporation is therefore the sole provider of universal postal services in Tanzania. On the other side, the Universal Communications Service Access Fund was established under the Universal Communications Service Access Act No. 11 of 2006 to enable accessibility and participation by communication operators in the provision of communication services, with a view to promoting social, education and economic development of the rural and urban under-served areas.

In line with the NPP, 2003 and the two principal legislations mentioned above the postal sector was liberalized by allowing private service providers to operate outside the exclusivity rights of the Public Postal Licensee. The regulatory authority is required to enhance protection of the consumers from poor quality of services, and ensure that operators conform to international postal standards. An appropriate and dynamic legal framework is mandatory to act as the foundation for the development of postal services. The development and implementation of effective legal and regulatory framework can, among other things, support the deployment of postal sector as catalyst for industrialization agenda of Tanzania.

In order to support effective implementation of NPP, 2018, the Government will review and update the existing laws to cope with the existing economic environment.

## CHAPTER FIVE
## INSTITUTIONAL FRAMEWORK

### 5.1  Institutional Framework

The successful implementation of the NPP, 2018 requires effective institutional management, coordination and co-operation between the Government, Departments, Agencies, private sector and other stakeholders. The key institutions include: Ministry responsible for Communication, RALG, Finance and Planning, Land, Infrastructure; and other relevant institutions and stakeholders such as e-Government, Tanzania Telecommunications, Corporation, DPO, Courier Operators, Private sector, Other Non-State Actors, Education and Research Institutions, Sector Regulator and Development Partners.

### 5.1.1        Ministry Responsible for Communication

Government through Ministry responsible for Communication is duty-bound to provide an enabling political, investment, institutional and legal/regulatory environment to guide the effective participation of other stakeholders. The Government will be charged with policy formulation, setting sector strategies, plans, programmes and monitoring implementation. This Ministry will be responsible for overall coordination and supervision of the implementation of the policy, developing and reviewing policies and guidelines, and continues providing  guidance and directives on all matters related to the postal sector.

### 5.1.2        Ministry Responsible for RALGs

Ministry responsible for Regional Administration and Local Government will be responsible to liaise with the Ministry responsible for Communication on all matters related to policy implementation. The Local Government authorities at all levels from Village level, District Councils, Municipal and City Councils administrations shall work closely with Central Government, private sector, civil society and other partners to implement this policy.

### 5.1.3      Ministry Responsible for Finance and Planning

The Ministry responsible for Finance will be responsible to ensure that all resources budgeted are made available timely for effective coordination and implementation of the policy.

### 5.1.4 Ministry responsible for Land

Ministry responsible for land will be responsible for provision of necessary permit to ensure installation of postal sector networking infrastructure at an appropriate place and pace.

### 5.1.5 Ministry responsible for Infrastructure

Ministry responsible for infrastructure will be responsible to ensure addressing infrastructure is provided as one of key requirements in their contract documents on infrastructure projects.

### 5.1.6 Sector Regulator

Development of the Postal sector in Tanzania and it's expected multiple operators and users require a robust regulatory authority. The role of the regulator shall involve the enforcement of laws and regulations so as promote competition in the Postal sector and monitoring of compliance with performance standards and codes of conducts in respect of postal services. Also shall ensure that there is existence of level playing field in the postal sector, so as to enhance fair competition that will ensure sufficient, reliable and efficient provision of postal services throughout the country

### 5.1.7 e-Government Agency

e-Government Agency will be responsible to liaise with the Ministry responsible for Communication on facilitation of smooth implementation of e-governance technology platforms.

### 5.1.8 Designated Postal Operator

Designated Postal Operator will be responsible for provision of basic postal services that reach all locations and people throughout the United Republic of Tanzania at an affordable price. Also, it will be responsible for provision of collection, conveyance and delivery of sensitive documents, packets and parcels.

### 5.1.9 Courier Operators

Privately owned courier service companies will be responsible for implementing the policy by provision of speedy collection, conveyance and delivery of documents, packets and parcels. Also, adhere to the terms and condition of their licenses.

### 5.1.10    Private Sector

The private sector is an important element in the implementation of Postal Services initiatives in Tanzania. The private sector shall collaborate with the Government through Private Public Partnerships (PPP) to own, propagate Postal Service initiatives and utilization in the country. The private sector shall participate in bringing innovations and relevant solutions that will support implementation of this policy and contribute in realization of its objectives.

### 5.1.11    Other Non-State Actors

Non State Actors play an important role in the social and economic development of the country. In implementing this Policy the civil society shall participate in creation of public awareness on matters related to Postal Sector; Participate in demanding and ensuring that there is transparency and accountability in matters pertaining to Postal sector.

### 5.1.12    Education and Research Institutions

Education and research institutions are important for the development of Postal sector. Development in the sector has increased the demand for knowledge and skills. Education and research institution will be responsible for promoting Postal curricula that shall be used in training, developing competent human capital and conducting research and publishing relevant scientific research outputs for Postal development in Tanzania.

### 5.1.13    Development Partners

Development partners are to work closely with all stakeholders or implementers for sustainable development programmes related to implementation of this policy. They may also be involved in resource mobilization and provision of support for investing in fundamental areas of infrastructure and providing technical support.

## 5.2    Monitoring and Evaluation

The implementation of this policy and achievement of its vision, mission and objectives will need to be monitored and evaluated throughout lifetime of the policy. The Ministry responsible for Postal sector will design M&E framework to meet information needs of different stakeholders including Ministries, Departments and Agencies (MDA's), Civil Society Organizations (CSO's), private sector, research and academic institutions, development partners, media and the general public. Progress in execution of the activities will be conducted in accordance with the predetermined Key Performance Indicators (KPIs) and other specific evaluation indicators.

### 5.3    Conclusion

The National Postal Policy 2018 reflects the commitment of the Government of Tanzania to its people in ensuring the availability of reliable postal services where by the rational use of it could foster and contribute to the social economic development of the Country. The Government of Tanzania is committed to the implementation of the provisions of the policy to facilitate the process of establishing a prosperous society. The Government is wholeheartedly committed to the implementation of the provisions of the policy to facilitate the process of establishing a prosperous society via the use of postal services.

The National Postal Policy set out Sector vision and mission which spell out how the vision will be realised. Similarly, the policy also has set objectives to be realised in every pillar of the policy. Finally, The Policy Implementation Strategy will be designed to serve as a road map for policy implementation thus ensures that the policy objectives are achieved and Country's developmental efforts of transforming economy are attained.