Horn of Africa Initiative

Presenting the Digital Policy Matrix under Pillar 1: Digital Infrastructure

19th HoAI Ministerial Meeting

December 15th, 2023, 9:30am – 12:30pm CET, Brussels

CONTEXT

The digital economy has become an essential driver of economic growth, job creation and access to services across the globe, however with some of the lowest levels of connectivity infrastructure and highest broadband prices in the world, Horn of Africa (HoA) countries are suffering from a pressing digital infrastructure deficit and are only capturing a fraction of this growth. To address these challenges, the Horn of Africa (HoAI) has engaged development partners and mobilized resources to- among other priorities- improve regional infrastructure connectivity (Pillar 1 of HoAI agenda) and facilitate economic and trade integration (Pillar 2 of HoAI agenda), to move towards regional integration.

Advancing HoAI's digital agenda is also timely given the operationalization of the African Continental Free Trade Area (AfCFTA) in 2021, which, in its' third phase, will include an e-Commerce Protocol. While many of the sub-regions have worked together and achieved free movement of physical goods and services -- the next agenda is to work towards free flow of digital services across borders. To this effect, the HoAI in partnership with development partners, such as the African Development Bank (AfDB), and European Union (EU) and the World Bank, have been accelerating initiatives to enhance and leverage digital infrastructure and services for the development of the HoA countries. Ensuring collaboration and harmonization amongst various initiatives and projects on the digital agenda in the HoA will help build synergies and complementarities for efficient and effective operations. Doing so can help streamline the sharing of best-practices and avoid redundancies to advance cross-border cooperation, regulatory and policy harmonization, and enhancing opportunities for regional investments.

OBJECTIVES OF THE DIGITAL POLICY MATRIX

Following the Trade Facilitation and Borderlands Policy Matrices, the Digital Policy Matrix for the HoAI has been prepared for consideration of the HoAI. The Digital Policy Matrix presented in the annex highlights important actions and milestones the HoA region would need to achieve in the areas of broadband internet, data infrastructure and governance and digital payments. Together, advancements in the three areas will allow the HoA countries benefit not only from national level digital development but from regional digital development allowing for decisive progress towards a Single Digital Market (SDM). When communications, data and digital services can flow across the borders of the HoA countries is when the real economic and social benefits of digitalization will be realized through increased economic opportunities, growth, and jobs.

DECISION EXPECTED AT THE DECEMBER 2023 MEETING: ADOPTION OF THE DIGITAL POLICY MATRIX

The Digital Policy Matrix was first presented at the Ministerial Meeting on March 8th, 2023. The Matrix subsequently went through a technical validation with representatives from the Ministries of Communications and the national ICT Regulators at a regional meeting which took place in Addis Ababa on September 20th, 2023. Following the technical workshop, an additional month was provided to allow for any remaining comments on the draft matrix, and which have been incorporated into the attached version of the Digital Policy matrix, which is proposed for adoption by the Honorable Ministers at the 19th Ministerial Meeting, for subsequent implementation. There are a number of partner funded projects that can support the achievement of the milestones on the Matrix and these will be presented at the meeting.

The Digital Policy Matrix proposed for adoption in the 19th Ministerial of HoA Initiative

HoA DIGITAL POLICY FRAMEWORK: 8 KEY POLICY AREAS

	POLICY AREA	TIMELINE (Months)
1	DATA PROTECTION-DOMESTIC LEGAL FRAMEWORKS	24
2	DATA PROTECTION-REGIONAL DATA FLOWS	36
3	CYBERCRIMES & CYBERSECURITY	24
4	ELECTRONIC COMMUNICATIONS	24
5	DIGITAL FINANCIAL SERVICES	36
6	PPP POLICY FRAMEWORKS	24
7	REGIONAL ICT REGULATORY ASSOCIATION	18
8		

4

1

>24 months

DATA PROTECTION-Domestic Legal Frameworks

"Promote trust in data transactions by creating safeguards to limit and mitigate the harms arising from misuse of personal data"

	POLICY MEASURE	SPECIFIC ACTIONS FOR HOAI
DATA PROTECTION	Introduction of **domestic laws** or **amendment of existi laws to protect priva and data security protectio** for individuals and provide legal predictability for market participants	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

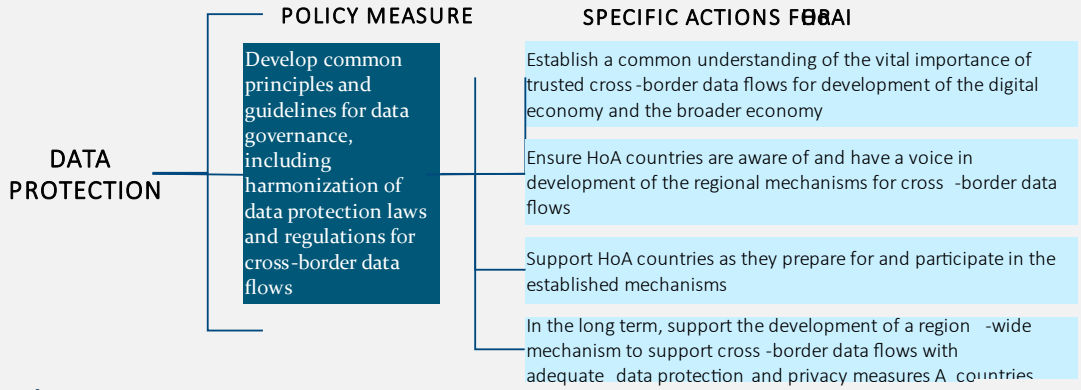
5

2

>36 months

DATA PROTECTION – Regional Flow of Data

"Allowing countries to safely move data of customers, suppliers and others across borders to support crossborder 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"



6

3

>24 months

CYBERCRIME & CYBERSECURITY

"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"

7

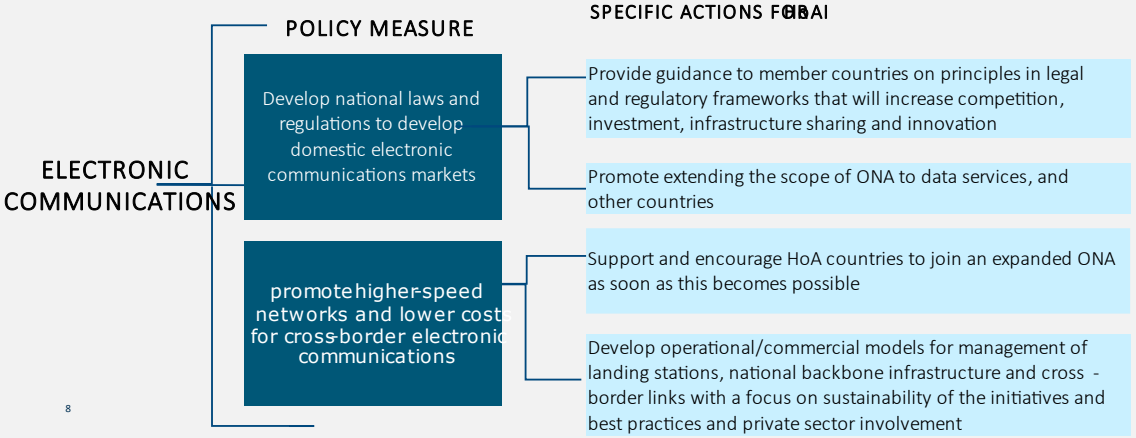
7

4

>24 months

ELECTRONIC COMMUNICATIONS

"Increase availability of cross border electronic communications and reduce their cost"



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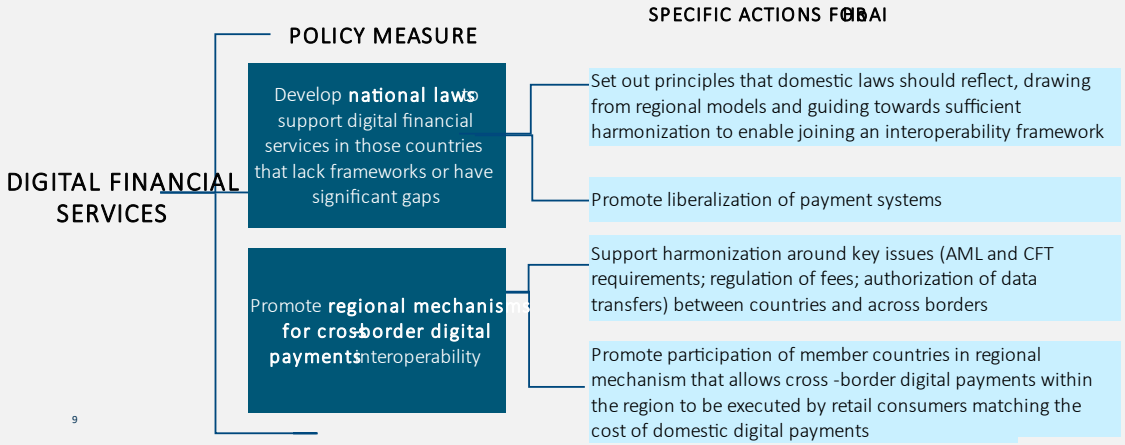
5

>36 months

DIGITAL FINANCIAL SERVICES

"Enable and ensure low-cost, competitive options for digital payments and promote the development of domestic digital economy and financial inclusion"



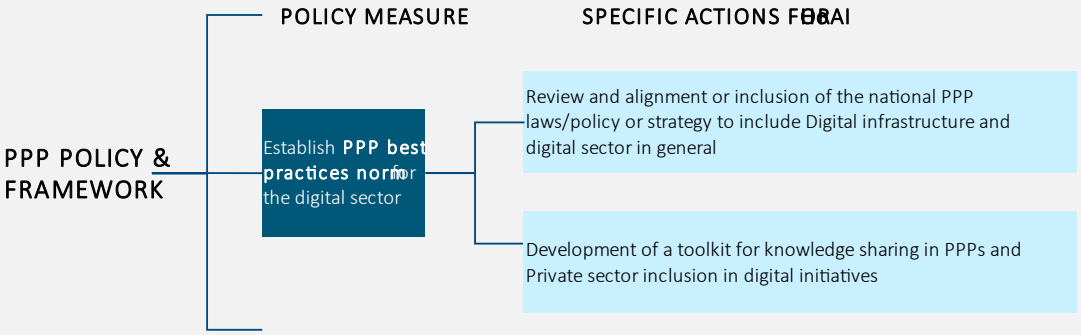
9

6

>24 months

PPP POLICY FRAMEWORK

"To ensure private capital mobilization, management of infrastructure and innovation in the digital sector"



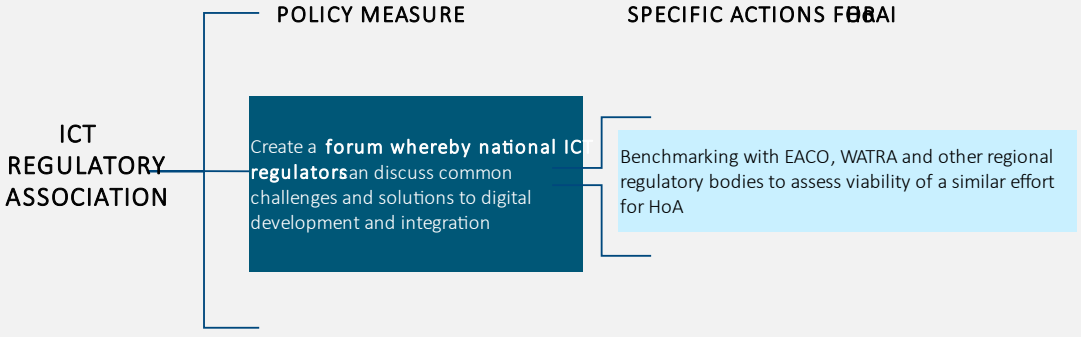
10

9

>18 months

ICT REGULATORY ASSOCIATION

"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"



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IMPLEMENTATION ROADMAP