

THE CASE FOR HARMONISATION OF POSTAL REGULATORY FRAMEWORKS AT CONTINENTAL LEVEL



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Regional Integration

- Regional integration helps countries overcome divisions that impede the flow of goods, services, capital, people and ideas;
- These divisions are a constraint to economic growth, especially in developing countries.
- Divisions between countries created by geography, poor infrastructure and inefficient policies are an impediment to economic growth.
- Regional integration allows countries to overcome these costly divisions integrating goods, services and factors' markets, thus facilitating the flow of trade, capital, energy, people and ideas.
- Regional integration can be promoted through common physical and institutional infrastructure.

Regional Integration — Areas of Cooperation

- Specifically, Regional Integration requires cooperation between countries in:
 - ✓ Trade, investment and domestic regulation;
 - ✓ Transport, ICT and energy infrastructure;
 - ✓ Macroeconomic and financial policy;
 - ✓ The provision of other common public goods (e.g. shared natural resources, security, education).
 - ✓ Cooperation in these areas has taken different institutional forms, with different levels of policy commitments and shared sovereignty, and has had different priorities in different world regions.

Regional Integration — Economic gains

- Regional integration allows countries to:
 - ✓ Improve market efficiency;
 - ✓ Share the costs of public goods or large infrastructure projects;
 - ✓ Decide policy and regulation cooperatively and have an anchor to reform;
 - ✓ Have a building block for global integration;
 - ✓ Reap other non-economic benefits, such as peace and security

Regional Integration – Risks

- ✓ Countries may have different preferences on priorities for regional integration, depending on their connectivity gaps, economic geography, or preferences for sovereignty in specific areas,
- ✓ Regional integration's impact on trade and investment flows, allocation of economic activity, growth, income distribution are often difficult to assess,
- ✓ Lack of adequate complementary policies and institutions may lead to inefficient outcomes. For instance, policy barriers at the border may offset the gains transport infrastructure cooperation,
- ✓ Regional integration creates winners and losers, notably within countries.
- ✓ Policies and institutions are needed to ensure that regionalism is inclusive and social, environmental, governance risks.

Pre-requisites for Harmonisation

- Harmonisation means finding common ground,
- It also requires having clear objectives – why do you want to harmonise in the first place?
- In the case of SADC, it is clear that we are pursuing Regional Integration,
- With such clarity of purpose, the identification of areas of common interest where harmonisation is possible and desirable becomes much easier,
- Sub-regional organisations are probably the best platform to pursue harmonisation across the African continent.

Do we have the pre-requisites for continental harmonisation?

Pre-requisite	Status
Common Ground	✓ African Union Membership
Clear Objectives	✓ Agenda 2063 & AfCFTA
Common Areas of Interest	✓ Postal Sector Development
Sub-regional organisations	✓ WAPCO, CRASA, SAPOA, EACO

Recommendations for the Regulation Development Working Group

Area of Harmonisation	Suggested Intervention
Sector Reform Process	✓ Separation ➤ Sector Policy ➤ Postal Law ➤ Regulations
Regulatory Principles	✓ Postal Sector and Market Definition
Regulatory Principles	✓ Universal Service Obligation (USO) Definition
Regulatory Principles	✓ Consumer protection framework

Some Challenges of Regulatory Harmonisation

- ✓ Limited uptake of regional harmonisation instruments (Guidelines, model laws, model frameworks, e.t.c.) by Member States due to: (i) Slow legislative processes, (ii) limited technical expertise, (iii) sovereignty concerns.
- ✓ Inability to enforce regional harmonisation initiatives due to limitations in founding treaties and subsequent protocols
- ✓ Lack of rigorous monitoring and evaluation mechanisms to track and effectively report harmonisation initiatives and domestication of regional instruments by Member States
- ✓ Strong lobbying by powerful multinational corporate entities that benefit from fragmented regional regulatory approaches
- ✓ Insufficient publicity around benefits of harmonisation and success stories thereof.



Thank You!