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**Submissions from entities in the United Nations system and elsewhere on
their efforts in 2015 to implement the outcome of the WSIS**

Submission by

Universal Postal Union (UPU)

This submission was prepared as an input to the report of the UN Secretary-General on "Progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society at the regional and international levels" (to the 18th session of the CSTD), in response to the request by the Economic and Social Council, in its resolution 2006/46, to the UN Secretary-General to inform the Commission on Science and Technology for Development on the implementation of the outcomes of the WSIS as part of his annual reporting to the Commission.

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REPORT ON IMPLEMENTATION OF WORLD SUMMIT ON THE INFORMATION SOCIETY OUTCOMES

BY UNIVERSAL POSTAL UNION (UPU)
Berne, November 2015

I. Executive Summary

The outcomes of the World Summit on the Information Society (WSIS) acknowledged the Universal Postal Union (UPU) and the worldwide postal network as an important asset in the development of the information society. Over 660,000 post offices around the world provide services to urban, rural and remote communities in all countries. Modernisation and transformation of this important national infrastructure is an ongoing process, to connect the unconnected and introduce new services at the national level that increase digital inclusion, financial inclusion, trade inclusion and help facilitate increased participation in the information society for micro, small and medium enterprises.

The UPU assists member countries in this modernization through addressing infrastructure development, deployment and regulation via regional conferences, programmes, meetings and publications. It works with governments and posts to modernize the global postal network defined within the UPU Treaty and encourages the increased use of ICTs to improve quality, reach and security of services.

At the level of technical cooperation, the UPU continues to carry out a number of actions to support the reduction of the digital divide in all countries.

Some notable achievements in 2015 include:

- Broadband internet connectivity of post offices reaches 31%
- 44 countries support development of .POST internet top-level-domain for secure digital services
- 70 countries utilising digital exchange network and software provided by the UPU for remittances
- E-Commerce Guide published
- A study by the UPU released in 2015, "Measuring Postal e-services: A global perspective – 2nd edition" shows continued growth of ICT based postal services.
- 112 countries are connected to the global monitoring system (GMS) network, utilising over 100,000 UHF passive transponders for monitoring postal movements. This generates billions of data elements per year of Big Data for analysis.
- The UPU organised a series of E-Commerce Conferences in Arab, Africa, Asia and Eastern Europe regions aimed at private sector, governments and regulators encouraging the use of ICT in the postal network to foster growth of e-commerce services.
- The UPU and IFAD launched a new remittance initiative in Africa - The African Postal Financial Services Initiative - funded by the European Union, IFAD, the UPU, the World Bank, the UNCDF and the World Savings Bank Institute.

II. Analytical Overview

National post office connectivity

According to UPU study, connectivity of the national post office network continues to increase. Just over 20% of post offices in developing countries have broadband internet access, whilst around 45% of post offices have broadband internet access in developed countries. Almost 20% of post offices in developed countries provide public internet access points, whilst only 8% in developing countries provide the same. These figures highlight that the digital divide still exists and requires further attention to ensure the inequity is addressed.

Expanding access to broadband Internet is critical in view of supporting financial and digital inclusion for underserved communities. The development of access to financial services through the postal network, be it through the direct provision of postal payment and savings services, or through services in partnership with other financial institutions (banks, insurance companies, microfinance institutions or money transfer operators), is a vital element of economic development and integration, particularly for those excluded from the formal financial system such as relatively low-income population located outside urban areas.

Broadband internet access via the postal network in rural and underserved communities provides opportunities for Micro, Small and Medium Enterprises (MSMEs) to participate in the rapidly expanding e-commerce opportunities, being able to sell their goods to more affluent urban or overseas markets whilst using the post office as a facilitator of the exchange of goods, payments and related services. The national post offices are at the centre of global e-commerce development by connecting people to markets, notably businesses in remote areas typically excluded from the global marketplace, and delivering goods to everyone everywhere.

In addition, a connected post office network is an important national asset for governments to increase democracy and social inclusion via the provision of e-government services such as identity, registrations, licences, and social services.

National example of eGovernment in Denmark

Denmark has become the first country in the world to make it compulsory for its citizens to have a digital mailbox.

Since November 2014, all individuals, who are over the age of 15 and have a CPR number (the Danish personal identification number), must be registered for Digital Post so that they can communicate with the public authorities. Whether you change your address, apply for childcare, housing support, a pension or a building permit, see your tax, choose a doctor or leave Denmark, any mail or information from the council, hospital or the tax authority, SKAT, will be sent electronically only. The Danish Agency for Digitization has a clear goal that 80 per cent of written communication with the public sector is to be digital by the end of 2015. From then onwards, Digital Post is expected to save the public sector around 130 million EUR every year.

The digital mailbox has the same status as your physical mailbox. This means that it is your responsibility to read any new digital messages. To ensure that you do not miss any correspondence, you can choose to be notified by text message/email or post. You can also give reading access to a family member, who can help you with your Digital Post, though you remain ultimately responsible for your own mail. Using their new digital post boxes, individuals can now also receive mail from private companies, such as banks, pension firms and utilities.

This is the latest stage in Denmark's campaign to replace physical mail with a digital-post service. Since November 2013, it has been mandatory for all Denmark's businesses to receive digital letters. The initiative is part of the government's eGovernment Strategy 2011 – 15, which has led to services in the public sector being digitised in four major waves. A new Strategy is being developed for the period 2016 – 20.

E-Commerce Guide

UPU built upon its successful 2014 Global Ecommerce Forum – *Fulfilling the global e-commerce promise* - by launching its E-Commerce Guide. This guide provides a single point of reference for Governments on how the adoption of ICTs and modernization of their national postal infrastructures can accelerate implementation of national e-commerce strategies, increasing MSME engagement in e-commerce at the national level for cross border e-commerce. Use of Cloud solutions, ICT marketing and communication tools, ICT tools for supply chain integration and E-business development are all key recommendations.

Measuring e-services global report

A study by the UPU released in 2015, "Measuring Postal e-services: A global perspective – 2nd edition" shows continued growth of ICT based postal services.

The study's major findings were:

- *Postal e-services are growing globally, but the divide between industrialized and developing countries continues*

The study shows that the number of new postal e-services introduced globally is increasing exponentially. The regional analysis of the development of these services shows that the industrialized countries provide, on average, twice as many e-services as developing countries.

- *The postal e-services index (PES) shows that not all developing countries are trailing*

The study develops a benchmark index for the development of e-business in member countries. The countries' ranking according to this PES index shows that, in some cases, developing countries are global leaders in providing e- services to support e-Government and, hence, their cases can serve as models for others.

- *Innovation capability influences the development of postal e-services more than wealth does. The national e-business strategies, management and profits are still not aligned*

The study shows that a country's innovation capability as well as the development of regulation and infrastructure related to ICTs are factors supporting the development of postal e-services. However, a country's or a Post's wealth, as well as the development of e-government nationally, do not determine the level of development of postal e-services.

The UPU intends to continue to monitor the development of e-business in the sector and publish an update to the database every 2 years.

III. Innovative policies, programmes and projects which have been undertaken

As co-facilitator of Action Line C7: e-Business, the UPU continues to foster international and regional activities and cooperation in the development of e-Business.

Over 165 countries exchange electronic data between government agencies such as Posts and Customs, as well as organisations in the private sector (airlines, and other partners in the international supply chain) via the UPU Post*Net network. With the exponential growth of e-commerce this network is becoming an important Big Data store on the movement of e-commerce generated goods around the globe. Under an agreement formally signed recently, the UPU and UN Global Pulse agree to work on analyzing postal Big Data flows, working closely with UPU economists on exploring the potential of postal Big Data for insights into social and economic trends that could reveal early warnings of crises or other phenomena and their impact before they happen.

In developing countries, the UPU continues to expand the access and usage of affordable Radio Frequency Identification (RFID) technology. The UPU's RFID based Global Monitoring System (GMS) provides governments and their postal operators, the ability to work with private sector specialists and UNDP to deploy RFID technology, skills and capacity building activities, primarily focused on developing countries. In 2015, 112 countries are now connected to the global RFID network, utilising over 100,000 UHF passive transponders for monitoring mail movements.

The UPU organised a series of E-Commerce Conferences in Arab, Africa, Asia and Eastern Europe regions encouraging the use of ICT to foster growth of e-commerce services aimed at which private sector, governments and regulators.

The UPU supports increased use of ICTs by countries to shift from cash to electronic remittances, increasing financial inclusion. Moving these transactions from cash to electronic payment not only ensures the money gets into the right hands, it provides better protection for consumers, makes money movements more transparent and creates more opportunities to better reach and serve the un-banked and under-banked in society. In 2015 the UPU launched a Mobile postal payment solution for member countries, expanding the possibilities of the international electronic payments of remittances via the Post.

The UPU has partnered with International Fund for Agricultural Development (IFAD) on several projects in Africa, Central Asia and Asia-Pacific, connecting over 30,000 post offices in Africa, Asia and Central Asia to the UPU's electronic remittance network, making it possible for millions of additional people to send and receive digital payments through the post. Some 70 countries already use the UPU's International Financial System (IFS) software to offer electronic remittance services.

The UPU and IFAD also launched a new remittance initiative in Africa - The African Postal Financial Services Initiative - which is funded by the European Union, IFAD, the UPU, the World Bank, the UNCDF and the World Savings Bank Institute. It is a partnership aimed to leverage the role of the public postal network in offering electronic remittances and financial services in the last mile in Africa to boost

financial inclusion in rural areas. In all pilot countries, information communication technologies (ICTs) will be updated. The project will allow the Post to fully modernize its technological infrastructure at the post-office level including possible partnership in mobile telephony technology to offer the possibility of reaching more than six million potential customers in rural and urban zones. IFAD, the UPU and other partners of the African Postal Financial Services Initiative organized the first African Conference on Remittances and Postal Networks, on 4 and 5 March 2015 in Cape Town, South Africa.

Related to Action Line C4, C7: E-Learning, the UPU continues to expand uses of ICT to disseminate training programmes covering a large number of beneficiaries. Thanks to the UPU's e-learning platform, postal staff, particularly in developing countries, have permanent access to all training courses via the internet. The e-learning platform offers 43 online courses in Arabic, English, French and Spanish. Approximately 13,402 participants from 182 countries have taken an online training courses since 2006. www.upu-trainpost.com/eng/trainpost_index.htm.

In the area of building confidence and security in the use of ICTs (Action Line C5), The UPU is the first UN agency to operate a sector specific top level domain, .POST, with specific regulations to cover domestic and cross-border digital postal services. It utilizes the latest ICT monitoring solutions to reduce cybercrime related to these services. This is a significant undertaking and defines the role for national postal services in the digital economy, ensuring countries have a secure and trusted interoperable infrastructure for e-government, e-commerce and other digital transactions. In 2015, the number of countries supporting the development of this platform increased to 44. The UPU expanded multilingual domain names to include Spanish, Arabic and Chinese, encouraging greater local language access of national postal services.

IV. Future actions or initiatives to be taken

In 2016, the UPU will continue to encourage countries to modernize their postal networks with ICT and drive innovation to increase the opportunities inclusion and integration of all of society

The UPU will hold the 26th Universal Postal Congress, where the plenipotentiaries of the 192 member countries meet to adopt a new world postal strategy for 2017-2020. The strategy is expected to include several programmes dealing with facilitation of international e-commerce and stimulating market growth through the use of ICT in-line with WSIS goals. Innovation, Integration and Inclusion are going to be the key strategic themes of the new strategy.

The UPU intends to study policies and recommendations to stimulate take-up of cloud computing and open source solutions in developing countries. It also expected to promote greater use of big data and open data for policy makers and regulators in line with its UN GlobalPulse commitments.

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