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Keynote Address by the Premier and Minister of Finance Honourable Dr. Natalio D. Wheatley At the Caribbean Postal Union and Universal Postal Union Workshop 2025

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At the

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“Adapting to the Future: Enhancing Operational Efficiency and Innovation through Leadership in Postal Services”

Ladies and gentlemen, esteemed colleagues, and distinguished guests,

It is with profound pleasure and a deep sense of responsibility that I stand before you today at the “Adapting to the Future: Enhancing Operational Efficiency and Innovation through Leadership in Postal Services” Forum, here in the heart of the beautiful British Virgin Islands. I extend my warmest welcome to each of you,

especially our esteemed representatives from the UPU International Bureau and the Caribbean Postal Union. Your presence underscores the importance of this gathering and the shared commitment we have to shaping the future of postal services. I understand that you will be visiting one of the wonders of the world, "The Baths," a marvel of natural beauty and rock formations, and a tell-tale of the many treasures these Virgin Islands have to offer.

As we gather here from the far corners of the Caribbean and beyond, we unite under a common vision: to transform and enhance our postal services amidst the dynamic challenges and opportunities that define our world today. The theme of this forum resonates profoundly, as we explore ways to forge forward with innovation and operational efficiency.

Postal Services have always been, and will continue to be, a cornerstone in the operation of any society. Despite this undeniable importance, the viability of postal services in the last few decades has been threatened by emerging trends in the digital technology space.

Before we delve into Global E-Commerce Growth and Trends, allow me the opportunity to acknowledge and honor the rich, though often overlooked, history of postal services in the British Virgin Islands, and its direct and indirect impacts on facilitating ecommerce activities.

A Glimpse into the Past: The Lost History of BVI Postal Services

The story of postal services in the BVI is a testament to the resilience and adaptation of our community. Long before the advent of digital communication, the postal service was the lifeblood of our islands, connecting us to the wider world and facilitating the exchange of information, commerce, and personal correspondence.

The first Post Office was opened in Tortola in 1787. At the time, postage stamps had not yet been invented, and it wasn't until 1858 that a small supply of adhesive stamps issued by Great Britain, depicting Queen Victoria, were utilized by the local Post Office.

In the early days, mail arrived by sea, carried by sailing vessels that braved the unpredictable Caribbean waters. These early postal routes were inconsistent and depended heavily on the prevailing wind and tides. The establishment of formal postal routes and offices marked a significant milestone, bringing a sense of order and reliability to communication. However, much of this early history remains fragmented at best, and it underscores the importance of preserving our heritage and understanding the foundations upon which our present-day postal services are built.

The evolution of our postal service mirrors the broader development of the BVI. From the era of sail to the introduction of steamships, and later, airmail, each technological advancement brought new possibilities, met with their own challenges. The transition from handwritten ledgers to telephone, to telegraphs to facsimile, and later electronic mail and instant messaging, has served to erode away the need for traditional postal mailing systems, reflecting the global shift towards digitization.

Though, parcel shipping and delivery have remained a staple in our economy, even with its own threats to a thriving economy, including environmental concerns, border security and the proliferation of illegal substances and other goods. The landscape has become populated with private courier companies that offer logistics and shipping services, which offer more flexibility and competitive pricing. In the last 5 years, courier shipping in the Virgin Islands accounted for approximately 29.74 million dollars or 1.5 percent of Government revenue of approximately 1.87 billion dollars over the last 5 years. This compares to revenue contributions from postal services of just 9.87 million dollars or 0.5 percent of total revenue for the same period.

Undoubtedly, the proliferation of private courier services over the past two decades has proven to overshadow the benefits of parcel shipping services offered by our local post office. But agreeably, this has had a positive impact on the economy, as a nation, we value and understand that the heartbeat of our economy is entrepreneurship and thriving micro, small and medium-sized businesses.

In the British Virgin Islands, postal services hold a unique and pivotal role within the financial services sector, extending beyond mere mail delivery. Historically, BVI Post has been crucial for secure and verifiable transactions, with postal stamps serving as authentication for legal and financial documents, including notarization, company registrations and certificates of incumbency. This practice underscores the post office's trusted position within the BVI's financial infrastructure, ensuring transaction integrity and upholding the jurisdiction's reputation for secure business dealings. This synergy between postal services and the financial sector is a testament to the BVI's commitment to a secure and transparent business environment, supporting the growth and stability of one of its primary economic pillars.

Understanding this historical context is not merely an exercise in nostalgia in each of our countries; it is a vital tool for navigating the present and planning for the future. By recognizing the challenges faced by our predecessors and the ingenuity they displayed in overcoming them, we can draw inspiration and learn valuable lessons that will guide our efforts to modernize and enhance our postal services.

Adapting to the Digital Age: Navigating the E-Commerce Revolution

In this digital age, where e-commerce is not just a trend but a way of life, our postal services play an important role in connecting communities and supporting economies. The rapid acceleration of online shopping has fundamentally altered consumer expectations, and we, as leaders in the postal sector, must adapt our operations accordingly.

The COVID-19 pandemic acted as a powerful catalyst for accelerating the growth of e-commerce globally, and certainly here in the British Virgin Islands. Lockdowns, social distancing measures, and the closure of physical retail spaces, forced consumers to turn to online platforms for their essential and non-essential needs. This sudden shift in consumer behavior created an unprecedented surge in online shopping, with businesses of all sizes scrambling to adapt. We saw a rapid expansion of online marketplaces, a boom in delivery services, and a significant increase in the adoption of digital payment solutions. For many businesses, e-commerce became a lifeline, allowing them to continue operating and reaching

customers even when physical stores were inaccessible. This period highlighted the resilience and adaptability of the digital economy, and fundamentally reshaped the way we shop, likely permanently. The BVI, like the rest of the world, saw a rapid adoption of online services, and this digital transformation, while born out of necessity, has paved the way for future economic growth and diversification.

According to “eCommerce Statistics In 2025” published by Sellers Commerce, 2025 global e-commerce sales are projected to increase by 8.37% over 2024 figures to $6.68 trillion, and $8 trillion by 2027. This is twice the growth rate for physical stores, signaling that e-commerce is becoming a more profitable choice for companies worldwide. The same source reports that some 2.77 billion persons, or 33% of the world’s population, currently shop online. This is expected to increase to 2.86 billion persons in 2026, reflecting the boom in e-commerce due to the increased internet penetration and convenience. It is mind blowing when you consider that there are presently 28 million e-commerce sites worldwide, which is a 2.9% increase over last year. Roughly 2,162 e-commerce websites were started each day between 2024 and 2025. So, there can be no doubt as to where the e-commerce industry is headed, and why it is important for postal and logistics operators to identify the spaces where there are opportunities to operate successfully in this niche.

Of course, in any dynamic landscape, there are new trends that drive the performance of the market, and direct the strategies of the leaders in the market. Consumer behaviour is one such force. So, while China and the USA lead in online retail shopping, Sellers Commerce reports that there are roughly 52% of online shoppers look for products internationally. Some 34% of shoppers make at least one online purchase per week, and 82% do so every month. About 50% of online shoppers are motivated by free delivery, 33% by an easy return policy, 27% by loyalty points, 19% by eco-friendly credentials, and 30.4% want next day delivery.

The trends show a thirst among consumers for more convenience; more effortless ways to shop. And the technology escalator is responding, constantly adding new innovations to delight customers. More and more e-commerce merchants are packing in technology into their shopping sites, especially with the advent of Artificial Intelligence (AI) and Large Language Model (LLM) tools such as ChatGPT,

Gemini, Notebook LM, and DeepSeek, to name a few.

One of the fastest growing trends is the commercial adaptation of generative or conversational AI search tools. One of the more appealing features of this technology is the ability to search through vocal conversations. For many of us that are suckers for convenience, this means no need for slow typing. These “conversations” with the AI Bot can help the consumer to narrow down options and quickly compare products and deals. This is worth our attention because studies have shown that over 67% of consumers preferred personalized interactions while shopping, and 71% wanted customized recommendations while traveling or dining out.

These statistics and trends are staggering, but they help us to understand the paradigm shift in thinking that is needed to ensure postal services keep pace with a population that is gravitating more and more to advancement in e-commerce. During our time together this week, we will explore the essentials of operational management for e-commerce, sharing insights and best practices that empower us to meet and exceed the needs of our customers. Global e-commerce growth and trends will be highlighted, providing us with a deeper understanding of the evolving marketplace and the significant opportunities it presents. Our panel discussions on best practices in e-commerce operations and efficiency methods will showcase successful operational strategies, offering us invaluable knowledge and key takeaways on how to plan for future opportunities and advancement in postal services.

The BVI, like many small island developing states, faces unique challenges in adapting to the e-commerce boom. Our geographical location, limited infrastructure and resources, and the need to balance economic development with environmental sustainability, require innovative solutions. We must leverage technology to streamline logistics, improve delivery times, and enhance customer experience, all while ensuring that our operations are sustainable, secure, and resilient.

Importance of Banking Sector in E-Commerce Activities

The pivotal role of banks, financial institutions, and financial instruments in facilitating e-commerce delivery is undeniable. In our increasingly digital economy, the smooth transition from online purchase to doorstep delivery relies heavily on a robust and efficient financial ecosystem. Banks and financial institutions provide the secure platforms for online transactions, offering essential services like merchant accounts and payment gateways. These services instill confidence in both buyers and sellers by ensuring reliable payment verification, without which the foundational act of online commerce would be impossible.

Furthermore, financial instruments are critical for streamlining the logistics of e-commerce delivery. They enable efficient and accessible transactions, reducing dependence on cash, particularly in areas with limited physical banking infrastructure. Trade finance instruments, such as letters of credit and supply chain financing, are indispensable for international e-commerce. These tools manage the complexities and risks associated with cross-border transactions, guaranteeing the efficient shipment and delivery of goods. This support ensures that businesses can navigate the global marketplace with greater ease and security.

Finally, the advent of FinTech is revolutionizing e-commerce delivery. Innovative technologies, including real-time tracking and payment systems powered by blockchain and AI, are enhancing transparency and efficiency in logistics. Tailored insurance products, such as cargo and delivery insurance, mitigate shipping risks, protecting both businesses and consumers.

In essence, these financial entities and instruments are not mere supporting players; they are essential enablers, providing the security, efficiency, and innovation necessary for goods to reach their destinations swiftly and securely. As e-commerce continues to evolve, the financial sector must remain adaptable, embracing new technologies and developing customized solutions to meet the dynamic demands of this expanding market.

Modernizing Postal Offerings: Embracing Innovation and Technology

Modernizing our postal offerings is not merely a necessity; it is a mandate. By embracing innovation, we can diversify and enhance our postal services,

streamline logistics, and ultimately deliver an unparalleled experience for customers. This forum provides an invaluable platform for collaboration, where we can exchange ideas, learn from one another, and work together towards solidifying a resilient and forward-thinking postal network across the Caribbean.

To address the regional challenges we face, such as shipping and logistics, participants will engage in collaborative discussions aimed at developing practical solutions tailored to our unique operational landscapes. Additionally, we will explore how data-driven decision-making can be leveraged to optimize supply chain efficiency, enhance transportation processes, and streamline mail delivery. By using analytics, we can make informed strategic choices that improve performance and ensure long-term sustainability.

Digitization is the cornerstone of modern postal services, and we must seize the opportunities it presents. Our discussions on modernizing postal offerings and emerging trends will explore UPU digital services, IT solutions, automation, AI advancements, and blockchain opportunities, all of which hold the potential to revolutionize our industry. Furthermore, we will examine how postal operators across the region have utilized digitization to enhance customer satisfaction, ensuring that our services remain relevant and impactful in the digital age.

We cannot discuss a growth in e-commerce activities without equally emphasizing the importance of reliable internet, which is vital for enabling seamless transactions, customer interaction, and operational efficiency. Without stable connectivity, businesses face downtime, payment delays, and communication breakdowns, which ultimately erodes customer confidence and sales. A steady and speedy connection supports near real-time transactions and responsive customer service, and it is a necessity to meet customer and client demands. Internet reliability can be tied directly to advances and innovation in e-commerce and overall economic growth.

In the BVI, and I believe your represented countries share the same sentiments; we are committed to leveraging technology to improve our postal services. This includes exploring the use of digital platforms for tracking and managing mail, implementing automated sorting systems to enhance efficiency, and utilizing data

analytics to optimize delivery routes. We are also exploring partnerships with e-commerce platforms to provide seamless delivery solutions for our customers.

Leadership in a Changing Landscape: Navigating the Future

I believe that the outcome of this conference is a call to leadership. We understand that leadership in this rapidly changing landscape is both an opportunity and a challenge. It requires us to be agile, visionary, and, above all, committed to our mission. Over the next few days, we will engage with industry experts and leaders who will guide us in developing effective strategies tailored for our unique regional context. Their insights will help us navigate the complexities of modernization and operational efficiency, ensuring that our postal services are not just relevant today, but are equipped for the future.

As leaders, we recognize the importance of investing in our workforce, providing them with the knowledge, training and resources they need to adapt to the changing demands. This investment must extend to the postal sector in order for us to provide our people with the best opportunities to keep pace with growing trends in the e-commerce space. We must also commit to fostering a culture of innovation and collaboration, encouraging our postal services employees to embrace new ideas, technologies, and ways of doing business with our customers.

A Call to Action: Collaborating for a Brighter Future

As Caribbean nations, we understand the importance of collaborating on the issues and opportunities that affect our economies and social fabric of our communities. We have enjoyed a rich heritage of coming together to maximize our contributions to the global economy through organisations such as Caribbean Common Market (CARICOM), the Organisation of Eastern Caribbean States (OECS), Caribbean Export Development Agency (CEDA), the United Nations, the Universal Postal Union, and the Caribbean Postal Union, to name a few. We must continue to network, share our experiences, and unite our efforts toward a shared goal of advancing postal services in the Caribbean, and keep pace with the rapidly evolving trend of e-commerce. Together, we can elevate our operations and set a new standard of excellence in the industry, while providing our postal professionals with the best

opportunities to seamlessly integrate and maximize e-commerce with postal services.

As we embark on this exciting journey of learning and innovation, let us remember that our collective strength lies in our collaboration, our willingness to adapt, and our unyielding commitment to service. We must be willing to have the difficult conversations to challenge the status quo. Let us honor the legacy of our predecessors by building a postal service that is efficient, innovative, and responsive to the needs of our communities.

The future of postal services in the BVI and the wider Caribbean is bright. We will embrace innovation, leverage technology, and foster a spirit of partnership. We will ensure that our postal services remain a vital part of our social and economic fabric for generations to come.

I look forward to our healthy and candid discussions, and the fruitful outcomes that will arise from this forum. May God bless our beautiful Caribbean Islands and this organization.