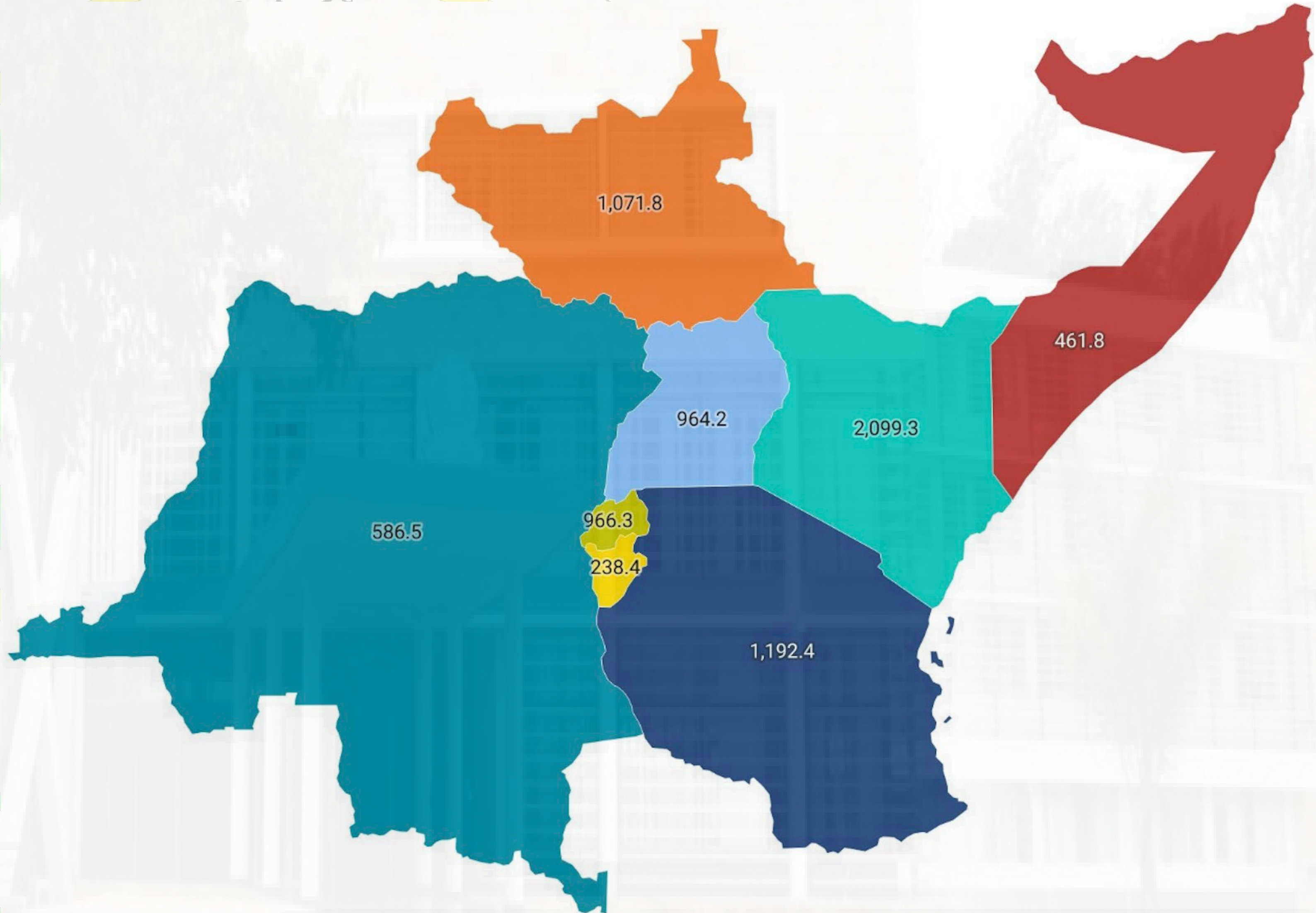
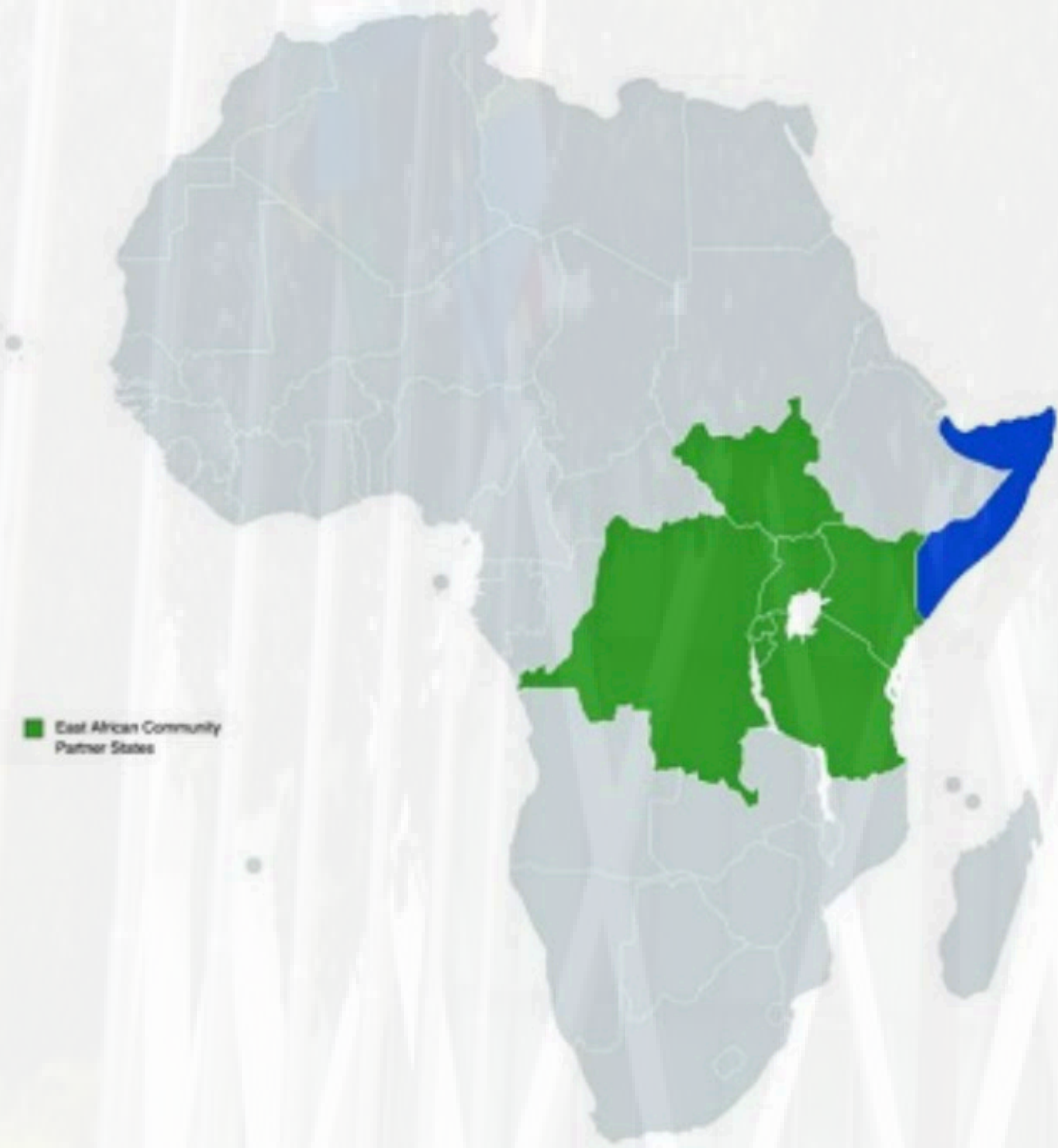




EAST AFRICAN COMMUNITY

One People, One Destiny

East African Community



JUMU



EAC Vision

The Vision of EAC is a prosperous, competitive, secure, stable and politically united East Africa.

**Customs
Union**

1st Jan 2005

**Common
Market**

1st July 2010

**Monetary
Union**

Nov 2013

**Political
Federation**

**Single Customs
Territory**

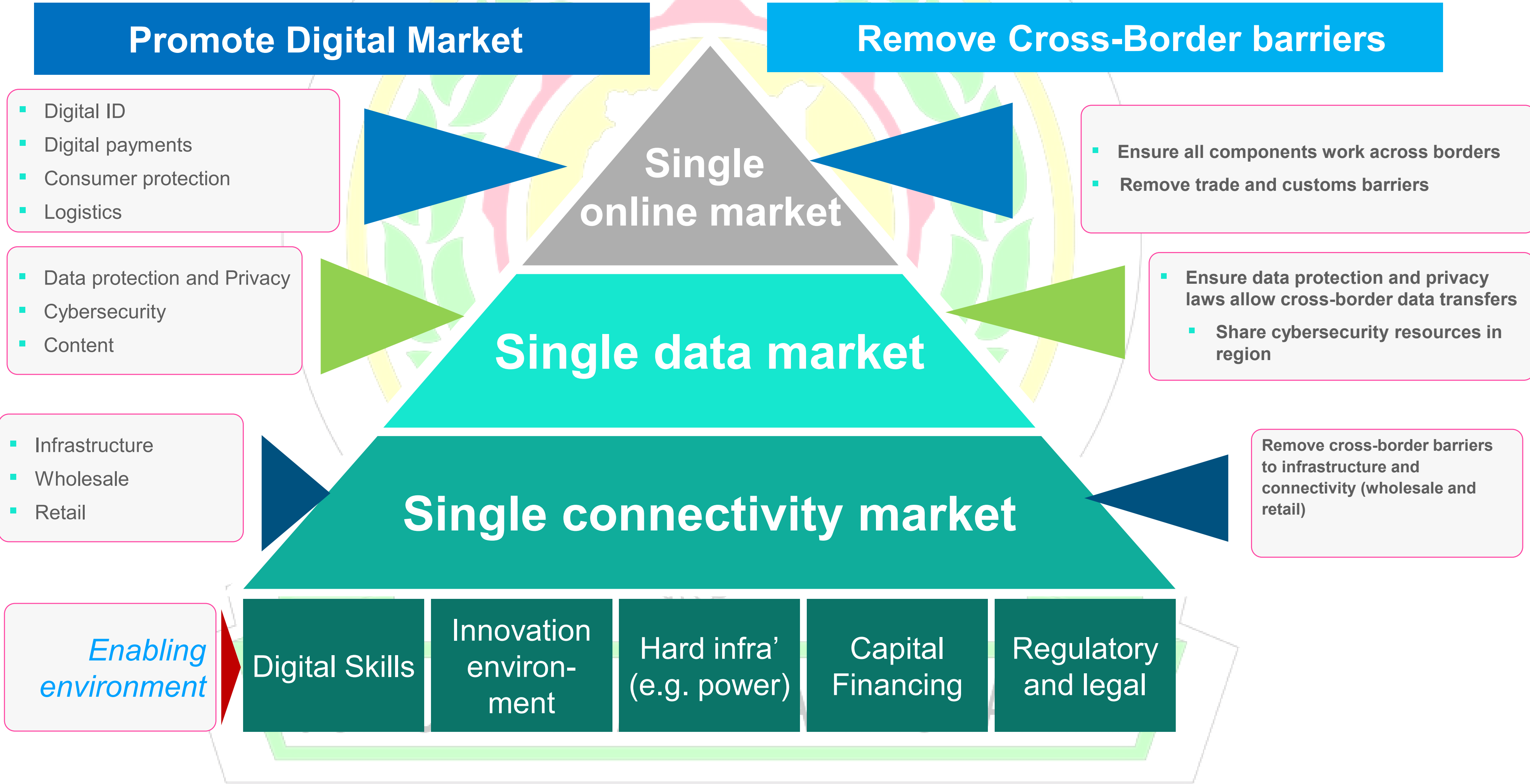
**Freedoms &
Rights**

Single Currency

United East Africa

EAC Mission: to widen and deepen Economic, Political, Social and Culture integration in order to improve the quality of life of the people of East Africa through increased competitiveness, value added production, trade and investments.

Framework for EAC Single Digital Market



- EAC 2019 Directive - to assess challenges related to e-commerce in the EAC and readiness to handle future trends for a regional programme on e-commerce.
- Comprehensive assessment of the e-Commerce ecosystem undertaken in 6 Partner States: Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda. Took into account e-trade readiness assessments that had been undertaken.
- The EAC assessment covered e-commerce from the perspective of various stakeholders: government (policy makers and regulators), private sector (logistics and online market places) and the postal sector as a key facilitator of e-commerce.
- Led to the development of the EAC E-Commerce strategy, adopted on 27th May 2022 by SCTIFI and approved by the EAC Council of Ministers on 12th July 2023.



- Adoption of e-commerce is growing
- There are some disparities on adoption of e-commerce in EAC with some Partner States having notable progress in eliminating barriers while others lag behind.

Challenges inhibiting E-Commerce in the EAC:

- Low access and use of internet as well as poor digital skills
- Limited awareness of potential of e-commerce and how technology can be harnessed for personal and economic productivity
- Absence of broadband infrastructure and electricity in rural areas limiting uptake of internet use.
- Cultural aversion to the use technology and trust in e-commerce
 - High cost of internet and digital devices

Where e-commerce has taken off, the following challenges exist:

- Poor enforcement of consumer protection regulations
 - Low access to e-transactions frameworks
- Complex cross-border trade and administrative procedures
 - High cost of delivering services
- Absence of mechanisms to address digital goods and data localization
- Where regulations and policies are in place, enforcement is absent
 - Cross-border transfers remain expensive and can be slow

EAC E-Commerce Strategy

- **Objectives:**

- Contribute to enhancing capacities for growth, improve legal and regulatory frameworks and increase trust in digital trade.
- Strengthen cross-sectoral and public-private collaboration in developing regional approaches to cross-border e-commerce.

- 1 Vision
- 5 Strategic Missions
- 6 Strategic Goals
- 6 Pillars
- 12 Priorities Areas
- 60 Measures

EAC E-Commerce Strategy

Vision: Inclusive use of e-commerce by consumers, businesses and the public sector through e-commerce-enabled businesses within the EAC.

Mission: to enable e-commerce trading within and between EAC Partner States through:

- **E-commerce law and regulation harmonized** across EAC Partner States
- A **cyber-secure environment** for safe and secure e-commerce transactions
- Trade agreements, customs systems and processes that enable cross-border e-commerce with the **minimum of delay and administration cost**
- **Harmonized and interoperable ICT and payment services** that enable e-commerce to operate in a single EAC market
- **Transport and logistics systems** that ensure goods may be delivered efficiently to and from ports on the Indian Ocean and within the EAC

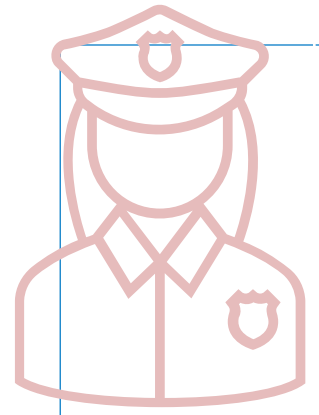


EAC E-Commerce Strategy

Strategic Goals & Pillars



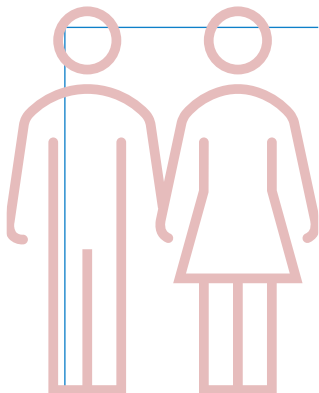
Pillar 1: Establish an Enabling Legal and Regulatory Environment



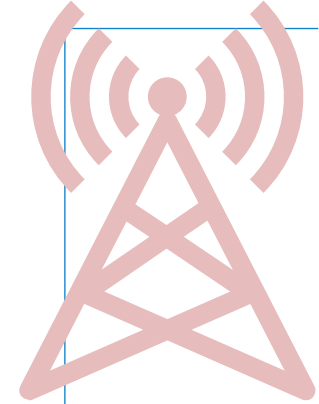
Pillar 2: Improve digital trade facilitation and logistics



Pillar 3: Improve market access conditions



Pillar 4: Enhance human resource development



Pillar 5: Establish an enabling e-commerce auxiliary environment



Pillar 6: Institutional development

Strategic Goals	Pillars	Priorities
<p>1. An enabling legal and regulatory environment for e-commerce which is open, transparent, and harmonised across EAC Partner States that protects all parties in e-commerce transactions and acts as a building block to deliver trust in it.</p>	<p>Pillar 1: Establish an enabling legal and regulatory environment</p>	<p>1.1: Develop, harmonise and implement e-commerce policy, legislation and regulation at both national and regional levels 1.2: Formulate, enact and enforce online security laws and data protection laws 1.3: Establish a harmonised regulatory regime for payment systems across the EAC</p>
<p>2. Digital trade facilitation measures and customs facilities enable e-commerce packages to transit borders with the minimum of delay and administration within the EAC and with other trading blocs and nations.</p>	<p>Pillar 2: Improve digital trade facilitation and logistics</p>	<p>2.1 Harmonise and strengthen e-commerce and trade related standards 2.2 Streamline, harmonise and implement customs procedures to support regional and international import and export of goods and services 2.3 Enable logistics services to fulfil the requirements of the e-commerce sector in handling small packages with rapid delivery to individual premises</p>
<p>3. Universal access to e-commerce enabled markets by all EAC consumers and businesses acting as buyers and sellers.</p>	<p>Pillar 3: Improve market access conditions</p>	<p>3.1 Implement innovative online marketplaces / business models</p>

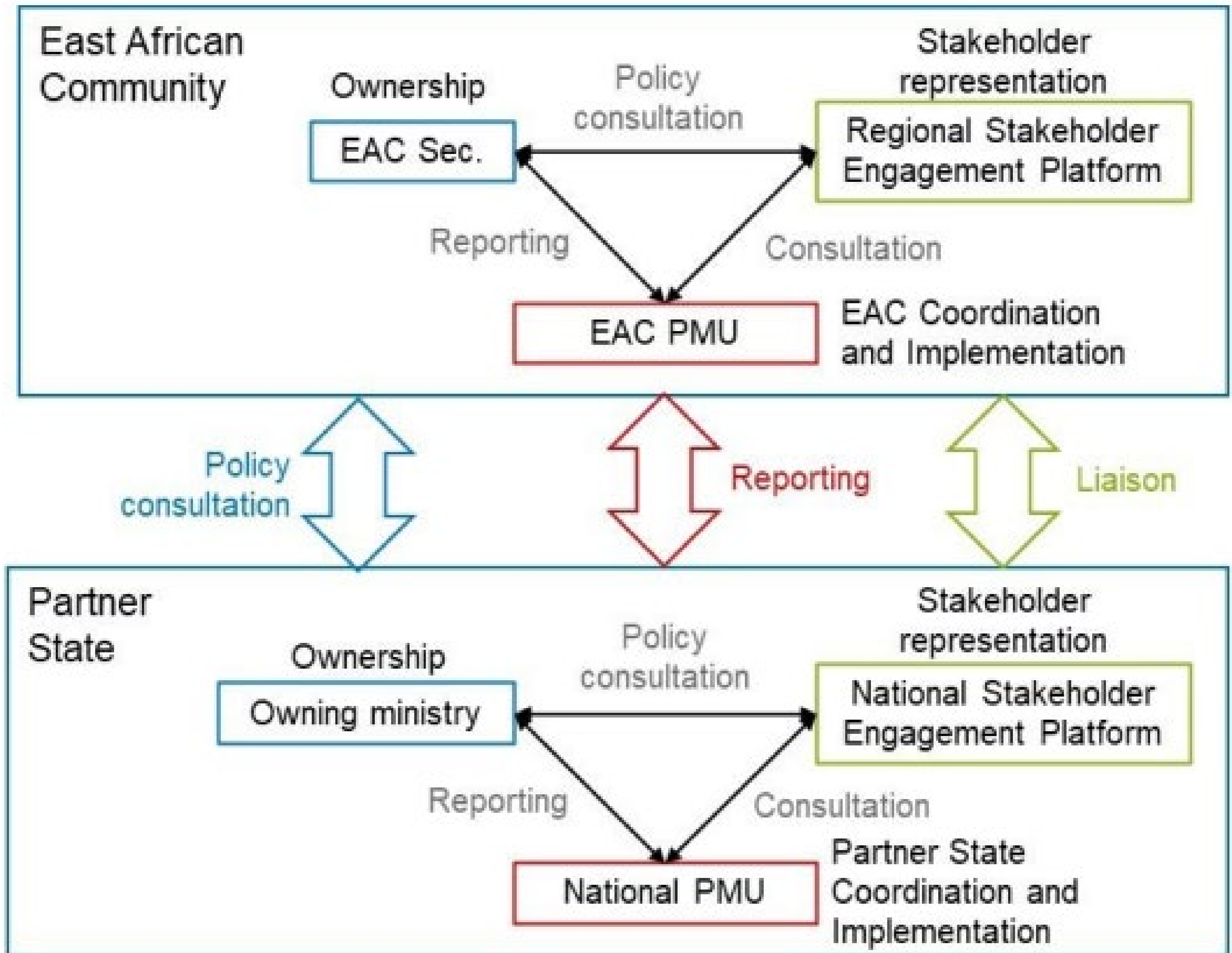
Strategic Goals	Pillars	Priorities
<p>4. Individuals and businesses have the human capacity and skills to use e-commerce services.</p>	<p>Pillar 4: Enhance human resource development</p>	<p>4.1 Conduct sensitisation of the public on e-commerce, develop a framework for promoting digital skills through the education system, business sector and public agencies mandated with policy enforcement responsibilities</p>
	<p>Pillar 6: Institutional development</p>	<p>6.1 Develop a stakeholder mapping and engagement framework at national and regional levels</p>
<p>5. Regional postal, logistics and transport infrastructure support the collection and delivery of e-commerce packages within the EAC and delivery to the rest of the world.</p>	<p>Pillar 5: Establish an enabling e-commerce auxiliary environment covering IT and telecommunications, payment services, postal, logistics and transport services</p>	<p>5.1 Roll out ICT infrastructural programs to further support e-commerce 5.2 Enhance the operational and innovative capacity of postal service providers as an enabler of e-commerce 5.3 Enhance transportation infrastructure to enable efficient and timely delivery of e-commerce packages between EAC Partner States</p>
<p>6. Individuals and businesses can place orders, make payments and manage delivery online in any country in the EAC regardless of the telecom network and payment service to which they subscribe.</p>		<p>Measures under priorities 2.3, 3.1, 4.1, 5.1</p>



EAC E-Commerce Strategy Implementation

Governance and Programme Management Framework for the EAC E-Commerce Strategy

Regional E-Commerce Engagement Platform and the National E-Commerce Engagement Platform



Steps taken to implement the Regional Strategy

- Operationalization of the E-Commerce Engagement Platform.
- Development of M&E framework consisting of the following tools that will be integrated in the digital East African Monitoring System (EAMS):
 - Process monitoring tool for tracking the status of implementation of the determined measures in the Partner States and at EAC level
 - Outcome monitoring tool for monitoring the achievement of the defined KPIs by the Partner States and at EAC level
- Mobilisation of budgetary resources for implementation of the priority Action Plan activities.
- Development and adoption of the EAC Framework for Consumer Protection in E-Commerce for Postal Services
- Development of Regulations for Consumer Protection in E-Commerce
- Development of a detailed action plan for harmonization of e-transactions Legislation
- Development of a masterplan for the harmonization and integration of payment systems across the EAC
- Development of a Regulatory Framework for cross-border mobile money transactions in the EAC
- Development of an e-payments dashboard for the collection and publication of cross-border e-payment data



World Bank - Eastern Africa Regional Digital Integration Project (EA-RDIP) USD 15 million for EAC Secretariat: One Network Area expansion; regulatory harmonization for cross-border connectivity, cybersecurity data protection; mechanism for cross-border data flows, standards for data interoperability, e-payments interoperability, e-signature regulations, intermediary liability guidelines, capacity building, TA.

GiZ - harmonization of regulation in the ICT services sector, data roaming (One Network Area), e-payments dashboard, M&E for the E-Commerce Strategy, Consumer Protection, Action Plan on E-transactions

Bill and Melinda Gates Foundation - on digital payment systems

TradeMark Africa: e-payments, postal services for e-commerce in the Northern Corridor (Kenya, Uganda, Rwanda)

European Union: Safe Digital Boost Africa (SDBA) - regional programme on e-gov, cybersecurity, e-commerce/e-payments; EAC component 25M EUR; starting implementation in 2025.

African Development Bank (AfDB) - Improving the East African Payment System with a focus on wholesale payments and the integration of capital markets - Under scoping





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