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# Cashless Trends, Opportunities, and Challenges in the Postal Sector

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# Presentation Highlights

- The Nigerian Postal Sector
- The Role of ICT in postal Service
- The Cashless/Cash-lite policy of CBN
- Opportunities and challenges for the postal sector
- Opportunities for the ICT professionals
- Final word.

# The Nigerian Postal Sector

- The Nigerian Postal Act 2004
  - Public Postal Operator (Nipost)
    - Provides universal postal service.
  - Private Postal Operator
    - Courier companies
      - Domestic service
      - International service
- Postal Operations
  - Service
  - Network
  - Funding and cash controls

# The Nigerian Postal Sector

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- Trends in postal services
  - The advent of fax, e-mail, Text, internet
  - Improvement of the payments system
    - Cashless/'cashlite'
  - e-commerce

# The Role of ICT in postal Service

- Shipment sorting automation
- Computer networking
- Trace and tracking Technology
- Shipment/fund accounting
- Customer account reconciliation
- Internet Service
- Customer relationship management
- Online payment

# The Cashless/Cash-lite policy of CBN

- Objectives
  - Cost Reduction
    - Minting
    - Cash Handling
  - Enhance Electronic payment system
  - Reduce associated risks with cash handling
  - Reduce transaction time and settlement cycle
  - Reduce corruption

# The Cashless/Cashlite policy of CBN

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- Implementation
  - Mobile payment service providers were licensed (e.g e-tranzact, Pagatech, Fortis mobile, Paycom, Interswitch etc)
  - Nigeria Uniform Bank Account Number (NUBAN) implemented
  - Banks Provide POS, ATM, e-payment platforms
  - CBN impose cash banking limits



# Cashless policy opportunities for the postal sector

- e-commerce Facilitation
- Enhances speed of transactions
- Faster collection and collation of sales proceeds
- Faster and safer operational reimbursement
- Reduction in risks associated with cash handling
- Convenience for the customer

# Challenges posed by the policy

- Deployment hiccups
  - Difficulty in procuring POS machines and e-payment platforms
  - Internet/network link failures
  - Power and equipment failures
- New set of 'bank charges'
- Difficulty in synchronizing e-payment platform from the banks and merchants ledgers
- Difficulties in identifying e-payment credits from customers (customer account reconciliation issues)
- Possible Fraud avenues?
- Customers apathy for use of electronic payments

# Opportunities for the ICT professionals

- Building security systems around the electronic payment systems
- Building reliable network links for postal operation
- Building point of sale software to aid e-commerce.
- Installation and maintenance.
- Communication and Manpower development

# Final word

ICT and 'cashless policy' will  
enhanced the value creation process  
of the postal industry

Thank You.