### What The Digital Integration Means For The Horn Of Africa

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>Digital Payments and Transactions</strong></td>
<td>Enabling of cross-border payments will have immediate impact on citizens in terms of peer to peer transactions which can act as insurance in times of difficult times allowing family members and friends to transfer money. This would remove the intermediary for remittances, lowering the cost of transfer and increasing volume coming into the country. This would also stimulate cross-border business transactions.</td>
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<tr>
<td><strong>Inter-Regional Trade and Food Security</strong></td>
<td>Facilitation of eCommerce and inter-regional trade requires digital solutions at border-points, for logistics systems, and between farmers, entrepreneurs and traders wherever they are. While this will require much more than digital infrastructure but also harmonization of regulations, digital services will provide modern means of facilitating inter-regional trade including for agricultural goods which will be critical to ensure food security for the HoA region.</td>
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<td><strong>Economic Diversification and Jobs</strong></td>
<td>Developing the Digital Economy within national borders will achieve so much. The real unleashing of opportunities will be at the regional level. The digital economy offers new types of virtual jobs in call centers, software engineering, digital products and media and entertainment among others. How mature the Digital Economy is will impact the breadth and types of employment opportunities for the youth in the HoA region.</td>
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<td><strong>Increasing Productivity and Ensuring Business Continuity</strong></td>
<td>Global commerce is primarily happening online, digitization is increasing productivity in agriculture and manufacturing - and with the advent of IoT and AI, economic growth will increasingly rely on digital solutions. The COVID-19 Pandemic demonstrated how the internet is a necessity for business continuity and continuity of education. Equipping student, farmers, entrepreneurs with the digital tools will be an engine of growth.</td>
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</table>
PROPOSED HoA DIGITAL POLICY FRAMEWORK AIMS TO STRENGTHEN HoAI’s 4 PILLARS

Horn Of Africa Initiative’s 4 PILLARS

1 PILLAR 1
IMPROVE REGIONAL INFRASTRUCTURE CONNECTIVITY

Improvement of the 6,000-kilometer regional transport infrastructure network connecting four priority corridors, power integration through regional energy interconnections and power trade between the countries of the Horn.

Establishing a single digital market that will connect the Horn

2 PILLAR 2
ECONOMIC AND TRADE INTEGRATION

Improve trade facilitation and regional value chain development. The connectivity of border agencies helps speed up the delivery of basic goods and services and expand trade.

Improve trade facilitation

3 PILLAR 1
BUILD RESILIENCE

Strengthening resilience to climatic shocks including recurrent droughts, floods, and pests, as well as conflict, displacement, and development of the borderlands.

Strengthening resilience to climatic shocks

4 PILLAR 1
HUMAN CAPITAL DEVELOPMENT

Enhancing skills to find regional solutions to improve human capital service delivery, health systems, and pandemic preparedness.

Enhancing skills to find regional solutions

HoA DIGITAL POLICY FRAMEWORK’S OBJECTIVES
## HoA Digital Policy Framework: 9 Key Policy Areas

<table>
<thead>
<tr>
<th>Policy Areas and Timeline</th>
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<tbody>
<tr>
<td><strong>1. Data Protection-Domestic Legal Frameworks</strong></td>
<td>12 months</td>
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<tr>
<td><strong>2. Data Protection-Regional Data Flows</strong></td>
<td>12 months</td>
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<tr>
<td><strong>3. Cybercrimes &amp; Cybersecurity</strong></td>
<td>12 months</td>
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<tr>
<td><strong>4. Electronic Communications</strong></td>
<td>12 months</td>
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<td><strong>5. Digital Financial Services</strong></td>
<td>12 months</td>
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<tr>
<td><strong>6. PPP Policy Frameworks</strong></td>
<td>12 months</td>
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<tr>
<td><strong>7. Digital Identification Systems</strong></td>
<td>36 months</td>
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<tr>
<td><strong>8. Competition</strong></td>
<td>36 months</td>
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<tr>
<td><strong>9. ICT Regulatory Association</strong></td>
<td>36 months</td>
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**DATA PROTECTION: DOMESTIC LEGAL FRAMEWORKS**

**12 months**

**DATA PROTECTION**

**POLICY MEASURE**

Introduction of domestic laws or amendment of existing laws to protect privacy and data security protection for individuals and provide legal predictability for market participants

**SPECIFIC ACTIONS FOR HoAI**

- Establish a common understanding of the value and necessity of data protection for confidence and growth in the digital economy
- Set out principles to guide the development/updating of national laws
- Prepare a model law that might guide countries’ considerations as they prepare their national laws
- Promote consistency and harmonization among national data protection frameworks

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"Promote trust in data transactions by creating safeguards to limit and mitigate the harms arising from misuse of personal data."
### SPECIFIC ACTIONS FOR HoA

<table>
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<tr>
<th>Policy Measure</th>
<th>Action Description</th>
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<tr>
<td>Establish a common understanding of the vital importance of trusted cross-border data flows for development of the digital economy and the broader economy.</td>
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<tr>
<td>Ensure HoA countries are aware of and have a voice in development of the regional mechanisms for cross-border data flows.</td>
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<td>Support HoA countries as they prepare for and participate in the established mechanisms.</td>
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<tr>
<td>In the long term, support the development of a region-wide mechanism to support cross-border data flows with adequate data protection and privacy measures.</td>
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“Allowing countries to safely move data of customers, suppliers and others across borders to support cross-border provision of digital retail services, use of cloud services, consolidation of data processing functions, cross-border provision of IT outsourcing; data analytics and big data; investment in local data centers.”
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<th>POLICY MEASURE</th>
<th>SPECIFIC ACTIONS FOR HoAI</th>
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<tr>
<td>Introduction of domestic laws or amendment of existing laws to establish clear criminal offences and penalties, coordination of investigation and enforcement with other jurisdictions</td>
<td>Work with other regional bodies (i.e. EAC) to provide and support to member countries by setting out principles that should be present in all domestic laws, drawing from existing regional models and adhering to international conventions</td>
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<tr>
<td>Introduction of domestic laws or amendment of existing laws to ensure cybersecurity coordination among operators of key infrastructure</td>
<td>Review existing legal and regulatory framework, establish coordination mechanisms and practice, and promote coordination (regionally &amp; internationally) in detecting, mitigating and responding to cyberthreats</td>
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“Build confidence in digital systems by deterring criminal offences of harm to digital systems, including fraud and malicious attacks and coordinating to ensure readiness for such attacks and their consequences.”
**ELECTRONIC COMMUNICATIONS**

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<th>POLICY MEASURE</th>
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<tr>
<td>Develop national laws and regulations to develop domestic electronic communications markets</td>
<td>Provide guidance to member countries on principles in legal and regulatory frameworks that will increase competition, investment, infrastructure sharing and innovation</td>
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<td>Promote extending the scope of ONA to data services, and other countries</td>
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<td>promote higher-speed networks and lower costs for cross-border electronic communications</td>
<td>Support and encourage HoA countries to join an expanded ONA as soon as this becomes possible</td>
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<td></td>
<td>Develop operational/commercial models for management of landing stations, national backbone infrastructure and cross-border links with a focus on sustainability of the initiatives and best practices and private sector involvement</td>
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"Increase availability of cross border electronic communications and reduce their cost"
Enable and ensure low-cost, competitive options for digital payments and promote the development of domestic digital economy and financial inclusion.

**POLICY MEASURE**

- Develop national laws to support digital financial services in those countries that lack frameworks or have significant gaps
- Promote regional mechanisms for cross-border digital payments interoperability

**SPECIFIC ACTIONS FOR HoAI**

- Set out principles that domestic laws should reflect, drawing from regional models and guiding towards sufficient harmonization to enable joining an interoperability framework
- Promote liberalization of payment systems
- Support harmonization around key issues (AML and CFT requirements; regulation of fees; authorization of data transfers) between countries and across borders
- Promote participation of member countries in regional mechanism that allows cross-border digital payments within the region to be executed by retail consumers matching the cost of domestic digital payments
To ensure private capital mobilization, management of infrastructure and innovation in the digital sector.

**SPECIFIC ACTIONS FOR HoAI**

- Review and alignment or inclusion of the national PPP laws/policy or strategy to include Digital infrastructure and digital sector in general.

- Development of a toolkit for knowledge sharing in PPPs and Private sector inclusion in digital initiatives.

- Establish PPP best practices norm for the digital sector.
**POLICY MEASURE**

- Develop a reliable national means of authoritative digital identification
- Establish the foundational principles for a regional ID framework based on interoperable and mutually recognized national IDs systems between IGAD countries, regional partners

**SPECIFIC ACTIONS FOR HoAI**

- Support the implementation of national digital ID systems and corresponding legal framework
- Adopt common principles and guidelines for access to national ID systems by public and private entities, drawing from regional models and best practices, particularly those on governance, inclusion, data protection, mutual recognition and technical interoperability

*Provide a means of authoritative identification to strengthen confidence in digital transactions and electronic access to goods and services.*
### POLICY MEASURE

- Establish national competition laws, institutions in countries that lack frameworks or have significant gaps
- Provide for coordination with competition authorities from other regional and national jurisdiction

### SPECIFIC ACTIONS FOR HoAI

- Set out principles for and provide support in drafting national competition laws and establishing institutions
- Continue support of member countries through coordination with COMESA Competition Commission and the EAC Competition Authority
- Promote cooperation for regional investigations and enforcement among COMESA and national competition authorities

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“Incentivize innovation, lower prices, and improve performance and quality of digital market.”
ICT REGULATORY ASSOCIATION

POLICY MEASURE
Create a forum whereby national ICT regulators can discuss common challenges and solutions to digital development and integration

SPECIFIC ACTIONS FOR HoAI
Benchmarking with EACO, WATRA and other regional regulatory bodies to assess viability of a similar effort for HoA

36 months

To create a forum through which national regulators can discuss regional solutions to common challenges such as in international connectivity, telecom regulations, cyber security, data protection, data center/IXPs.
DEVELOPMENT PARTNERS
Technical assistance on the HoA Digital Policy Matrix and national level regulatory frameworks

SUPPORTING ORGANIZATIONS
Coordination among member states to ensure effective implementation

LEAD
Facilitate adoption of the Policy Matrix in member countries

HoA Digital Policy Matrix
IMPLEMENTATION ROADMAP

MARCH 2022
MARCH 2023
THANK YOU