East African
Communications
Organisation

Communication for all in East Africa

REPORT OF

THE MEETING OF THE WORKING GROUP 3 ON ICTs SERVICE TRANSACTIONS AND E-APPLICATIONS, HELD FROM 24TH - 28TH NOVEMBER 2014 AT THE EAST AFRICAN COMMUNICATIONS ORGANISATION (EACO) HEAD OFFICE IN KIGALI-RWANDA

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1. AGENDA:

The Agenda for the meeting was adopted as follows:

1. **Opening of the meeting**
2. **Introduction of members**
3. **Adoption of the Agenda**
4. **Recap of the Last Meeting**
5. **Review of contributions on the policy and strategies**
6. **Way Forward**
7. **Closure of the meeting**

2. OPENING OF THE MEETING:

The Chairman of the Working Group 3 Mr. Vincent Ngundi opened the meeting by welcoming Members and thanking them for having taken time to attend the meeting.

3. INTRODUCTION OF MEMBERS

Members introduced themselves as per the attendance list in ANNEX I. In total eleven (9) Members attended the meeting of which six(6) were from National Regulatory Authorities within the Region, two (2) Members from the operators and one (1) representative of the EACO Secretariat.

4. ADOPTION OF THE AGENDA

The proposed agenda was adopted as presented.

5. RECAP OF THE LAST MEETING

The group reviewed the report of the last meeting to update members on the ToRs, activities and deliverable of assigned tasks and informed the new members about the work of WG3 and developments reached so far.

6. REVIEW OF CONTRIBUTIONS ON THE POLICY AND STRATEGIES

Members agreed to reorganize the three (3) key thematic areas of

- ICTs Service Transactions Policy and Regulatory frameworks
- Strategies on ICT Service Transactions and Applications and

- Coordination of contributions on ICTs Service transactions and e-Applications.

Into two (2) thematic areas which are

1. Policy and regulatory framework for e-transaction
2. One Strategic document combining
   a. development and provision of ICT enabled services
   b. Promoting research and development and the provision of innovative ICT services and applications.
   c. Stimulating demand and uptake of ICT enabled services and applications.

Further the Working group developed the following draft documents, which are annexed:

i. ANNEX II: A draft model EAC e-transactions policy and regulatory framework
ii. ANNEX III: A draft strategy for the following:
   a. Development and provision of ICT enabled services
   b. Promoting research and development and the provision of innovative ICT services and applications.
   c. Stimulating demand and uptake of ICT enabled services and applications

In addition, the WG responded to a liaison statement from the WG1 by forwarding the draft model EAC e-transaction policy. The liaison statement forwarding the draft model policy to WG1 is annexed (ANNEX IV).

7. WAY FORWARD

The WG agreed as follows:

i. To continue providing inputs to the Rapporteurs, especially on the up-to-date status of e-transactions in the various member countries, by 31th March 2015
ii. Recommended TCRA to host the 4th meeting of the WG tentatively from 4th – 6th May 2015 in order to:
   a. Finalize on the draft policy and regulatory framework and strategy;
   b. Prepare the final report of the activities of the WG for the two-year mandates;
   c. Prepare a summary presentation for the 21st EACO Congress.
iii. Members to follow up on the activities of Telecom Finances specifically the ITU Focus Group on Digital Financial Services(FGDFS)

8. CLOSURE OF THE MEETING

The Chairperson thanked all members and the Rapporteurs for the work well done and encouraged all members to review the draft document as agreed.

The Chairperson thanked the EACO secretariat for their hospitality and facilitation during the meeting and throughout their stay in Rwanda.

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Vincent Ngundi

Chairman

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Victoria Rutakara - TCRA   **Jotham Shumbusho – RBA**

1st Rapporteur   **2nd Rapporteur**

Date
28thNovember 2014

9. ANNEX I: ATTENDANCE:

No	Names	Position & Institution	Country	Phone No	E-mail
1	Vincent Ngundi	Chairman	Kenya	+254722657670	ngundi@cck.go.ke
2	Mwendwa Maundu	Principal Officer-Competition and Public Policy- Safaricom	Kenya	+254722977893	mmaundu@safaricom.co.ke
3	Jotham Shumbusho	IT Services-RBA	Rwanda	+250783613412	jshumbusho@rba.co.rw
4	Clement Kichao	Principal Finance Analyst-TCRA	Tanzania	+250784286030	ckichao@tcra.go.tz
5	Atupenda Mugisha	Computing & Internet applications/ RURA	Rwanda	+250788584248	atupenda.mugisha@rura.rw
6	Victoria Philemon Rutakara	Principal Telecommunication Engineer-TCRA	Tanzania	+255787342760	victoria.rutakara@tcra.go.tz
7	Thadayo Ringo	PCAO-TCRA	Tanzania	+25577222666	tringo@tcra.go.tz
8	William LUTAKOME	Service Development Officer – UCC	Uganda	+256712323255	Wlutakome@ucc.co.ug
9	Mr. Godliving Kessy	Liaison Manager-EACO	Rwanda	+250786874466	gkessy@eaco.int

Absent with Apology

Ms.Irene Kaggwa Sewankambo - UCC -Vice chair Working Group 3

10.ANNEX II: POLICY AND REGULATORY FRAMEWORK FOR E-TRANSACTION:

ELECTRONIC TRANSACTIONS:

EAC MODEL POLICY

1. Introduction

1.1. Background

In East Africa, Electronic Commerce (e-commerce) has the potential to accelerate business development through increased efficiency and reduced costs in business operations. It provides new business opportunities by facilitating access to foreign markets. It also allows businesses to participate in new activities, such as data and records processing, customer service and call centres, and software application development. In fact, numerous governments have announced that fostering e-commerce is a major public Policy objective to achieve economic growth. Governments themselves are often in the forefront of the e-commerce revolution in developing countries by launching their own Electronic Government ("e-government") services to better communicate with and serve citizens, while reducing transaction costs.

The East African Communications Organization ("EACO") recognizes the role and centrality of e-commerce in today's present information economy, key being the scope of transactions that are conducted electronically. To this end, EACO intends to promote the increased use and uptake of e-commerce through the subsequent uptake of Electronic Transactions (e-transactions) in the East African Community ("EAC") as the catalyst for economic growth and thrival for all member states that comprise the EAC.

For e-transactions to flourish there must be a clear, precise and predictable legal environment that will drive confidence by customers, businesses and government institutions. Businesses must be able to make and enforce electronic contracts and have the confidence to invest in new technologies and take advantage of new opportunities. Consumers must be provided with at a minimum, the same protection that they have when conducting businesses face-to-face and using paper documents. The approach taken to provide legal certainty therefore must be compatible with internationally accepted best practices so that businesses and consumers can freely operate across international borders.

This Policy therefore seeks to set out the key considerations towards the development of an all enabling e-transactions framework. Through this the framework will seek to facilitate the development, growth and support for e-transactions in the EAC taking into consideration that governments have the responsibility of providing an environment that allows for certainty and mitigates the risks of transacting electronically both locally and internationally.

1.2. Definitions

Communications – means telecommunications, electronic data exchange using either physical or radio channels;

Electronic Documents – means the documents that exist only in electronic form such as data stored on a computer, network, backup, archive or other electronic storage media.

Electronic Commerce (e-commerce) - Is a business model or segment of a larger business model, which enables a firm or individual to conduct business over an electronic network and operating in all four of the major market segments: Business- to- business; Business- to - consumer; Consumer-to -consumer; and Consumer–to-business.

Electronic Government [1] **:** refers to the use by government agencies of information technologies (such as Wide Area Networks, the Internet, and mobile computing) that have the ability to transform relations with citizens, businesses and other arms of government.

Electronic Transaction (e-transaction): is the provision of goods or services, whether between businesses, households, individuals, governments, and other public or private organizations, conducted over electronic networks. The payment and the ultimate delivery of the good or service may be conducted on or off-line.

Public Information – means information about a Government or a Citizen.

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[1] http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTINFORMATIONANDCOMMUNICATIONANDTECHNOLOGIES/EXTEGOV ERNMENT/0,,contentMDK:20507153~menuPK:702592~pagePK:148956~piPK:216618~theSitePK:702586,00.html. These technologies can serve a variety of different ends: better delivery of government services to citizens, improved interactions with business and industry, citizen empowerment through access to information, or more efficient government management. The resulting benefits can be less corruption, increased transparency, greater convenience, revenue growth, and/or cost reductions.

2. **E-transactions in the EAC**

2.1. **Forms of E- Transactions adopted by member states.[2]**

EAC member states have adopted various forms of e-transactions in their e-commerce operating environment. This mainly includes but not limited to the following areas:

    i.   Electronic banking;

    ii.   Electronic payments;

    iii.   Electronic government;

    iv.   Electronic tax payments;

    v.   Electronic education;

    vi.   Electronic health

    vii.   Online ordering;

    viii.   Mobile money transfer services;

    ix.   Mobile banking;

    x.   Mobile education;

    xi.   Mobile health;

    xii.   Mobile government

2.2. **Status of e-transaction Policy and Regulations.[3]**

The EAC member states have taken various initiatives to address Policy and Regulatory issues on e-transactions. However, the developments of these Policy and Regulatory frameworks are at varying stages of development. Some of the key e-transaction issues that have been considered include but are not limited to the following:

    i.   Electronic Contracting;

    ii.   Validity of Electronic Documents;

    iii.   Electronic Signatures and Certification;

    iv.   Country Code Domain Name Administration;

    v.   National Payments Systems;

    vi.   Standards of Electronic Documentation.

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[2] Please refer to Annex 1 for further information
[3] Please refer to Annex 2 for further information

EACO recognizes that the development of e-transactions in the region will also necessitate the harmonization of the various Policies, Legal and Regulatory frameworks in the EAC on e-transactions, data protection, consumer issues and cyber security. In this regard, EACO will need to collaborate with other relevant organs of the EAC for the development of the Policy, Legal and Regulatory frameworks on these issues.

3. Policy Objectives

EACO's key objectives are to promote the harmonization of Policy and Regulatory frameworks in the EAC region; promote the development of broadcasting, postal and telecommunications/ICT services and regulatory matters; devise ways and means to achieve fast, reliable, secure, affordable and efficient communication services within the EAC.

In line with EACO's objectives and to address the emergence of E-transactions in the EAC, this Policy seeks to:

a) Propose a harmonized regional Policy for e-transactions in the EAC within internationally accepted principles;

b) Propose a framework that will enable the growth and development of e-transactions in the EAC;

c) Remove barriers and encourage uptake and use of e-transactions to ease doing business in the EAC;

d) Propose measures to ensure safety and confidence of the consumers of e-transactions;

e) Encourage investment and economic participation through e-transactions.

4. Principles of an E-Transactions policy [4]

4.1. Interpretations and Terms

The EAC member states agree to adopt the basic interpretations of e-transaction related terminologies. This will include establishing the identities of legitimate parties involved in an e-transaction, defining intermediaries, records, data messages, certificates and e-signatures.

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[4] Annex 4 of this policy prescribes the specific scope of the various policy principles

4.2. Legal Recognition of Electronic Documents

The EAC member states shall provide a framework for the legal recognition of electronic documents particularly within the context of facilitating e-transactions in the EAC. This will also include the scope of exemptions to this rule consistent with already established legal norms applying to wills, trusts, land transactions and powers of attorney.

The EAC member states shall develop technical standards that define the scope of data encryption, authentication, back up, recovery and disposal of data. The framework will also provide for the validity, admissibility as well as evidentiary weight to be granted to electronic documents:

4.3. Formation of Contracts

The EAC Members States shall develop a framework to be applied in the formation of contracts entered into through e-transactions. Such considerations will prescribe such matters as the origination of an electronic document, the receipt, time of delivery and rules on attestation.

4.4. Frameworks for Electronic Signatures and Administration

The EAC Member States shall establish the frameworks for use of electronic signatures as well as proper administration for providers of such services in the respective jurisdiction.

4.5. Consumer Protection

The EAC Member States shall provide the minimum requirements for the scope of consumer protection measures that shall be taken by persons who provide e-transactions services. The requirements will include the notification of such relevant information to consumers regarding the goods or services, obligations of vendors and rules on unsolicited communications:

4.6. Intermediaries

The EAC Member States shall establish the framework of roles of intermediaries within the scope of an e-transaction. To this extent, there shall be developed rules on the formal recognition of intermediaries, roles as well as their exemption from liability in certain instances.

4.7. E-government

The EAC member states agree to establish and facilitate online access of government services, information and facilities to its citizens.

4.8. Domain Names

The EAC member states shall encourage the use of local Country Code Top Level Domain (CCTLD) while conducting e-transactions where applicable. To this end, member states will develop rules on the administration and use of their ccTLD, including the development of relevant legal instruments.

4.9. Localization of Public Information

The EAC member states will encourage and prescribe the measures to incentivize the hosting and management of EAC public information within the member states as well as the establishment of data centres. This shall include localizing Internet traffic.

4.10. Data Protection –

The EAC member states will develop a data protection framework to prescribe rules and principles of data retention, security, access, management and sharing of information under specific circumstances.

4.11. Interoperability

The EAC member states will encourage the use of systems that are interoperable to facilitate e-transactions.

4.12. Public Awareness

The EAC member states will promote and boost public confidence in e-transactions and address the digital divide through public education campaigns on the important transformational value of e-transactions on economic and social development. This shall include initiatives to stimulate the demand and uptake of ICT enabled services and applications.

4.13. Innovation, Research and Development

The EAC member states shall put in place measures to encourage and promote innovation, research and development in the area of e-transactions.

4.14. Regional Co-operation

The EAC member states shall co-operate in the development of a Legal framework to support and enhance development of e-transactions in the EAC. Such areas of cooperation will be aimed at meeting the needs of persons with special needs, enhancing capacity building in e-transactions, compliance and enforcement.

5. Policy implementation

The adoption of this Policy shall be coordinated by the EAC. Upon adoption member states shall oversee the implementation.

Annex II. 1 – Status of e- transaction development in EAC member states.

EAC member states have adopted different forms of E-transactions. The status in each country with regards to forms of E-transaction is as below:

i. Burundi has adopted various limited E-transactions comprised mainly of electronic payments and electronic banking.

ii. Kenya has adopted numerous forms of E-transactions which include online ordering, payment, banking and delivery of electronic based services in Government and Private sectors. E.g. Huduma comprising of Passport, National ID, birth registration, driving licence, application for marriage certificates, police abstracts etc.

iii. Rwanda has adopted various forms of E-transactions in the payments and banking field.

iv. Tanzania has adopted some forms of E-transactions as well with private sectors leading in providing E-transactions services ranging from ordering, payment and delivery. The Government of Tanzania is also providing various e-government services such as renewal of road license fee, driving license and Tax payments.

v. Uganda has also adopted various forms of E-transactions with some electronic ordering and delivery but mainly electronic payments and banking largely by private sectors.

Annex II. 2 - Status of development of e-transaction policy in EAC member states:

All countries have taken different initiatives to address policy and regulatory issues in terms of National payment laws, e-commerce laws and regulations relating to electronic transactions. However, the policy is at different stages in their development.

The progress made by various countries towards development of the various E-transactions policy is as follows:

i.   **Burundi** – The Central Bank has developed draft regulations on E-transactions. The regulations are currently being considered by the government for adoption.

ii. **Kenya** - The National ICT Sector Policy of 2006 contemplates E-transactions in the Kenyan market. The Kenya Information and Communications Act CAP 411 of 1998 (KICA) also makes various provisions for E-transactions. The Kenya Information and Communications (Electronic Certification and Domain Name Administration) Regulations 2010 provide a regulatory framework for E- transactions in Kenya. The Communications Authority of Kenya (CAK) has also developed a licensing framework for Electronic Certification Service Providers (E-CSP). Kenya has also put in place a National Public Key Infrastructure (NPKI) and National Cybersecurity Master Plan (NCMP). With regards to payments, the National Payments System Act has been enacted but yet to be operationalized by Government.

iii. **Rwanda** – Law Nº 18/2010 of 12/05/2010 relating to Electronic Messages, Electronic Signatures and Electronic Transactions has been enacted. Regulation N°07/2010 of 27/12/2010 of the National Bank of Rwanda on Electronic Fund Transfers and Electronic Money Transactions has been enacted. Rwanda also has a raft of regulation governing certification authorities and is currently developing an interoperability Policy for Payment systems.

iv. **Tanzania** – E-transactions are provided for in the National ICT Policy 2003. Further, E-transaction regulations are currently at the final stage of Government approval given those E-transactions processes has been adopted by many firms. Tanzania's National Payment Systems Act has also been revised to take into consideration developments in payment systems including E-transaction which is currently receiving Government approval.   Further E-transactions are also

contemplated in the Bank of Tanzania Act 2006, Agent Banking Guidelines of 2013 as well as in the Mobile Payment Regulations. Tanzania is also undertaking other initiatives to provide for E- transactions in the Electronic Transaction and Communications Bill 2013 as well as the Mobile Money Regulations but not yet officially being introduced.

v.   **Uganda** – Uganda has developed the Electronic Signatures Act, 2011, the Electronic Transactions Act, 2011, the Computer Misuse Act, 2011, the Electronic Signatures Regulations (Statutory Instrument no. 43 of 2013), the Electronic Transactions Regulations (Statutory Instrument no. 42 of 2013), the Bank Of Uganda Mobile Money Guidelines, 2013 and also the National Payments Systems legislation. Uganda is also currently developing Infrastructure side regulations to facilitate mobile money operations.

Annex II. 3 - Principles

4.1 Interpretation of Terms	The principles may cover the following
	1. The identity of legitimate parties involved in a transaction conducted via electronic means, including the originator and addressee of a communication.
	2. The persons who will be deemed as "intermediaries" in the facilitation of an electronically mediated transaction.
	3. The distinction between "intermediaries" and "telecommunication service providers" to consider the contexts where the terminologies denote either a sole entity or distinct entities.
	4. The obligations of all legitimate parties involved in an e-transaction, including the internet service provider and/or intermediary, the originator and/or beneficiary of the e-transaction and the e-transaction provider.
	5. The definitions related to the terms "record" and/ or "data message" so as to ensure a distinction between the two terms.
	6. "electronic signature" as a technology neutral term and distinct from an "advanced electronic signature" or "digital signature," which shall also be technology neutral as well as the distinction between an electronic signature as a tool of data authentication as opposed to identity identification
	7. The definition of the term "certificate" or "qualified certificate" and the relevance of such a certificate in the context of signatory and advanced electronic signatures in the information society. This will also cover the definition of "certificate service provider", its role and functions as opposed to that of the "certifying authority".

4.2 Legal recognition of electronic documents	1. EAC shall be bound by the legal mandate establishing the E-transactions framework. 2. EAC shall allow a wide scope as possible to the E-transactions legal framework. 3. The transactions or documents which may be exempted will be clearly set out in the legal framework characterized by a particular value due to their existence. These documents shall include but not limited to: 4. Instruments of inheritance, including wills and trusts. 5. Contracts for the sale or conveyance of real property. 6. Instruments affecting the grant of power of attorney. 7. Subject to meeting specific law requirements as set by the relevant public authorities within a Jurisdiction there will be standards established for transactions to fulfil appropriate technical standards in encryption, authentication, back up, recovery and disposal of date. 8. Electronic documents will not be denied validity per se solely because the documents are electronic in nature. 9. Information shall not be denied legal effect solely because that information is referred to but not contained in an electronic document. 10. An electronic document will be deemed to be legally valid if it is materially unchanged, and can be retained and stored by the receiving party. 11. An electronic document shall meet all statutory requirements or rule of law for information being presented in writing. 12. An electronic document will be considered admissible with the appropriate evidential weight. 13. An electronic document shall meet any obligation of statute or general rule of law requiring the presentation of information in its original form if the information was originally collected by electronic means, and there is reliable assurance that the information remains unchanged. The standard of reliability will be assessed based on the purpose for which the information is required. 14. An electronic document shall include a valid electronic signature and will be deemed to be a valid electronic document and as effective as a document containing a non-electronic signature.
4.3 Formation of Contracts	1. It will be presumed that an electronic document or information is sent by the originator once there is sufficient reason to believe that the document or message was sent by the originator or an individual or electronic agent acting on the originator's behalf. 2. It will be presumed that an electronic document or message is received, in the general course of business where there may or may not be an agreement between the parties of the sending of acknowledgement notices. 3. The conditions to be satisfied where either party may not apply the general presumption of attestation.

	4. The time when an electronic message is deemed to be sent shall be at the time when it is recorded to have left the information system or resource under the control of the originator.
	5. The time when an electronic information is deemed to have been received is the time it is recorded to have entered an information system or resource under the control of the originator.
	6. The determination of the effective address of either party, the originator or addressee, in an electronic transaction.
	7. Address errors in the preparation or transmission of an electronic document or information considering:
	
	    a) The general instance where the error is noted before any subsequent action has been taken by either party;
	    b) The general instance where the error is noted after subsequent action has been taken by either party, but before such action may be reasonably reversed by the action of the parties;
	    c) The general instance where the error is noted after subsequent action has been taken that cannot be readily reversed.

4.4 Frameworks for electronic signatures and administration	1. Ensure that electronic signatures are related to the authentication of information within an electronic document or record.
	2. Identify electronic signatures in such terms to provide broad applicability of technologies, while achieving the objective of:
	    ▪ Adequately identifying the signatory, and indicating the signatories approval of the information to which the signature relates; and
	    ▪ Appropriate reliability for the purpose for which it was used.
	3. Clarify the obligation of the person relying on an electronic signature to verify reliability of the electronic signature.
	4. Specify types of "advanced" electronic signatures which are more sophisticated in nature, and require greater tests of applicability. The identification of such advanced electronic signatures should as much as possible refrain from the use of specific technologies or methodologies of digital signing.
	5. Specify greater recognition of authentication capacity of advanced electronic signatures. Where there is such recognition the law may provide for the determination of specific legal requirements to be met by advanced signatures exclusively.
	6. Recognition of "certificates" which provide attribution of electronic signatures to particular signatories under specified conditions. To this end, there will be greater validity of certificates qualified as being issued in accordance with industry standards and best practices to enhance reliability associated with advanced electronic signatures.
	7. Provide for the recognition of certificates issued by parties irrespective of where that certificate was issued, or where that party is located.
	8. Provide for the establishment of persons within the jurisdiction who provide third party electronic signature generation services, as well as the generation, issuance and management of associated certificates (hereinafter referred to as "certification service providers").

	9. Limit the non - tariff barriers of entry to such certification service providers to that which is necessary to ensure oversight of appropriate general business practice. 10. Provide for the definition of appropriate operational requirements to ensure confidence of the public in the operation of certificate service providers established in the jurisdiction. 11. Ensure that the service provider issuing a certificate is liable for any damage caused by the reliance of that certificate where guidelines for appropriate use of the certificate is adhered to by the person relying on that certificate. 12. Establish a designated agency responsible for the ongoing verification that service providers established in the jurisdiction operate in alignment with industry and business best practice.

4.5 Consumer Protection	1. The obligation on service providers through electronically mediated means to provide certain minimum information to the consumer, such information to include:
	    ▪ The legal name, principle geographic address and forms of contact for the vendor,
	    ▪ Specific details of the items made available for sale, or the service being offered;
	    ▪ Terms, conditions and methods of payment;
	    ▪ The means by which queries can be lodged of disputes settled.
	2. The obligation on vendors who trade through electronically mediated means to provide the consumer with an opportunity before the completion of a transaction to review a summary of the sales agreement, including the verification and/ or correction of the subjects of the transaction;
	3. Providing the consumer with the option to void without penalty any contract with a vendor who does not provide an opportunity to review, verify and/ or correct the electronic agreement before the completion of the agreement.
	4. The obligation on a person who sends unsolicited commercial communications to consumers to explicitly provide an option for that consumer to opt in or opt out of the receipt of other such communications from that person.

4.6 Intermediaries	1. The formal recognition of parties, called intermediaries, who facilitate the electronic transactions between two parties, but themselves are not involved in the subject of the contract. Such persons include telecommunications service providers, website hosting providers, application hosting providers, etc 2. The distinguishing of an intermediary or telecommunications service provider from the parties involved in the transactions through their role as a mere conduit: a passive agent providing transport, storage or other automatic, technical services which do not modify the content of the electronic document. 3. The provision for the exemption of liability of the intermediary from any civil or criminal penalties associated with an electronic document for which it performed no role other than as a mere conduit. 4. Obliging the intermediary to report to the relevant authorities any instance where it believes or has reason to believe that an electronic document for which it is acting as a conduit is in breach of any law. 5. Identifying the relevant record which the intermediary shall produce in the instance where there is an investigation pursuant to its actions with respect to a given electronic document.

	6. Providing for the intermediaries' limitation of liability for any civil suit in the instance that in good faith, the intermediary deletes or makes unavailable an electronic document that was stored with its facilities pursuant to an order of the Court, or on obtaining actual knowledge of the illegal activity.

11.ANNEX III: E-TRANSACTION STRATEGIES

1.0   INTRODUCTION

Information and communications technology (ICT) is critical for the effective operation of government and the delivery of the services it provides to citizens and businesses. It offers key benefits by enabling access to online transactional services, which makes life simpler and more convenient for citizens and businesses; and channels to collaborate and share information with citizens and business, which in turn enable the innovation of new online tools and services.

It has been provided in the Treaty for the Establishment of the East African Community, that the Stages in the development of the EAC regional integration among others, there are Common Market and Monetary Union. The EAC Development Strategy 2006-2010 and 2011- 2016 recognized the importance of ICT in meeting the challenges posed by globalization and facilitating and speedup the regional integration agenda, focus on developing ICT for regional development and will be achieved through the development of a regional framework and harmonization

The EACO WG3 on ICT Services Transactions and Application was assign to propose strategies that will guide regional member to achieve this goal. This e-strategies framework is here proposed to ensure the members countries develop their respective country strategies based on the regional framework.

The degree of ICT development and penetration in the EAC region differs from one country to another. This document has therefore established regional strategies benchmarked from regions outside EAC, where they have been successfully tested in addressing these challenges. It is recommended that EAC member states customise these generic strategies based on the review of their respective situation, so as to address country specific needs and challenges as far as ICT R&D, innovation and usage is concerned.

The EACO's vision is a forward looking, focusing on collaborative and integrative process of the EAC so as to provide better and quality communication services to its people, taking in consideration global thinking of building knowledge based society which will contribute to sustainable development in its area of jurisdiction.

Building from EACO thinking, OUR VISION is: -

To accelerate socio-economic development in the EAC region through a sustainably regulated ICT sector focused on private public partnerships to ensure universal service including to special interest groups.

Mission

Promote online service delivery through the universal access to ICTs

1.1 GENERAL OBJECTIVE

To provide a general e-transactions framework for the region that will guide member state develop harmonised strategies that:

I. develop and promote the use of ICT enabled services
II. stimulate the demand and uptake of ICT enabled services; and
III. Promote R&D and innovation in ICT services and applications to spur socio-economic development in the EAC region.

2.0 STRATEGY FOR DEVELOPMENT AND PROVISION OF ICT ENABLED SERVICES

CURRENT STATUS AND CHALLENGES

Each member state has one or more different forms of ICT strategy. However, there is a need for a harmonized strategy to foster further growth of ICT enabled service in the region. However there are following challenges:

i. Internet penetration
Despite the investment into the communication infrastructure trough 2G networks, extension of 3g networks, introduction of 4G services, and increased affordability of smart devices, the internet penetration is still very low.

ii. Digital literacy

Opportunities presented by ICTs are not yet fully maximized because of low levels of digital literacy in member states.

iii. Content development, entrepreneurship and innovation
The number of innovation and co-working spaces for young digital entrepreneurs are still at relatively low level. The existing innovation centres are stepping up efforts to nurture the growth of their tenants. However, the number of businesses reaching maturity and ideas turned into successful commercial ventures is still very low and therefore it requires enhanced government and private sector support.

iv. Safety and security:
The continued increase in cybercrimes continues to erode the confidence in the use of e-transactions.

2.1. SPECIFIC STRATEGIES FOR DEVELOPMENT AND PROVISION OF ICT ENABLED SERVICES

2.1.1 Have in place a systematic approach for promotion of Public ICT awareness

2.1.2 Improve public services delivery through ICT enabled services this includes (e-health, e-education, e-agriculture, etc.) for all communities.

2.1.3 Member states to encourage the use of ICT in Government transactions, this includes establishing appropriate and effective communication mechanisms and an institutional framework to encourage Government and its agencies use ICT enabled service in their service delivery.

2.1.4 Member states to develop streamlined Government business processes using ICT deployment and application to foster efficiency and effectiveness in delivering services and enhance transparency and accountability.

2.1.5 Member states to put in place a conducive legal and regulatory environment to allow easy adaptation to emerging technologies.

2.1.6 Member states to appoint NRAs in their respective jurisdiction to co-ordinate and monitor the implementation of the national e-transaction strategy.

2.1.7 Develop programmes and means to achieve universal access including access by people with special needs.

2.1.8 Develop a human resource development programs to support the e-transaction ecosystem.

2.1.9 Promote technology neutrality in the implementation of respective National e-transactions strategy.

2.1.10 Member states to encourage private sector participation in the implementation of the national e-transaction strategy.

2.1.11 Facilitate the availability of high speed Internet access by supporting the deployment of terrestrial fibre option and availing the necessary spectrum for the deployment of wireless broadband.

3.0. STRATEGIES FOR PROMOTION OF RESEARCH & DEVELOPMENT AND PROVISION OF INNOVATIVE ICT SERVICES AND APPLICATIONS

3.1 SPECIFIC OBJECTIVES

The purpose of the ICT Research and Development (R&D) and Innovation Strategy is to create an enabling framework for the advancement of ICT R&D, innovation and provision of ICT services. Having in place the EAC region strategy will enable maximizing the contribution of R&D and innovation in ICT, and provides a coherent, systematic approach to R&D that will contribute to improved quality of life and enhanced economic competitiveness of the region the following are specific objectives:

i. To transform EAC human capital through investing in science and technology
ii. To build outstanding ability and expert knowledge to address technological change socially and economically through innovation
iii. To improve the EAC region quality of life (QoL), growth and wealth creation by recommending best practices for business processes, technical progress and developing effective human capital
iv. To promote, advocate and provide incentives to efforts by academicians and industry research collaboration support to address low uptake of ICT services
v. To support critical mass research programs using various instruments that link established researchers and bring in new researches thought having centres of excellence and research chairs

3.2 CURRENT STATUS AND CHALLENGES

The status of research and development and provision of ICT services and applications in the region is not clearly established, but it generally understood that the region lags behind in many aspects of ICT. This can be evidenced holistically by observing the key ICT indicators such as literacy level, mobile and internet penetration, R&D patents recorded annually, usage of ICT in delivering of public services, bandwidth utilization, investment in R&D in relation to the GDP, the number of ICT research institutions and centres of excellence and the number of academicians produced annually (Phd. levels, Graduate and Undergraduate levels) and those engaged directly in scientific researches.

There are various initiatives on research and development in some member states by Governments, private sector and academia but with little or no coordination. It is also observed that the focus on ICT specific research and development in the region is still low, and thus the need to develop strategies to promote research and development.

3.3   SPECIFIC STRATEGIES

Focused world-class research – focus and strengthen research activities at higher education institutions (HEIs) and R&D institutions to create recognized world-class research competencies in the region

3.3.1   Have in place a strong and robust innovation chain which results in increased ICT patenting, improvements in digital divide indicators and a vibrant hi-tech ICT Small Medium and Micro Enterprise (SMME) industry.

3.3.2   Spearhead the development of indigenous technology and local solution to address local ICT challenges.

3.3.3   Identify all key socio-economic development areas to leverage on e-transactions and related services including; e-Government, e- Education, e-Health, e-Agriculture, etc.

3.3.4   Focus on development and deployment of platforms for e-transaction and related services.

3.3.5   Introduce incentives in favour of R&D initiatives to promote innovations and usage of e- transactions.
        Establish effective research infrastructure, supporting focused research and local and international collaboration.

Advanced human resource capacity - achieve a marked increase in the advanced ICT skills base by:

3.3.6   Promote basic training in ICTs knowledge and skills development in all schools and tertiary institutions.

3.3.7   Encourage life-long learning among the population at large and promote on-the job training and retraining within the public and private sectors.

3.3.8   Ensure production of a large pool of ICT professionals with wide range of state of the-art ICT skills to meet the manpower needs of the member states.

3.3.9   Modernize the educational system using ICT systems to improve and expand access to educational, training and research resources and facilities

3.3.10 Promote moral and ethical use of ICTs through among others, the educational system, media, public awareness, etc.

Put in place a strong and comprehensive environment in which ICT-based innovation flourishes.

3.3.11 Setting national ICT competitions to stimulate R&D and inspire researchers and innovators. Such competitions should encourage research groups

3.3.12 Identify and support large-scale collaborative innovation projects that build on local research and involve HEIs, research institutions, industry and relevant government structures

3.3.13 Promote incentives for companies which invest in ICT R&D in the form of funding of collaborative research activities and tax incentives.

3.3.14 Developing indicators and processes to assess the state of ICT R&D and innovation accurately.

3.3.15 Support for institutions at various levels in the innovation chain and implementing mechanisms for collaboration.

3.3.16 Marketing of R&D outputs and market development

4.0   STRATEGY FOR STIMULATION OF DEMAND AND UPTAKE OF ICT ENABLED SERVICES AND APPLICATIONS

The Strategy seeks to:

  i.   create effective and efficient integrated service delivery models;
  ii.   realise new value from government information assets;
  iii.   optimise the use of ICT scarce resources and capabilities;
  iv.   Partner with the private sector and non-governmental organisations; and Increase the pace of change

4.1 CURRENT STATUS AND CHALLENGES

We live in an era where smart mobile devices, social media, collaboration tools and cloud computing are continually changing how people interact with government, businesses and each other..

ICT is the critical enabler that will allow EAC member states to take advantage of the opportunities in today's 'hyper-connected' and information-rich world to create responsive 21st century State Services. The future of ICT is envisaged as information-centric rather than the technology-centric model of today, transcending agency boundaries to deliver smarter customer-centred services.

There are significant opportunities to reduce the cost of delivering government services at the same time as the range and quality of services is increased. Investment in ICT may increase over time to deliver overall business savings. Investment will focus on business and service improvement. At the same time the cost of building and operating technology assets will be reduced

4.2   SPECIFIC STRATERGIES

4.2.1   Rationalize entry points for information and increase accessibility by making information and services joined-up and easier to locate and access.

4.2.2   Encourage Member states to strengthen the integrity of government web presences by evolving the web standards to include a wider set of quality practices for assurance, security, syndication, search engine optimisation and visibility.

4.2.3   Create an authoritative 'Member states' presence (or presences – e.g. on Apple iTunes, Google Play, Microsoft Windows Store) for publishing mobile applications for customers and require agencies to adopt this publishing mechanism. Further member states should encourage the local development of such mobile applications

4.2.4 Encourage Member states to ensure government's identity assurance capabilities for digital service delivery are fit for purpose and build trust and confidence in government.

4.2.5 Enable open data ('direct connect')

4.2.6 Enable the public to easily input into policy discussion and the design of government e-services.

4.2.7 Drive the use of analytics, supported by rich authoritative information hubs, for better decision making

4.2.8 Open by default – active re-use of information assets by accelerate the release of public information assets for commercial and social re-use and co-production of services

4.2.9 Deliver Information management, privacy and security framework that balances service delivery with the protection and security of government-held information, privacy of citizen information, and confidentiality of business information.

4.2.10 Establish information governance and custodians, and embed information asset management responsibilities across the public sector.

4.2.11 Value information assets: Identify, catalogue and value existing information assets.

4.2.12 Align the Government agency investment plans with the National government ICT investment plan that identifies system opportunities, and drives collaboration and consolidation.

4.2.13 Deploy the Government Enterprise Architecture framework, including common language, capability, standards, tools and processes to all Government agencies.

4.2.14 Optimise commodity ICT asset ownership through cost-effective ownership and funding models for ICT assets.

4.2.15 Accelerate the uptake of common capabilities.

4.2.16 Streamline software procurement by aggregate demand and simplify supply for software products used across multiple agencies.

4.2.17 Complete the full suite of capabilities required to move the entire end user computing platform (including mobile devices) to a centralize integrated shared services model l as quickly as is practical, to deliver savings and lift State sector employee productivity.

4.2.18 Increase efficiency and support joined-up service delivery through expanding the suite of common capabilities available to Government agencies.

4.2.19 Develop back office application and programme to consolidate financial and human resource information systems.

4.2.20 Develop the ICT workforce through invest in capability uplift and make better use of scare specialist capabilities.

4.2.21 Establish a virtual Information and Technology Leadership Academy to build business leadership of ICT at all levels. Utilise existing capabilities.

4.2.22 Evolve all-of-government ICT governance models to align with the objectives of effective governance.

4.2.23 Create or review a system of assurance that embeds risk and quality management processes to promote the security and confidence of the e-services.

4.2.24 Ensure funding approaches support the inception, delivery and operation of shared ICT capabilities.

4.2.25 Increase engagement with agencies and industry to strengthen collaboration and system delivery.

4.2.26 Systematise the reporting of the successes and benefits delivered by all-of-government ICT initiatives.

4.2.27 Research and innovation practice.

4.2.28 Establish networks to support and enhance the delivery of capabilities.

After developing the specific strategies for the three key focused areas, this report also highlighted the strategic activities which, when implemented, will ensure attainment of the objectives of the EAC region as far as e-transaction is concerned. The detailed summary showing the linkage between the key thematic areas, Terms of Reference and Specific Strategies is attached as appendix II of this report.

5.0   MONITORING AND EVALUATION

Implementing processes and structures for regularly monitoring and reviewing the e-transaction strategies in line with the EAC ICT roadmap.

APPENDIX I.: DEFINITIONS AND ACRONYMS

"Better Public Services programme (BPS) means reform programme aimed at delivering better public services within tight financial constraints. It includes ten specific result targets, including two relating to improving citizen and business interactions with government. BPS also introduced functional leadership (refer to separate listing).

"Bring your own device (BYOD)" involves employees, business partners and other users using personally-owned devices to run enterprise applications and access data. Devices typically include smart-phones, tablets and personal computers

"Capability" means what an organisation needs to deliver its business strategy and achieve its outcomes. Capabilities encompass people (competencies), processes, information and technology.

"Centre of Expertise (CoE)" means a centre of expertise-oriented services provided by one agency / organisation to multiple customer agencies under formal service agreements.

"Cloud computing" means a computing model most often characterised by the individual's or organisation's ability to use a service (or range of services) from multiple providers on a pay-per-use or subscription basis, without needing to invest in the underlying infrastructure or capability that delivers those services.

"**Communications services**" means services performed consisting of the dissemination or interchange of audio, visual or data content using postal, radio, or telecommunications media, data communication, and includes broadcasting;

"**Communications"** means telecommunications, data communication, radio communications, postal communications and includes broadcasting;

"Content" means any sound, text, still picture, moving picture or other audiovisual representation, tactile representation or any combination of the preceding which is capable of being created, manipulated, stored, retrieved or communicated electronically;

"data" means electronic representations of information in any form;

"East African Communications Organisation (EACO)" is a regional regulation body established to strengthen and promote cooperation in the development and provision of postal, telecommunications and broadcasting services in the East African Community.

"East African Community (EAC)" is the regional intergovernmental organisation of five countries in the African Great Lakes region in eastern Africa of the Republics of Burundi, Kenya, Rwanda, the United Republic of Tanzania, and the Republic of Uganda, with its headquarters in Arusha, Tanzania

"e-commerce" means the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the Internet.

"e-governance" means the application of information and communication technology for delivering government services, exchange of information communication transactions, integration of various stand-alone systems and services between government-to-customer, and government-to-business

"Electronic media" means communication of any message to the public by means of any electronic apparatus;

"Electronic Transaction (e-transaction)" means either the sale, purchase, or provision of goods or services, whether between businesses, households, individuals, governments, and other public or private organizations, conducted over electronic networks. The goods and services may be ordered over those networks, with the payment and the ultimate delivery of the good or service conducted on or off-line.

"Enterprise Resource Planning (ERP)" means business process management software that allows an organization to use a system of integrated applications to manage the business and automate many back office functions related to technology, services and human resources.

"Electronic service (e-service)" means the provision of services via the Internet including e-Commerce, although it may also include non-commercial online services

"higher education institutions (HEIs)" means institutions that train highly qualified specialists and scientific and pedagogical personnel for various branches of the economy, science, and culture; conduct theoretical and applied scientific research, which forms the basis for training specialists; and provide refresher courses for teachers in higher and secondary specialized schools and for specialists employed in diverse branches of industry, agriculture, and culture. HEIs include universities, polytechnical institutes, industrial institutes, branch institutes of different specializations (for example, engineering, agriculture, medicine, pedagogy, the arts, and economics), and higher military educational institutions.

"High value public data" means is data which when re-used contributes to economic, social, cultural or environmental growth, illustrates government's performance, and/or contributes to greater government efficiencies through improved information sharing.

"Human Resources Management Information Systems (HRIS)" means a system which seeks to merge the activities associated with human resource management and information

technology into one common database through the use of enterprise resource planning software.

"igovt" allows people to verify their identity to government service providers securely via the Internet. It comprises a logon service and a registration / identity verification service.

"Information and communications technology (ICT)" spans information management, technology infrastructure and technology-enabled business processes and services

"information hub" means planned collections (including virtual collections that link data held in different locations) that are designed to enable sharing of authoritative government-held information between agencies and with service delivery partners to enhance services and service planning, and to comply with information privacy and security requirements.

"information management" means the way an organisation plans, identifies, creates, receives, collects, organises, governs, secures, uses, controls, disseminates, exchanges, maintains, preserves and disposes of information.

"Information Technology (IT)" means the application of computers and telecommunications equipment to store, retrieve, transmit and manipulate data often in the context of a business or other enterprise.

"Millennium Development Goals (MDGs)" are eight international development goals that were established following the Millennium Summit of the United Nations in 2000, following the adoption of the United Nations Millennium Declaration by the then 189 United Nations member states and at least 23 international organizations.

"National Regulatory Authority (NRA)" means government agencies tasked with regulating and supervising sections of public service and economy, principally responsible for ensuring that products and services released for public consumption and/or utilisation are evaluated properly and meet international standards of quality and safety.

"Office Productivity-as-a-Service" means office productivity tools (including word processing, spreadsheets, email, and collaboration) provided to agencies as a secure cloud-based service, to a range of end-user device types

"open data" means data that can be freely used, reused and redistributed by anyone – subject only, at most, to the requirement to attribute and 'share alike'. Refer also to the separate listing for public data.

"Operating model" means a strategic model that illustrates the relationships between operating units and the wider systems with which they interact. An operating model provides a set of guidelines for both business and technology architectures and infrastructures.

"Operator" means a person licensed to provide a communication or broadcasting service;

"Person" includes any individual, company, association, or body of persons corporate or unincorporate;

"Public data" or **"government-held public data"** means non-personal, unclassified and non-confidential data that is: collected, commissioned or created by an agency in carrying out its functions or statutory responsibilities; publicly funded; and for which there is no restriction – in the case of copyright works, to its release and re-use under any of the Creative Common law licenses or, in the case of non-copyright material, to its open release and re-use.

"Public Key Infrastructure (PKI)" means a set of hardware, software, people, policies, and procedures needed to create, manage, distribute, use, store, and revoke digital certificates

"Research and Development (R&D)" means a set of strategic, proactive, catalytic, and capacity-building activities designed to facilitate individual faculty members, teams of researchers, and central research administrations in attracting extramural research funding, creating relationships, and developing and implementing strategies that increase institutional competitiveness

"Service centre" means a centre of transactional operations delivering services to multiple customer agencies under formal service agreements.

"Small Medium and Micro Enterprise (SMME)" means any entity, whether or not incorporated or registered under any law, which consists mainly of persons carrying on small business concerns in any economic sector, or which has been established for the purpose of promoting the interests of or representing small business concerns, and includes any federation consisting wholly or partly of such association, and also any branch of such organization.

"State sector organisations" includes the Public Service, State Services (excluding Crown Entities), and other wider State sectors

"Telecommunication" means the emission, transmission or reception through the agency of electricity or electromagnetism of any sounds, signals, signs, writing, images or intelligence of any nature by wire, radio, optical or other electromagnetic systems whether or not such signs, signals, writing, images, sounds or intelligence have been subjected to rearrangement, computation or other processes by any means in the course of their transmission, emission or reception;

"Telecommunications apparatus" or **"telecommunication station"** means any apparatus or equipment used or intended to be used in connection with the transmission of communications by means of electricity from one place to another place either along a wire joining those two places or partly by wire from each of those two places and partly by radio communication;

"Telecommunications line" means any wire, cable, equipment, tower, mast, antenna, tunnel, hole, pit trench, pole or other structure or thing used or intended to be used in connection with a telecommunications system;

"Telecommunications service" means a service consisting of the conveyance or reception of any sounds, signs, signals, writing or images by wire, optical or other electronically guided media systems whether or not the signs, signals, writing, images, sounds or intelligence have been subjected to rearrangement, computation or other process by any means in the course of their transmission, emission or reception;

"Telecommunications-as-a-Service(TaaS)" means Communications functions delivered as a cloud-based service, that may include data networking, telephony, messaging and conferencing

"Telecommunications system" means a system for the conveyance through the agency of electric, magnetic, electromagnetic, electrochemical, electromechanical or light energy of—

    (a) speech, music, data and other sounds;
    (b) visual images;
    (c) signals serving for the importance, whether as between persons and things, of any matter otherwise than in the form of sounds, visual images; or
    (d) signals serving for the actuation or control of machinery or apparatus; and
    (e) including telecommunications apparatus situated in the EAC;

APPENDIX II STRATEGIES ON ICT SERVICES TRANSACTIONS AND APPLICATIONS

S/N	TERMS OF REFERENCE ITEMS (PILLARS)	SPECIFIEC STRATERGIES	STRATEGIC ACTIVITIES
1	To devise strategies for development and provision of ICT enabled services including e-Government, e-learning, e-agriculture and e-health	• Have in place a systematic approach for promotion of Public ICT awareness • Improve public services delivery through ICT enabled services this includes (e-health, e-education, e-agriculture, etc.) for all communities. • Member states to encourage the use of ICT in Government transactions, this includes establishing appropriate and effective communication mechanisms and an institutional framework to encourage Government and its agencies use ICT enabled service in their service delivery. • Member states to develop streamlined Government business processes using ICT deployment and application to foster	• Develop a systematic approach to promoting ICT awareness and its benefits to increase utilization, adoption, and ownership of deployed ICTs. • Establish leadership and partnerships that advance e-Government services. • For e government services to thrive, there is a need for support from various actors including the government and the private sector, with deliberate effort towards supporting locally owned businesses in order to enhance capacity within the EAC region. • Develop and maintain a secure seamless and comprehensive e-Government services portal • Ensure that e-government services delivery platforms are secure and provide convenience through ensuring a one stop integrated e-service delivery portal. • Establish flexible legal and regulatory framework to ensure easy adaptation of ICT technological changes. • To provide new business opportunities through harnessing e-commerce. • Have in place National e-Transaction Strategy in line with regional strategy and commit resources for its successful implementation. • To create programmes and provide means to enhance readiness of electronic transactions in their respective countries • To devise and administer an administrative system for addressing security issues such as Public Key Infrastructure (PKI)

			efficiency and effectiveness in delivering services and enhance transparency and accountability.	• Provides at least the same level of protection for consumers engaged in electronic commerce as is provided for other forms of commerce
			• Member states to put in place a conducive legal and regulatory environment to allow easy adaptation to emerging technologies	• Secures the confidence of all citizens as well as attracting investors doing business within the region to use the e-transaction services
			• Member states to appoint NRAs in their respective jurisdiction to co-ordinate and monitor the implementation of the national e-transaction strategy	• Member Countries in collaboration with their Central Bank, among other stakeholders, to issue guidelines that take into consideration the various types of risks including operational, legal and reputation risks.
			• Develop programmes and means to achieve universal access including access by people with special needs.	• Increase Internet access and education to bridge the "digital divide". Promote the adoption of e-payments, including mobile money transfer, in the National Payment System(NPS)
			• Develop a human resource development programs to support the e-transaction ecosystem	• To build trust in electronic markets by increasing consumer and business confidence. This requires effectively addressing security, privacy and consumer protection concerns.
			• Promote technology neutrality in the implementation of respective National e-transactions strategy	• Capacity building in ICT to public and private sector to fast track the transformation into a knowledge-based society
			• Member states to encourage private sector participation in the	• Institute Research & Development (R&D) centres to spur innovation that will foster socio-economic transformation as part of a larger framework to build S&T institutional capabilities.
				• Improve access to education and training through ICT in Primary, secondary, vocational and tertiary education through provision of ICT education and training tools, e-learning, content development and access to educational resources
				• Foster private sector growth through ICT leveraging on ICTs to empower all key economic sectors i.e. infrastructure, mining, trade and manufacturing, agriculture, energy, tourism, financial services thereby increasing their competitiveness
				• Introduce/institute community-centric development approach through deployment of ICT to achieving MDGs.

			implementation of the national e-transaction strategy • Facilitate the availability of high speed Internet access by supporting the deployment of terrestrial fibre option and availing the necessary spectrum for the deployment of wireless broadband	
		Develop strategies for promoting R&D and provision of Innovative ICT services and application	• Spearhead the development of indigenous technology and local solution to address local ICT challenges • Have in place a strong and robust innovation chain which results in increased ICT patenting, improvements in digital divide indicators and a vibrant hi-tech ICT Small Medium and Micro Enterprise (SMME) industry. • Identify all key socio-economic development areas to leverage on e-transactions and related services including; e-Government, e- Education, e-Health, e-Agriculture, etc.	• Implement an enabling policy and supportive legal framework for R&D in e-transaction • Create a vibrant regional and international cooperation through strong R&D links with leading players in world ICT R&D and accelerate the achievement of EAC regional objectives • Introduce/commit a certain agreed budget into ICT research and development and innovations in EAC region • Having in place regional innovative performance measured by country/EAC region share of global ICT publication, innovation and patents • Advanced human capital development programme - dramatically improve the post-graduate enrolment and completion rate in ICT by supporting young researchers as students in employment. • Critical mass research programme - support focus and critical mass R&D in identified technology and application domains through an array of instruments that link established researchers and draw in new researchers, include postdoctoral researchers and international experts. Support will be provided to the core grant proposals, funding, research chairs, networks and centres of excellence. • International ICT R&D collaboration programme that supports the objectives of the strategy through collaborative R&D

		- Focus on development and deployment of platforms for e-transaction and related services. - Introduce incentives in favour of R&D initiatives to promote innovations and usage of e- transactions. - Prioritise R&D on ICT by allocating adequate resources - Setting national ICT competitions to stimulate R&D and inspire researchers and innovators. Such competitions should encourage research groups - Identify and support large-scale collaborative innovation projects that build on local research and involve HEIs, research institutions, industry and relevant government structures - Promote incentives for companies which invest in ICT R&D in the form of funding of collaborative research activities and tax incentives. - Developing indicators and processes to assess the	projects, researcher mobility and science and technology networking. - Large innovation initiatives and grand challenges – address the innovation issues by stimulating broad collaboration across disciplines and among players in various stages of the innovation pipeline through appropriate alignment with and leveraging of the Innovation Fund and other instruments. - ICT R&D in industry programme – Address current low levels of investment in ICT R&D and the low uptake by industry and other sectors of society of research results from academic and other research institutions through awareness raising and advocacy, incentives and industry research collaboration support.

		state of ICT R&D and innovation accurately. • Support for institutions at various levels in the innovation chain and implementing mechanisms for collaboration. • Marketing of R&D outputs and market development	
	To devise strategies stimulation of demand and uptake of ICT enabled services and application in each Member state	• Rationalise entry points for information and increase accessibility by making information and services joined-up and easier to locate and access. • Encourage Member states to strengthen the integrity of government web presences by evolving the web standards to include a wider set of quality practices for assurance, security, syndication, search engine optimisation and visibility. • Create an authoritative 'Member states' presence (or presences – e.g. on Apple iTunes, Google	• Citizen entry point. Encourage Member states to develop government portal as the primary entry point for citizens to obtain information and e-services, including a mobile-enabled version • Business entry point. Encourage Member states to develop business government portal as the primary entry point for businesses, providing essential compliance information and common services relating to statutory business setup requirements.. • Evaluate using the National Public Library network to establish community digital hubs as information centres, to increase the accessibility of digital services. • Review existing identity assurance products and services – including logon and identity data validation to ensure they are designed and delivered in a customer-centric, effective and sustainable manner. • Encourage Member states to create an interface service to provide direct access to government processes and data, to enable co-creation and co-delivery of services. • Encourage Member state to provide direct interfaces to information and transaction processes consistent with integration, security, privacy and service standards, and publish these to a central registry. • Develop methods and tools to promote customer-centric service design, and deploy these across government.

| | | | Play, Microsoft Windows Store) for publishing mobile applications for customers, and require agencies to adopt this publishing mechanism. Further member states should encourage the local development of such mobile applications
• Encourage Member states to ensure government's identity assurance capabilities for digital service delivery are fit for purpose and build trust and confidence in government.
• Enable open data ('direct connect')
• Enable the public to easily input into policy discussion and the design of government e-services.
• Drive the use of analytics, supported by rich authoritative information hubs, for better decision making | • To deliver tools to enable customers to easily provide feedback on government services.
• Establish information sharing hubs to integrate and consolidate information assets to enrich data, provide authoritative sources to agencies, and support improvements in information security.
• Encourage Member states to Establish and pilot an information hub that links selected authoritative business data as a model for managing government information at sector and cluster levels.
• Encourage Member state to identify other priority needs across sectors and appoint lead agencies to establish these hubs. Clarify information types, relevant standards and user needs. Determine the most appropriate approach to develop and operationalise hubs, including complying with information security and policy needs.
• Encourage Member state to Deliver and evolve a 'Data Integration as-a-Service' common capability (extensively expertise-based) to aid agencies to share and leverage information assets, and access the management expertise and technologies needed to integrate, rationalise and consolidate information from contributing agencies.
• Service planning – Encourage Member state to support investment targeting and service design through using new data science and advanced analytics techniques and technologies at a strategic level to improve understanding of service needs and outcomes, Identify high-value opportunities, prioritise activity, and monitor outcomes.
• Evidence-based policy – Encourage Member state to develop analytical tools to support evidence-based policy development that supports the uptake of ICT services.
• Risk and intelligence – Encourage Member state to utilise advanced data analytics to develop more effective risk and intelligence management capabilities for ICT enabled services.
• Encourage Member state to enhance the accessibility of public data through providing access to more sources and leveraging |

			- Open by default – active re-use of information assets by accelerate the release of public information assets for commercial and social re-use and co-production of services - Deliver Information management, privacy and security framework that balances service delivery with the protection and security of government-held information, privacy of citizen information, and confidentiality of business information. - Establish information governance and custodians, and embed information asset management responsibilities across the public sector. - Value information assets: Identify, catalogue and value existing information assets.	existing services such as government, Land Information and Statistics DataHub. Use government data integration solutions. - Encourage Member state to require that agencies publish data to common authoritative information hubs that are shared and open by default. - Encourage Member states to Develop and promote an enhanced information management framework, incorporating privacy and security, to enhance the efficiency and integrity of information and data management practices across government. - Encourage Member state to on an on-going basis, review the framework's adoption and assess requirements for further enhancements. - Encourage Member state to refine information governance and management roles, accountabilities and responsibilities across the wider information lifecycle, using the data catalogues and the Government Enterprise Architecture. - Streamline roles and accountabilities. Encourage Member states to extend the functions of agency data champions to drive awareness and integration across and between sectors. Focus investment in high-value information assets and deliver whole-of-life management of these assets at an all-of-government level. - Encourage Member states to Develop and promulgate guidance for cataloguing and valuing high-value Government information assets.. - Encourage Member states to Catalogue and value authoritative, high-value Government information assets. - Encourage Member states to Define clear, concise ICT strategic planning expectations of agencies. - Encourage Member states to Develop and promulgate an investment prioritisation framework that focuses investment in high-value information assets and deliver whole-of-life management of these assets at an all-of-government level. - Encourage Member state to require agencies to create 5-year ICT strategies and investment plans aligned with existing business

| | | | • Align the Government agency investment plans with the National government ICT investment plan that identifies system opportunities, and drives collaboration and consolidation.
• Deploy the Government Enterprise Architecture framework, including common language, capability, standards, tools and processes to all Government agencies.
• Optimise commodity ICT asset ownership through cost-effective ownership and funding models for ICT assets.
• Accelerate the uptake of common capabilities.
• Streamline software procurement by aggregate demand and simplify supply for software products used across multiple agencies. | planning cycles, and inform the EAC of their future investment intentions.
• Encourage Member state to aggregate investment intentions, realign with the investment prioritisation framework where necessary, and publish an integrated, rationalised government ICT investment plan that will assure achievement of strategic objectives.
• Encourage Member state to implement digital tools such as an ICT dashboard to build visibility and transparency of agency plans and system priorities
• Encourage Member state to Extend the Government Enterprise Architecture framework to support transactional system interoperability, enterprise security, and business-enabling elements such as data services and processes
• Refresh and consolidate standards into the Government Enterprise Architecture to enable integration and service improvement.
• Require that agencies and sectors/clusters provide the GCIO with future-state architectures aligned with the framework to ensure interoperability.
• Encourage Member state to complete a financial analysis of ICT assets. Investigate current commodity asset profiles and future intentions. Investigate the economics of rent versus buy in the contexts of asset replacement funding cycles and shifts in all-of-government service provision. Investigate accounting treatments for lease and rent options. Depending on the results of these investigations, develop a case for changes to the model for providing commodity ICT assets.
• Based on the outcome of investigations into the model for the ownership of commodity ICT assets, Encourage Member state to consider implementing a moratorium on the purchase of commodity ICT hardware.
• Encourage Member state to drive uptake of Infrastructure-as-a-Service (IaaS) to achieve 100% of departments' IT infrastructure moving into an IaaS data centre within a three years period,, |

			• Complete the full suite of capabilities required to move the entire end user computing platform (including mobile devices) to a centralize integrated shared services model l as quickly as is practical, to deliver savings and lift State sector employee productivity. • Increase efficiency and support joined-up service delivery through expanding the suite of common capabilities available to Government agencies. • Develop back office application and programme to consolidate financial and human resource information systems. • Develop the ICT workforce through invest in capability uplift and make better use of scare specialist capabilities.	excluding those where current contractual arrangements make it impractical to complete the transition by that time. • Encourage Member state to Evolve Infrastructure-as-a-Service data centres to create a platform for an onshore Government Cloud. • Encourage Member state to Expand and drive the contestability of government-consumed telecommunications services (Telecommunications-as-a-Service) • Encourage Member state to create a catalogue which encompasses Software-as-a-Service and enterprise license agreements that facilitate delivery, fulfilment and billing. • Encourage Member state to populate a catalogue with cost-effective and pre-approved centralized and integrated shared software service software solutions which can be purchased by agencies on a subscription basis • Encourage Member state to Establish License Framework agreements and develop a common Software Asset (license) Management capability. • Encourage Member state to Deliver Office Productivity as-a-Service, within three years. . • Encourage Member state to deliver Desktop-as-a-Service as a common capability within three years.. • Encourage Member state to deliver a centralized integrated shared service for enterprise content management 'as-a-Service' solution. • Encourage Member state to Enhance information security for end-user computing so that both in-office and out-of-office working is consistent and secure. • Encourage Member state to evaluate the commercial, technical and operational viability of 'bring your own device' (BYOD), drawing on agency pilot experience. Support BYOD across government. • Encourage Member state to deliver a service that allows customers to (optionally) validate, verify and change their

			• Establish a virtual Information and Technology Leadership Academy to build business leadership of ICT at all levels. Utilise existing capabilities. • Evolve all-of-government ICT governance models to align with the objectives of effective governance. • Create or review a system of assurance that embeds risk and quality management processes to promote the security and confidence of the e-services. • Ensure funding approaches support the inception, delivery and operation of shared ICT capabilities. • Increase engagement with agencies and industry to strengthen collaboration and system delivery. • Systematise the reporting of the	address details, and share this information with Government agencies. • Encourage Member state to implement a re-usable framework for building and deploying forms for online services. • Encourage Member state to deliver a payment service for collection and disbursement of funds. • Encourage Member state to Establish Business Rules as a capability - sharing expertise and frameworks. • Encourage Member states to evaluate the potential opportunities and benefits to rationalise Government integrated financial management information systems (IFMIS) • Encourage Member state to evaluate the feasibility of adopting an enhanced service delivery model for corporate finance functions across government, and define the target model. • Encourage Member state to adopt the IFMIS roadmap and financial services delivery model for targeted agencies across government. • Encourage Member states to consolidate existing human resources management information systems (HRIS) and integrate with technologies on identity management • Encourage Member state to evaluate the value proposition and feasibility of establishing a single enterprise resource planning (ERP) solution across government. • Encourage Member state to assess the levels of engagement of government ICT staff • Encourage Member state to establish centres of expertise (shared resource pools) and communities of practice to enhance and share competencies and practices. This should cover basic to advanced trainings.. • Encourage Member state to define skills frameworks and pathways for the future government ICT workforce, including for graduate intakes. • Encourage Member state to require agencies to develop ICT workforce plans, including focusing on the appropriate use of contract personnel to temporarily extend capacity (e.g. for

			successes and benefits delivered by all-of-government ICT initiatives. • Research and innovation practice • Establish networks to support and enhance the delivery of capabilities.	change initiatives) rather than as de-facto permanent business operations staff. • Encourage Member state to establish the Academy with a clearly defined mission, scope and structure. • Encourage Member state to establish and pilot a programme that develops government business leaders' ability to exploit the potential of ICT to transform government business. • Encourage Member state to Establish and pilot an induction programme for government ICT leaders in the machinery and business of government. • Encourage Member state to Establish and pilot a mentoring programme to develop future ICT leaders and the ICT-awareness of wider State sector leaders. • Encourage Member state to set clear expectations with agencies regarding contribution to the delivery of the Strategy and Action Plan. • Streamline governance by encourage Member state to revise roles, accountabilities (including delivery of this strategy), decision criteria and performance indicators. Target priority areas such as information management, security, privacy, capacity building and investment management. • Encourage Member state to Review and strengthen security and risk standards, processes and practices. • Encourage Member states to develop a portfolio view of ICT value and risk across government to target assurance activity and improve the robustness and quality of agencies' risk management. • Encourage Member state to Create and implement an end-to-end service risk and assurance framework from customer to service design and delivery. • Encourage Member states to establish a model for seed funding the development of business cases for investment in sustainable capability in common and high-need areas in ICTs. • Encourage Member states to establish a sustainable funding model that enables investment in cross-government ICT

development and operations, taking increases in capital-to-operating swaps into account.

- Encourage Member state to periodically review the system-wide investment priorities and intended application of funding mechanisms and sources.
- Encourage Member states to Increase ICTs resourcing and implement greater agency account management at a portfolio level.
- Encourage Member states to strengthen strategic relationships with the market and industry groups, communicating government direction and consulting on solution approaches.
- Encourage Member state to establish standard metrics and mechanisms. Report and publish the benefits realised from all-of-government ICT initiatives, including capability maturity and case studies that communicate key learnings.
- Establish an innovation accelerator programme that focuses on business-driven research and development. Engage more strongly with industry and academia.
- Encourage Member state to Design and commission the practice in consultation with stakeholders and building on existing innovation initiatives.
- Encourage Member state to Pilot and evaluate the programme, with an initial focus on business process re-engineering opportunities to improve service design and delivery.
- Encourage Member states to Establish and promote specialist leadership communities of practice, for example consumers and security community. Leverage existing forums and industry engagement where possible.
- Encourage Member states to locate and coordinate specialist with national, regional and international capability to provide independent advice.
- Encourage Member states to increase participation in global ICT leadership networks. Coordinate representation and publication of case studies.

				• Encourage Member states to establish a programme that coordinates ICT leader secondment 'swaps' within the region and international jurisdictions. • to launch the Government Online Engagement Service that will enable public feedback into policy and service design.

ANNEX IV: LIAISON STATEMENT FROM WG3 TO WG1

Doc No_____

EAST AFRICAN COMMUNICATIONS ORGANIZATION

**WORKING GROUP 3 ON ICTs SERVICE TRANSACTIONS
AND E-APPLICATIONS**

28th November 2014

Source: WORKING GROUP 3 ON ICTs SERVICE TRANSACTIONS AND E-APPLICATIONS

Title: DRAFT MODEL EAC ELECTRONIC TRANSACTIONS (E-TRANSACTIONS) POLICY

LIAISON STATEMENT

For action to: WORKING GROUP 1

Required Action: A Draft Model EAC E-Transactions Policy for Input to the Regional EAC ICT Model Policy Framework

Deadline: N/A

Contact:	Vincent Ngundi	Email: ngundi@ca.go.ke
	WG3 Chairperson	
	Godliving Kessy	Email: gkessy@eaco.int
	WG3 Counselor	

The EACO WG 3 on ICTs Service Transactions and e-Applications met in Kigali, Rwanda, from 24th to 28th November 2014 to discuss and prepare the following, among others:

i. A draft Model EAC E-Transactions Policy and Regulatory framework; and,
ii. A draft strategy for the following:
   a. Development and provision of ICT enabled services;
   b. Promoting research and development and the provision of innovative ICT services and applications; and
   c. Stimulating demand and uptake of ICT enabled services and applications.

In line with your request vide your liaison statement dated 27th October 2014, we forward the attached draft Model EAC E-Transactions Policy for your incorporation into the Model ICT Policy for the EAC.

ANNEX V: RESPONSE TO LIAISON STATEMENT FROM WG7

Doc No_____

EAST AFRICAN COMMUNICATIONS ORGANIZATION

**WORKING GROUP 3 ON ICTs SERVICE TRANSACTIONS
AND E-APPLICATIONS**

28th November 2014

Source: WORKING GROUP 3 ON ICTs SERVICE TRANSACTIONS AND E-APPLICATIONS

Title: CONTRIBUTION ON TELECOM FINANCE

LIAISON STATEMENT

For action to: WORKING GROUP 7

Required Action:	Response to the Liaison Statement on Follow-up and Contribution to ITU-T SG2 on Telecom Finance Issues

Deadline:	N/A

Contact:	Vincent Ngundi	Email: ngundi@ca.go.ke
	WG3 Chairperson	
		Email: gkessy@eaco.int
	Kessy Godliving	
	WG3 Counselor	

The EACO WG 3 on ICTs Service Transactions and e-Applications met in Kigali, Rwanda, from 24th to 28th November 2014.

The WG reviewed the WG7 liaison statement and recommended that WG3 follows up on the discussions on telecom finance, specifically the activities of the *ITU Focus Group on Digital Financial Services (FG DFS)*.

Further, and in line with a draft model EAC e-transactions policy that WG 3 has developed, we recommend as follows:

  i.   That there's need to provide a framework for the legal recognition of electronic documents particularly within the context of facilitating e-transactions;
 ii.   That there's need to develop a framework to be applied in the formation of contracts entered into through e-transactions;
iii.   In order to enhance confidence in the use of e-transactions, there is need to establish a framework for electronic signatures and promote their use;
 iv.   That there is need to provide the minimum requirements for the scope of consumer protection measures that shall be taken by persons who provide e-transactions services;
  v.   That there is need to establish a framework of roles of intermediaries within the scope of an e-transactions;
 vi.   That Governments should encourage the use of country-code Top Level Domains (ccTLDs) while conducting e-transactions where applicable;
vii.   That Governments should develop a data protection framework to prescribe rules and principles of data retention, security, access, management and sharing of information under specific circumstances;
viii.   E-transactions players should be encouraged to use systems that are interoperable to facilitate e-

transactions;

ix.   That Governments, in partnership with relevant players, should promote and boost public confidence in e-transactions and address the digital divide through public education campaigns on the important transformational value of e-transactions on economic and social development. This shall include initiatives to stimulate the demand and uptake of ICT enabled services and applications;

x.   That there is need for cooperation among relevant actors especially in meeting the needs of persons with special needs, enhancing capacity building in e-transactions as well as compliance and enforcement.

WG 3 thanks you for the information and look forward to further collaboration on this matter.