

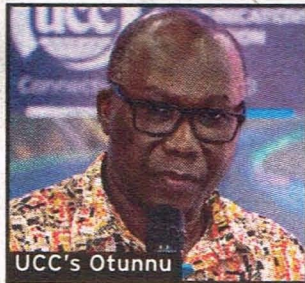
60% of Uganda's postal and courier players operating illegally

By Simon Okitela

The Uganda Communications Commission (UCC) is concerned about the unlicensed courier operators in the country, with the sub-sector facing pressures as 60% of the service providers are illegally in existence.

The sentiments were raised during the Annual Postal and Courier Engagement, held under the theme, *Harmonising the Supply Chain Ecosystem for Resilient Logistics*; which focused on collaboration, emerging challenges, and the future of postal and courier services in Uganda.

Fred Otunnu, the director of Corporate Affairs at UCC, said: "Uganda's courier industry is facing mounting challenges as unlicensed operators now account for 60% of the market according to data from Posta



UCC's Otunnu

Uganda. According to Otunnu, the growth in informal delivery services is raising concerns and we need to intervene as the regulator to realign the sector

Since the 1990s, Uganda's courier sector has expanded from a single player, Uganda Posts and Telecommunications Corporation, to more than 50 regulated companies.

Despite this growth, of the 56 companies, 3 domestic and 23 international are licensed, representing just 40% of



The proliferation of unlicensed courier operators risks consumer protection and elicits unfair competition.

market activity, according to the Courier Industry Association of Uganda (CIUA).

DIGITAL INFLUENCE

The sector's expansion has been supported by growing digital connectivity. Uganda currently has about 16.7 million mobile phone users, 18.5m active 30-day internet users and approximately 36.3 million active 90-day mobile money users. All these factors to fuel demand for delivery services.

Otunnu urged the courier

sector to embrace digital technology for improved speed, accountability, and resilience, noting that modern logistics goes beyond transportation to include digital integration, transparency, and cost efficiency.

He also highlighted the sector's role in supporting e-commerce, small businesses, and cross-border trade, stressing the need for stronger collaboration between regulators, government agencies, and industry players.

CHALLENGES

Patrick Omulo, chairman of CIUA and head of business at SGA Courier Uganda, said the rise of unregulated operators is threatening public trust and industry sustainability.

"The courier industry relies on speed and trust. When packages are delayed or lost, and there is no formal way to resolve the problem; the public loses confidence in legitimate companies," Omulo said.

Bodaboda and commuter taxi delivery services have further intensified competition as they are readily available via phone call, text, or at taxi parks, making them convenient for sending parcels.

Electric bikes and e-mobility apps are some innovations for increased efficiency in courier service deliveries.

CIUA is calling for a stronger collaboration between

regulators and industry players, as well as improved policies that reflect modern delivery trends alongside incentives that would encourage more operators to register formally.