1ST COMESA ICT SERVICES INDUSTRIES PUBLIC – PRIVATE DIALOGUE

REPORT

Theme: It's an ICT world:
Access – Innovation – Policy for Business Competitiveness

1. INTRODUCTION

The COMESA Business Council (CBC) convened the 1st COMESA ICT Services Industries Public-Private Dialogue under the theme: It's an ICT world: Access – Innovation- Policy for Business Competitiveness, 20th -21st April, 2016 in Nairobi, Kenya.

The Dialogue focused on harmonizing common positions of the businesses and regulators in the ICT services industry, in an effort to provide strategic direction to governments on public-private sector solutions to advance ICT for business competitiveness in the region.   It covered issues of access, innovation, data privacy and security, innovation strategies and policy frameworks.

The Public- Private Dialogue brought the ICT regulators together with private sector associations, leading corporates, multinational companies, startups, and innovation hubs from the ICT industry within the COMESA Member states. It attracted more than 80 Delegates; who included representatives from ICT regulators, private sector Associations, ICT Associations and companies from 14 COMESA Member states.   The List of participant- is attached to this report. **Annex 1– List of Participants.**

1.1   Mode of Presentation

The mode of presentation was in the format of an "inter-participatory or dialogue" approach, whereby each presenter was given time to present on the selected topical issues on ICT and cloud services development; and the business community were also given time to discuss and openly comment on the speakers' presentations or issues under discussion. After each key issue was discussed during the meeting, key recommendations were thereafter drawn; which were then adopted at the end of the meeting.

The discussions were structured within the following headline themes and sessions;
- **Session 1.** Can ICT turn African businesses into global market players? Opportunities and challenges faced by today's enterprises.
- **Session 2.** Is Africa Ready for Cloud? - Cloud Readiness Index for Africa - Research Paper
- **Session 3.** ICT Governance- Panel Discussion-Government readiness to use Cloud services, e-governance.
- **Session 4.** What is the state of policy landscape around ICT? Focus on Access and Innovation- Policy, Regulatory and Infrastructure Issues
- **Session 5.** Today's Innovations - tailored solutions for Africa -Showcasing MKOPA , Showcasing MAWINGU
  - Building knowledge based economies- Innovation Hubs boost start- ups in the region

- Enhancing Skills - fostering human capital , Skills development to create a more knowledge-based economy and competitive workforce

- **Session 6.** Establishing policies as a win-win for Innovation -Exploring innovative partnerships between the Financial services and telecommunications industry;

- **Session 7.** COMESA ICT Policy Frameworks- Focus on key ICT driven sectors and their model bills.

- **Session 8.** Increasing Intellectual Protection for IT innovations- Best and Applied practices and recommendations.

- **Session 9**: Preparation and Harmonization of Private Sector Positions-Formation on the regional position of the private sector- Adoption of Recommendations

This Report captures the discussions and key deliberations of the Dialogue.

2. THE OPENING CEREMONY

2.1 Introductory Remarks- COMESA Business Council CEO Ms. Sandra Uwera

In her opening remarks; Ms. Sandra Uwera began by introducing the CBC as the private sector Organisation of COMESA and a Business Member Organisation solution to its membership in the core areas of business policy advocacy, business support and advisory services, as well as technical and productive capacity building to industry.

She described today's world as digital with technology and innovation driving our economies. Ms. Uwera reinforced the need for the right strategic approach to the digital transformation agenda in the region that inculcates sustainable and inclusive growth for Small and Medium Enterprises and other industries. She called for a higher level of preparedness and better infrastructure and access to ensure the above.

She noted the key issues on the agenda for discussion to include; access, intellectual property, promoting innovation, the partnerships between the banking sector and mobile industry in mobile money services. She urged the dialogue to tackle the core issues that are binding to setting up a competitive business environment for ICT industries in Africa through strong multi-stakeholder action between policy makers and private sector.

2.2 Introductory Remarks- Microsoft 4Afrika Director Mr. Louis Otieno

Mr. Otieno, in his opening remarks welcomed the delegates to the meeting. He spoke of the various concepts that impede ICT and cloud readiness in the region. This includes uncoordinated policies, poor regulation, and lack of awareness amongst others. He highlighted that this has translated to low levels of integration with estimates around 15% intra African trade African.

He affirmed the need for strengthening collaboration amongst all stakeholders and reaffirmed Microsoft's commitment to partner with the private sector, public sector and academia for the economic development of the region. He emphasized the role of the CBC ICT workgroup in creating a platform for public private engagement as essential.

Mr. Otieno proposed the strengthening of regulatory frameworks on ICT to include issues of cloud solutions and cyber security. He urged the meeting to dialogue and engage on some of the regulatory impediments to ICT development within the COMESA region.

2.3 *Opening Statement -Microsoft Corporate Vice President- Mr. Rich Sauer*

In his statement, Mr. Sauer spoke on the numerous benefits that cloud solutions offers, including reduced costs for maintaining and managing IT Services, scalability and efficiency. He welcomed the dialogue and the conversations around cloud as essential and timely. Since there is need to participate in a broad conversation on policy frameworks for cloud and also to share best practices.

Mr. Sauer provided some best practices internationally of companies that have been able to use cloud services to transform service delivery and improve business efficiency in many ways including education services. He recommended the adoption of cloud services and the need for customizing services to one's own needs and context.

2.4 *Opening Statement CBC Chairperson – Dr. Amany Asfour*

In her opening statement, Dr. Asfour spoke of the 3 year journey by the COMESA Business Council on establishing the Coalition of Services Industries as per the recommendation by the COMESA Trade in Services Committee. She spoke of the contributions of ICT Services to infrastructure, transportation, communication and necessary for enhancing manufacturing and other sectors of the economy. She asserted the need for Africans to develop ICT innovations that are tailored for the continent and contribute to the UN Sustainable Development Goal and the socio-economic development of the region.

She urged the need to engage on practical policy recommendations for improving the competitiveness of ICT services sector and to provide a platform for the private sector to effectively input into policy issues and Trade in services negotiations with the region.

She applauded Kenya on its role in the region as one of the leading African digital economies stating that ICT driven economies have advanced their productivity and improved entrepreneurship, social and economic development.

There are a number of constraints that will have to be met for us to bridge the digital divide and fully take advantage of ICTs and services for our trade and economic development. She urged the need to deal with constraints including; infrastructure inadequacies, policy frameworks, skills

shortages to enhance access and innovation in the region. Dr. Asfour recognized the need to invest in youth as innovators and facilitate that their innovations become commercial ventures.

In closing she emphasized the importance of the public and private solutions through dialogue, engagement and partnerships in addressing the constraints and promoting ICT development. She also expressed appreciation to Microsoft and USAID for their partnership and the COMESA Secretariat for supporting private sector participation in the regional integration agenda.

2.5 Opening Statement COMESA Assistant Secretary General- Programs- Amb. Kipyego Cheluget

In his opening Statement, Ambassador Cheluget welcomed all the delegates to the meeting including all the representatives from the various COMESA Member states. He emphasized COMESA's commitment to regional integration and through the role of its financial institution like PTA, ZEPRE to facilitate the integration. He also spoke on COMESA'S role in promoting the continental integration agenda; through the Tripartite Free Trade Agreement that was signed in June 2015.

Dr. Cheluget recognized the importance of ensuring an enabling environment to facilitate and enhance access to Technology as essential for trade and regional integration. Citing the various African innovations, like MPESA; advanced mobile technology for financial solutions and the Silicon savanna; IHUBs that promote innovation he emphasized how technology have driven efficient service delivery in the region. He expressed COMESA's commitment to ensuring ICT development, highlighting that the last council of ministers had adopted a decision to utilize white spaces as a way to increase access and beckoned the countries to share technologies in the region.

In closing, he emphasized the importance of the dialogue for public private engagement and also as a platform for business linkages and networking between the local companies and their regional counterparts. Dr. Cheluget, expressed his appreciation to the government of Kenya represented by the Ministry of ICT, for hosting the event and officiating. He further thanked the ARICEA members, Microsoft, USAID and all the delegates for being part of the meeting.

2.6 Official Opening   Ministry of ICT KENYA

In opening Dr. Getao extended a warm welcome to all delegates to Kenya. She recognized Kenya as the leading ICT Hub for the Eastern Africa region and amongst the top five African countries with the fastest growth in telecommunication, infrastructure and mobile money innovations.

She further acknowledged the importance of the ICT services as key enablers to the growth of other services and manufacturing industries sectors, and also for trade and regional integration. She commended that COMESA Member States have commenced trade in services liberalization negotiations in sectors; including telecommunications, as such the Dialogue is important to informing the negations.

Dr. Getao spoke on some of key technology innovations in Kenya; stating that mobile penetration in Kenya is currently at about 82.6 per cent and then 90 % of people who access internet. She highlighted MKOPA, Ezena education, MPESA, USHAHIDI, PesaPal, Esoko, i-cow, i-hubs amongst other innovations that have transformed service delivery in all sectors.

She emphasized the need to deal with the policy, skills and infrastructure issues that still need to be dealt with to ensure ICT development including strengthening cyber security policies and regional harmonization initiatives. She welcomed the ICT dialogue and the public and private sector dialogue and partnerships as essential in dealing with the above constraints.

In closing she thanked all participants and urged the dialogue to come up with practicable solutions and recommendations for the development of the ICT industry. Dr. Getao further called for businesses to transform their processes, mindsets and change values to adopt ICT in order to increase their efficiency, competitiveness and to grow their companies.

3. Session one: Can ICT turn African businesses into global market players? *Opportunities and challenges faced by today's enterprises. A company perspective.*

Speaker: AGIN - Mr. Felix Musau

Mr. Musau introduced AGIN as a company that focusses on building e- platforms that enable agricultural value chain actors drive better results and facilitates access to information amongst the various stakeholders. In his presentation he highlighted the following key issues;

That there are vast opportunities for African agriculture but lack of coordination and availability of information is some of the key challenges constricting the industry. The small holder farmers have the potential to meet this gap if all stakeholders are connected in a beneficial manner.

AGIN provides a platform that connects all stakeholders- bankers, insurers, buyers, farmers, suppliers, collection centers, market, traders, etc. The platform enables;

-   Collaboration amongst the various stakeholders.
-   Reduced transaction costs, as stakeholders are able to access information on markets, finance and supplier relationships directly, without recourse to middle men.
-   Decision-making along the value chain.
-   Information/data driven production process. By documenting farming transactions the value chain is integrated and the farmers are able to increase their credit ratings as well. They are able to connect with the input suppliers and increase their market shares.
-   Gradual adoption of cloud based solutions in the sector.

On the operation of the platform, is that it can work on basic phones. On the challenges he spoke on the need to change mindsets to align those of stakeholders in the agriculture with issues of

technology. Furthermore, on the need to address the issues with respect to access to finance and the tenure mismatch within the sector as most sources offer short term financing.

3.1 Recommendations

- **Invite SME's to re-examine their value chains to see where processes can be improved with the application of technology.**
- **The need to customize best practices and innovations to tailor them to local specificities of the African region.**
- **Urge the financial institutions to utilize more information available through Information Technology to allow them to access finance and more businesses (More information for example included farming transactions for financial readiness).**
- **Urge the government to strengthen mechanisms for collection of data and sharing of data and statistics.**

4. Session two: Is Africa Ready for Cloud? - *Cloud Readiness Index for Africa - Research Paper - Capacity Building – Access- Policies*

4.1 Innovonomics Managing Partner Mr. Rizwan Tufail

In his presentation Mr. Rizwain highlighted the need for a customized readiness Index for Africa that looks at the uniqueness of the African region.

He further stated that the following key challenges affect the ranking of African countries on the global e-readiness index; lack of infrastructure, high cost of communication, ineffective regulation, insufficient relevant skills and inaccurate perceptions.

On a regional index; Mr. Tufail reinstated the absence of a regional index; which specifically measures the performance of all African countries; and a standard tool for cloud readiness sin the African region. This affects the ability of the countries to put into place informed remedial policies and strategies.

Mr. Tufail spoke on the Cloud Readiness Index for Africa, being developed that focusses on the following key issues;
- Policy, Legal and Regulatory Environment; which looks at legislation on data privacy, intellectual property protection amongst other issues.
- Infrastructure; which looks at broadband quality and availability.
- Access and service sophistication; which focusses on devices penetration: computer and mobile usage.
- Skills and Awareness; focusing on education, competence and awareness issues.
- Operations; focusing on data centers, energy and other issues.

In closing he asserted that the Asian region also provides some lessons on - digital cross border trade policy harmonization through the ASEAN Economic Community, use of ISO standards for privacy.

4.2 Outsourcing and Telecommunications Association of Mauritius Chairperson, Mr. Ganesh Ramalingum

In assessing Africa's readiness for Cloud; Mr. Ramalingum spoke of the need to build capacity, access and infrastructure to ensure the sharing of information through cloud and technology services.

He stated that the following are some of the key challenges in providing cloud Services; Legal and Regulatory Framework, Infrastructure, Connectivity, Capacity Building and Security frameworks.

He shared an overview of the Mauritian frameworks with respect to the above. On legislation he echoed that Mauritius has an intensive regulatory framework covering the following issues; data protection act, computer misuse and Cybercrime Act, Postal Services Act, ICT Act, Electronic Transaction Act, Independent Broadcasting Act, Copyright Act and Child Protection Act. The sector is managed through a rule based system with the ICT Authority of Mauritius as the Regulator.

In terms of infrastructure, he highlighted that the nation enjoys about 90% fibre coverage with wireless connections, multiple data centers, with some that are public and others private owned.

In terms of cloud service a sizeable number of public and private sector are already using cloud services which have translated to easier accessibility, reduction of costs of maintenance and ultimately business growth. An example is that all secondary schools have been connected as a result of the above initiatives.

Mr. Ramalingum provided an insight on ongoing projects which include a public private partnership project which looks at the utilization of white spaces which will maximize access to remote areas.

4.3 Recommendations

- **Existing Indexes are centered on the developed countries and do not fully cater for the African region. We urge Member States and Centres of Excellence to ensure that we develop Indexes that speak to the peculiarities of the African environment.**
- **Accelerate the adoption of Innovative technological advances that provide access to rural areas. We urge Member States to create the Regulatory frameworks to utilize white spaces technology to increase access, particularly for people in remote areas.**

5. Session three: ICT GOVERNANCE- Panel Discussion. Government readiness to use Cloud services, e-governance: *Infrastructure- Cyber security - Data protection- Trust and transparency- Mindset shift*

5.1 Rwanda Utilities Regulatory Authority (RURA) Mr. Charles Semapondo-Ag. Head of Innovation and Cyber security

Mr. Semapondo spoke on the efforts that the Rwandese government has put in place to ensure ICT development as a crosscutting pillar for its economic development as part of Rwanda 2020 vision and the SMART RWANDA MASTER PLAN 2015-2020. The objective is that ICT should contribute 10% to GDP by 2020 and enable the other keys sectors as well. This has been implemented through a number of ways including;

- Liberalization of the ICT market to attract investments and building of knowhow.
- The ongoing initiative of installing fiber optic network to cover the whole country (urban and rural area).
- A Public Private Partnership model for 4G LTE Implementation with a 4G LTE rollout plan is to reach 70% country coverage by 2017 and 100% by year 2020
- On government services all government services to be online by 2018 with all financial transactions to be made electronically and via mobile by 2018.

5.2 Malawi Communications Regulatory Authority (MACRA) Mr. Francis Bisika, Deputy Director General

In his presented Mr. Bisika began by providing an insight of Malawi; stating that internet subscribers are approximately 1 million, mobile network coverage is at 80%, 3G coverage is at 40%, LTE/Wimax coverage at 10% and broadband at 7%.

He further stated that cloud services for Malawi would mean reduced Cost of Doing Business and Shared Resources or costs. However, there are a number of challenges militating against cloud services including the following; inadequate legal and regulatory frameworks, low connectivity due to high coast issues, lack of skills to administer such systems and cyber security related fears.

On the legislation, he highlighted that the framework is mainly governed by the Communications Act (1998) which is reasonably outdated and does not fully deal with the emergent technologies like cloud systems, data privacy and security concerns. As such the following interventions are ongoing to ensure cloud readiness and ICT enablement for Malawi;

- Drafting of the New Communications Bill which is now at an advanced stage
- Ongoing Drafting of the E Legislation Bill to promote e-transactions & e-commerce
- New Spectrum Pricing Model in place and New Licensing Framework to encourage new entrants into the market.
- Ongoing establishment of Universal Access Fund
- Efforts to increase awareness on Cyber Security and Cybercrime.

On white spaces he indicated that irrespective of the legislative framework some stakeholders are already using white spaces for connectivity in Malawi.

5.3 ICT Authority of Kenya, Mr. Francis Mwaura, Head of Standards and processes

Mr. Mwaura spoke on the importance of taking advantage of cloud computing as cloud provides an opportunity for sharing platforms and resources in an efficient manner. He stated that mobile and internet penetration in Kenya is high at more than 85% for mobile services, thereby recognizing that the implementation of cloud services should not provide an insurmountable task for the government and private sector.

He further highlighted a number of ongoing cloud services programs in Kenya which includes; webhosting and email hosting for the government already in the cloud and the Digital Learning project in the education sector.

On the key challenges; he echoed the need to increase awareness, ensure balanced framework for Infrastructure development as some areas remain unconnected. On the legal and regulatory frameworks he spoke of the need to update the licensing frameworks to cater for cloud services as issues of trust, privacy and confidentiality are missing which is an important aspect.

On the ongoing interventions he highlighted the following;

- Draft Cloud strategy undergoing consultations.
- Expansion for cloud infrastructure.
- Ongoing engagements with Kenya Bureau of Standards to facilitate adoption of ISO Standards on cloud services.
- Government and Communications Authority working on the Development of Cyber Security regulations.

5.4 Recommendations

- **We urge Member States to put in place implementation mechanisms on ICT Policies that focus on awareness, capacity building and enforcement.**
- **Most regulatory frameworks; including on licensing do not cater for cloud and issues of trust, privacy and confidentiality. These affect the use of cloud services and the confidence in the market. We urge Member States to prepare and adopt cloud policies covering areas like data protection, data security; amongst others.**
- **Licensing frameworks for ICT operators should address market entry barriers and unfair competition- eg: Where incumbents restrict access to new entrants, by denying shared infrastructure – etc.**

6. Session four: What is the state of policy landscape around ICT? Focus on Access and Innovation- Policy, Regulatory and Infrastructure Issues

6.1 Communications Authority (CA) Kenya Ms. Mercy Wanjau- Legal Counsel

Ms. Wanjau gave an insight on the legal and regulatory framework for Kenya. She stated that the communications sector is governed by a number of laws and policies including; the Constitution of Kenya, 2010, National Broadband Strategy, 2013, National Cyber Security Strategy, 2014 and the Kenya Information & Communications Act (KICA) & Regulations. KICA covers a number of issue including; including telecommunications, radio communications, broadcasting, postal and courier, competition, universal service, consumer protection, e-transactions, cyber security and dispute resolution.

In terms of penetration, she stated that mobile penetration is at about 86%, internet penetration about 78% population have access to 3G network, and television digitalization covering almost 70% of the population.

On certain challenges in the sector, she spoke of the inadequate regulatory frameworks to support the emerging ecosystem–data & privacy, IP, taxation and the low penetration of important communications services such as broadband in rural areas.

She further highlighted that the government were carrying out a number of intervention in line with the new technologies; which includes: review of the ICT Policy, development of new regulations on Infrastructure Sharing, Electronic Transactions and Cyber Security Regulations, development of the Computer and Cybercrimes Bill and the implementation of the Universal Service Fund.

6.2 ICT Association of Malawi Chairperson, Mr. Wisely Phiri

Mr. Phiri highlighted that the private sector and the government had made considerable progress in using cloud services in Malawi mainly through Yahoo and Drop Box showing that Malawi is ripe for cloud technologies.

On policy and regulatory framework he reiterated that there is a New Communications Bill, currently in draft form and an Electronic Transaction bill is also in draft form to support electronic transactions.

With regard to infrastructure he spoke of the inadequacy as fibre is still very limited, expensive and limited to corporates. This is also execrated by energy deficiencies, and most people have resorted to gen set and other alternative sources which makes production expensive.

Mr. Phiri also spoke on the absence of a dedicated ministry and institutional framework for ICT in Malawi, recommending for the development of the above, as key to promoting ICT development and developing the appropriate policy frameworks.

6.3 Kenya Association of Manufacturers - Mr. Tobias Alando, Head of Membership

Mr. Alando spoke of the need to also consider ICT policy and development not just from the user's perspectives but from the manufacturers as well. He echoed the need to support the development of the local ICT manufacturing industry stating that most policies, for instance; public procurement is eschewed against local ICT companies with most government departments procuring mainly form international manufacturers. He urged the need for the development of an incentive model that promotes local procurement from local manufacturers. This should be complemented by a regional models and harmonization of standards to ensure the growth of regional markets.

On the Infrastructure Bill in Kenya he also urged the need for sharing of infrastructure amongst the service providers.

Mr. Alando spoke of the need to develop skills and establish innovation hubs and platforms to foster innovation and entrepreneurship amongst the youths. He also pressed on the need to enhance intellectual property protection, to reward innovation as essential to promoting ICT development in the region.

6.4. Recommendations

- **Energy has a huge bearing on ICT access and usage. Government should scale up investment in energy; including in alternative forms of energy.**
- **Member states are urged to provide a % preferential of public procurement to local ICT enterprises.**
- **Member states are urged to provide technical capacity building mechanisms to support the inclusiveness of industry to meet the procurement requirements.**
- **Member states should move towards regional harmonization of ICT policies, including data protection and privacy.**
- **Member states are urged to prioritize ICT infrastructure. There is a need to promote access to ICT infrastructure(net neutrality)**
- **There is a need to adopt regional frameworks for promotion of, and trade in ICT enabled services. Member states should adopt policies to address affordability of ICT services.**
- **Member States to adopt frameworks on cross border data transfers, covering non-sensitive data or data not subject to national security restrictions. For example cross border mobile money transfers.**
- **Private sector should participate in the development of ICT policy making processes.**
- **Public Private Partnerships are a good model to encourage investment in ICT infrastructure.**
- **The private sector is encouraged to participate in the formulation of ICT policies. Member States are called upon to harmonize their ICT policies; particular attention should be paid to the adoption of programmes on utilization of the dynamic spectrum**

allocation technologies (TV white spaces) to promote access to the internet including in the rural areas.

7. SESSION FIVE. TODAY'S INNOVATIONS - TAILORED SOLUTIONS FOR AFRICA

7.1 Showcasing MKOPA Solar; increasing access to green energy
M-Kopa - Ms. Pauline Githugu

M-KOPA Solar, headquartered in Nairobi, Kenya, is the market leader of "pay-as-you-go" energy for off-grid customers with over a third of a million connected homes worldwide. It is developed through mobile technology and its core products include a charger, solar panel, radio.

Ms. Githugu highlighted that MKOPA operating in 4 countries; 333 000homes connected, 750 staff at the end of 2015 and has been operating for less than 5 years.

She further highlighted this is mainly enabled through the M-KOPAnet platform- a cloud service that allows for data hosting of more than 333,000 users, geographical mapping of all devices, Over 1 million battery readings per day, sunshine data from 1/3 million rooftops. She highlighted the importance of loud services in hosting such large amounts of dada efficiently and at a reasonable cost.

As a result of its innovative nature M-KOPA has won many global awards and been featured in international media like the BBC, Economist, Bloomberg amongst others.

7.2 Mawingu - Mr. Tim Nderi

Mr. Nderi introduced MAWINGU as a company that looks at providing access to broadband internet through the utilization of television white spaces in Kenya. He highlighted that about 80% of the population in Kenya is below the age of 40 years; and as such represent the technology generation with an appetite for ICT and internet usage.

He echoed that television white spaces can provide coverage of up to 80-90 kilometers especially in the remote areas. MAWINGU is already providing some internet coverage to Gakawa secondary school and a number of internet cafes in the area. This has translated into improved educational services and even good pass rates for the school. This has been delivered working with solar energy, in areas without access to electricity. This highlights how dynamic spectrum technologies like white spaces can be utilized to facilitate access to the rural areas, improved service delivery and youth employment.

7.3 Bongo Hive - Innovation hub Zambia Mr. Lukonga Lindunda, Co-Founder and Director

Mr. Lindunda introduced Bongo Hive as the first and largest innovation Hub in Zambia. It was developed with the motivation to promote the growth of Innovation spaces and entrepreneurship in Zambia.

He explained that Bongo Hive promoted entrepreneurs in the ICT and ancillary sectors using a 3 – pillar strategy; Discover, Launch and Thrive; where entrepreneurs are discovered and empowered through business skills development and are financed by investors to enable them to grow their businesses. He highlighted that there are currently more than 280 under discovery and about 20% of these will actually become successful companies, citing examples of companies like TAMANGA Ticketing, FIXER who have been part of this platform.

He recommended the need for a facilitative regulatory regime which fosters entrepreneurs and also the need for locally grown investors and financing options that are customized to start ups and entrepreneurs in the region.

7.4 Recommendations

- **Innovation hubs and platforms to foster innovation and entrepreneurship amongst the youths**
- **Enhance IPR protection and to reward innovation.**
- **Explore indigenous sources of finance to promote innovation and startups.**

8. Session five b. Enhancing Skills - fostering human capital -Skills development to create a more knowledge-based economy and competitive workforce

Speaker - Human Capital Development Initiative (HCDI) Mr. Bentley Wilson

Mr. Wilson spoke on the importance of skills development in advancing ICT as key, yet a huge gap in most African countries. He spoke on the need to modernizing the educational curriculum through se of technology thereby getting technology in the hands of young people at an early stage. He bemoaned that a sizeable amount of bachelor degree holders in the region are without access to laptops and many graduate without using computers.

He spoke of the Human Capital Development Initiative (HCDI) programme that seeks to facilitate the use of technology in human skills development. He further spoke on the importance of lifelong learning and ecosystem solutions that support learning throughout all phases of life. He reinforced the need to partner industry in skills programmes- national skills standards, industry certification to ensure skills that are actually customized to the needs of business community.

8.1 Recommendations

- **Urge Academic and technical colleges to partner industry in skills development programmes, and on national skills standards including industry certification schemes.**
- **Urge the education systems (public and private) to promote uptake of ICT at an early stage.**

9. Session six: ROUNDTABLE DIALOGUE: Establishing policies as a win-win for Innovation- *Exploring innovative partnerships between the financial services and telecommunications industry;*

9.1 Speakers-Kenya Bankers Association, Mr. Habil Olaka, Chief Executive Officer

Mr. Olaka spoke on how the advent of mobile technology have transformed a number of sectors especially the bankers sector where strategies are now shaped from outside the firm to user, accessibility issues. This has transformed the traditional way of banking and financial services sector. Citing examples he highlighted how technology like MPESA has opined Kenya as an IT innovator globally, others include big data, real time, internet of things highlighting that there is no limit on the potential collaboration between telecommunications and the financial sector.

He highlighted that the collaboration has posed a number of challenges as the regulations and policy frameworks often lag behind, privacy issues and consumer protection concerns. He proposed the need for ongoing collaboration amongst stakeholders and government to ensure balanced regulatory frameworks that support innovation and the need to be proactive in terms of regulatory frameworks so that it doesn't lag behind innovation.

9.2 AIRTEL DRC Mr. Barthelemy Ntshabali, Regulatory Affairs Director

Mr. Ntshabali introduced the financial and telecommunication landscape in the DRC- highlighting that there are a number of operators in the telecommunication industry including Airtel, Vodacom, Orange, and TIGO. He further stated that in 2011 the DRC central bank released a new regulatory framework; Directive 24 on electronic money which was done after public- private consultations and enabled the transfer and flow of mobile money.

He further spoke on M-Falanga, the AIRTEL Mobile money system in DRC which is now being used by a number of retailers, consumersm service providers and the government as well in a number of transcations. He advised that M-Falanga is also being used for virtual transfers, regional remmittance between DRC-Rwanda, DRC-Zambia; and are now working towards debit card integrationin the mobile platform.

On the challenges, he underlined a number including; of limited infrastructure in rural areas which affects mobile coverage, high cost and limited access to handsets for rural communities, education and awareness which affect trust, restrictions on amounts that can be transferred, and lack of regional harmonization. He proposed the need for improving regional harmonization to allow for remittances in and out of the COMESA region including development of currency exchange platforms.

9.3 ECONET Wireless Zimbabwe Mr. Lovemore Nyatsine

Mr. Nyatsine introduced Econet Wireless Zimbabwe as the country's largest provider of telecommunications services, providing solutions in mobile and fixed wireless telephony, mobile financial services (MFS), public payphones, internet access and payment solutions.

He spoke of its key subsidiaries; Liquid Telecom, the largest internet service and access provider in the region, Steward Bank and its mobile financial services Ecocash which has over 85% market share in Zimbabwe with over US$13 billion value of transactions since launch in 2011. Its MFS has driven financial inclusion from an 800 000 depositors in 2011 to the current over 5.5 million.

This has brought banking to the unbanked and formalised the informal market which is current valued at USD5 billion in terms of funds in that sector. Ecocash key offerings include; money transfer, international remittances, merchant payments (Retailers etc), Ecosure – mobile funeral insurance, EcocashSave – mobile money savings and utility payments. He cited the example of ECOSAVE which allows customers to save on the platform and which also includes a crowd funding element as some of the innovative ways to deal with the issue of the high cost of credit in the region.

He emphasized the need for greater collaboration amongst stakeholders and regulators, stating that in Zimbabwe the telecommunications sector are regulated by POTRAZ through the Telecommunications Act; whereas banks are regulated by the Central Bank through the Banking Act.

9.4 TESPOK Research Manager, Mr. Leonard Obonyo

Mr. Obonyo began by stating how mobile money transfers have brought value addition to the banking sector in Kenya and the rest of the region and how banks are putting aspects of mobile money transfers into their products; thereby growing and diversifying their portfolios.

He urged the need to tackle issues of Cross network transfer of mobile money as this has been hampered by a number of issues including different standards and limited inter-operability.

He highlighted that the Central Bank in Kenya had incorporated mobile money into their systems through the MBS Act enacted in 2014. This has enabled the collaboration and interaction between the financial services and telecommunications services providers. He emphasized the need for regulators to promote innovation in terms of their regulations and to continuously work on harmonization of policies on ICT and the financial sector.

9.5 Recommendations

- **Member states are urged to put in place a policy that allows the flow of cross border transactions within the COMESA countries**
- **Member states are urged to harmonize the regulations that are adopted by both the banking and telecommunication authorities in the region, to allow inter- operability of companies in more than one country or at the regional level.**

- **There is a need to review transactions costs that are factored into mobile money services- these include excise duty tax and VAT. To reduce taxes on mobile financial transactions in order to ensure financial inclusion.**
- **There is a need to address the cost of financing for start-ups and provide alternative mechanisms such as venture capital and indigenous grant funds.**
- **The Banking and ICT regulatory frameworks should be developed to respond to risks as they arise, and not as a mitigation measure for risks that are assumed to arise. This will allow for flexibility in developing innovations, as opposed to stifling innovations. Member states are urged to look at more modernized methods of developing regulations, with an approach to meet the needs of the fast paced set of innovations.**

10. Session seven. COMESA ICT Policy Frameworks. Focus on key ICT driven sectors and their model bills.

10.1 Speaker- COMESA Division of Infrastructure- Telecommunications Officer, Mr. Leonard Chitundu

Mr. Chitundu's presentation provided an understanding on the COMESA policy frameworks including; ICT Model Policy and Bill and the Cyber security Model Policy Guidelines and Bill.

He advised on the existence of the Association of Regulators for Information and Communication for Eastern and Southern ARICEA (ARICEA) which is an Association National Regulatory Associations (NRAs) established to support policy and regulatory harmonization in the region and to promote the exchange of experience on ICT regulatory issues.

He emphasized that through ARICEA the following model bills have been developed; Model ICT Policy and Bill and the Model Cyber Security Policy Guidelines and Bill. The purpose of which is to provide key guidelines in line with regional and international practices to ensure the harmonization of legal frameworks. There is varied implementation of the Bills and policy frameworks and a call for the Member states to adopt and implement the above instruments.

On some of the key challenges, he spoke of the lack of cyber security policy and legislation framework in some of Member States and the need to increase awareness to all stakeholders on the policies in general. Furthermore, he stated the need to strengthen public private partnerships in the development of legislation, and the requisite infrastructure for ICT development.

10.2 Recommendations

- **Member states are urged to ensure the involvement of the Private sector in the review processes of the cyber security related bills and other regulations at a national and regional level. In the same breathe the private sector is urged to participate in workshops organized by Regulators.**
- **Urges Regulators to establish predictable periodic consultative process where performances of existing policies are reviewed.**
- **Urges Regulators or private sector to come up with sector papers which can be considered by the Council of Ministers for review of existing legislation on ICT.**

11. Session Eight : Increasing Intellectual Protection for IT innovations- Best and Applied practices

11.1 Speakers: Prof Animi Awah Nigeria institute of Advanced legal studies

Professor Awah spoke on the various forms of intellectual; property to include; copyright – literal work, Trademarks- designs and patents and Patents- Innovations. She highlighted that only 0.4% of global patents are Africa patents. She also spoke on the need to recognize indigenous knowledge as a number of innovative methods from the various traditions could be protected under this arrangement.

She further stated that the regime for intellectual property is primarily national and the digital divide, skills divide, economic divide make it difficult to have universal protection of Intellectual property-0.4% Africa patents protection. She commented that based on the above a strict IP regime will be of a disadvantage to Africans and a more flexible regime is therefore preferred where critical areas like health and right to life should be removed from IP protection as patenting knowledge and things like pharmaceuticals can often lead to commercialization of basic goods like health and education.

11.2 Dr. Marisella Ouma, Intellectual Property Consultant

Dr. Ouma gave an insight into the intellectual property regime; highlighting that is mainly designed to protect and reward innovation and research and that there exists a symbiotic relationship between IP protection and innovation. . There are various ways of protection intellectual property IP include patents which protect inventions, copyright on literary and artistic works and trademarks which protect marks.

On the application, she emphasized; that the process of registration of a patent is quite complex; in comparison with copyrights and trademarks. As a result, copyright protection is automatic and usually more applied than patent protection. She spoke on a flexible approach to the protection of intellectual property rights such as through the use of knowledge commons.

11.3 Ms. Liz Lenjo Strathmore University

Ms. Lenjo emphasized the importance of increasing awareness on intellectual property at an early stage and introducing intellectual property knowledge in schools to promote innovation. Most universities do not have IP policies. She reckoned that most universities and technical colleges don't not have IP policies yet they are the greatest hubs for innovations. She proposed the need for the establishment of technology transfer offices at universities to assist and provide frameworks for intellectual protection.

She further stated that the lack of Policy frameworks on IP transcends the academia and is prevalent in most of the countries in the region. Highlighting the need for improved enforcement of IP rights and increasing awareness on copyright and intellectual property regime. Ms. Lenjo also spoke on the

importance of enhancing the technical capacity of intellectual property regulators to enforce the policies and regional harmonization of intellectual property protection.

11.4 Recommendations

- **Urge Member States to ensure that IP laws create a balance in protecting the innovator and allowing room for improvement on the innovation.**
- **Create laws and frameworks that encourage commercialization of innovation which also protects indigenous knowledge and practices**
- **Urge Member States to create National IP Policy that acts as the basic guidance for fostering and protecting innovations**
- **Encourage multi-sectoral engagement in formulation of innovation and commercialization strategies**
- **Urge Establishment of Technology Transfer offices in institutions of higher learning to guide innovation protect student inventions and promote commercialization.**
- **Urge Member States to formulate laws and strategies which are responsive to the dynamic innovation landscape**
- **Urge Member States to strengthen enforcement of IP laws.**

12. Session nine. BREAK OUT SESSIONS: Developing public- private recommendations on key agendas for ICT competitiveness. Focus areas- Access- Innovation- Capacity- Transparency- Privacy and Security

The participants were put into four groups with a mandate to discuss and come out with key specific recommendations on the focus areas; Innovation- Capacity- Transparency- Privacy and Security. The following are the key recommendations:

ACCESS: Access for ICT Competitiveness

- The need for Increase private sector participation in COMESA national workshops; invitations should be focused.
- To put in place a monitoring mechanism for the implementation of COMESA decisions and instruments.
- To put in place a financing mechanism or Innovation Fund to facilitate innovators and youth entrepreneurs. Financing innovative youth- limited African funding. Innovation Fund.
- Urge Member States to dedicate a certain percentage of their budget to supporting innovation.
- Urge the Private sector to dedicate a certain percentage of their Corporate Social Responsibility funds to finance to innovation.
- Urge Member States to work on harmonization of standards and the development of regional standards to promote access to markets and skills transfer between the COMESA member countries.

- Urge Member States to harmonize regulatory frameworks in ICT and for COMESA to act as a Centre for Model Legislation with the ability to provide guidance on international best practices.
- Urge Member states to adopt regulatory policies including licensing and taxation frameworks that facilitates not hinder the growth of ICT businesses in the region.
- Propose that an Innovation Exhibition be held annually or bi-annually in the COMESA region to promote sharing of ideas and market access.

CAPACITY

- The need to introduce ICT into the school curriculum at an early stage.
- Strengthening public private partnerships and developing trust amongst the stakeholders.
- Encourage investment in ICT Skills development; through incentives that promote businesses who are building capacity in ICT.
- Professional cluster for ICT to facilitate sharing of information and inclusion.
- Volunteerism from corporate and academic sector. Setting up of appropriate systems to encourage volunteering and recognizing volunteers.
- Facilitating teacher training, and exchange programmes to foster capacity building.
- Promote and encourage local content, relevance and consumption of local products and innovations.
- Promote Innovation Awards at national and regional level to inspire innovation.

INNOVATION- Policy and Strategy

We urge to member states to create and adopt an innovation policy and an entrepreneurship policy. We further urge member states to develop strategies that will help achieve the objectives outlined in the policies. They should include;

- Increase Awareness on ICT; for example through carrying out clinics in all areas including remote areas to increase awareness on ICT and innovation.
- Simplify business and I.P registration processes to encourage youths to commercialize innovation.
- Facilitate the protection of IP for innovators; including developing frameworks for the protection of indigenous knowledge.
- Increase Entrepreneurial support; including establishment of safe places like innovation hubs, where people can share their ideas and get legal assistance.
- Explore alternative financing mechanisms including measures like Tax incentive for businesses, seed capital for entrepreneurs which could be generated by mechanisms similar to a universal access fund.
- Foster private sector leadership and involvement in the formation of the policies
- Academia involvement- collaboration with private sector and government to share ideas and knowledge; Triple Helix approach.

- Investing in Human Capital development and capacity building for innovation

SECURITY

- The legislative and policy framework on privacy and security, specifically the timelines and guidelines on data protection should be clear.
- In regulatory frameworks for privacy there is need for balancing of national security vs. individual rights; Citizens and consumer rights should be protected.
- Urge Member States to work on harmonization of regulations on privacy and security; including alignment of national frameworks with international and regional frameworks.
- Ensure the involvement of the private sectors at relevant stages in the development of privacy and security legislations to accelerate adoption.
- Strengthen the private sector to be more proactive through lobbying and advocacy.
- Increasing awareness on ICT legislative frameworks and cyber security regulations amongst all stakeholders on national, regional and international legislation on privacy.
- Develop regional standards on managing relationships between corporates and governments focusing on managing data hosted in various countries.
- Urge Member states to develop Data protection authorities or oversight in line with regional and continental cyber security frameworks.
- Capacity building. Identifying and developing skills amongst various stakeholders; especially regulatory authorities to ensure compliance with privacy and security.
- Need to facilitate the increased uptake of COMESA Cyber Security legislation and to put milestones in place to ensure ratification and implementation of instruments.

TRANSPARENCY & ACCOUNTABILITY

- It was proposed that COMESA Secretariat put in place a monitoring and evaluation mechanism that clearly evaluates the implementation of instruments and puts in place deadlines and milestones of achieving the same. The Monitoring Index will facilitate in understand the gaps and the remedial actions that need to be undertaken.
- The COMESA Business Council to develop a Log frame for the ICT Business Services Workgroup to monitor the progress on the action taken for the recommendations.
- Urge the Secretariat to follow up on the impact of the COMESA innovation awards and also on the innovations by the awardees to see how they have developed over the years.

13. Session ten. Presentation and Adoption of Recommendations

This was a dialogue session where Dr. Mangeni assisted in guiding discussions and adoption on the key recommendations from the whole Dialogue as per each session. The adopted recommendations form part of the positions of the ICT Business Services Workgroup and will be tabled through various COMESA policy organs platforms; the Committees on Transport and Communications, Information Technology and Energy and the Trade in Customs Committee. The Key Recommendations are annexed as **Annex 2 of this Report**.

14. Session eleven. Establishment of the CBC ICT Services Business Workgroup

Ms. Madzivanyika spoke on establishment of the CBC ICT Services Business Workgroup as essential to coordinate the preparation of positions of industry that is to be tabled within the various COMESA policy organs meetings. This will also be key to imputing the industry positions into the Trade in Services negotiations. Furthermore, the objective is also to increase business linkages and trade amongst the stakeholders.

To champion the Workgroup and provide strategic leadership working with the Secretariat, Mr. Ganesh Ramalingum from the Outsourcing and Telecommunications Association of Mauritius was elected as the Chairperson, and Ms. Liz lenjo and I.P Expert from the academia as Vice Chairperson.

CLOSING SESSION

COMESA Business Council CEO; Ms. Sandra Uwera

In her closing statement, Ms. Sandra Uwera recognized the importance of public private collaboration, and a common platform of engagement to ensure the development of ICT policies. She reiterated that through ICT Business Workgroup the CBC is able to provide a formal mechanism for business advocacy to the high level policy makers in the region.

She expressed appreciation to USAID and Microsoft for their partnership in convening of the Dialogue and the COMESA Secretariat for their continuous support to ensuring private sector inclusion and also shown in their participation in the Dialogue.

COMESA Secretariat ASG Programmes; Ambassador Kipyego Cheluget

Ambassador Cheluget recalled the MOU signed between COMESA Secretariat and MICROSOFT towards the end of the year, 2015; recognizing the Dialogue as some steps in the implementation of the actions in the agreement. He spoke of a number of COMESA initiatives recognizing the significance of ICT innovation and development; including Innovation Awards, COMESA Virtual University and even a Council decision on the utilization of white spaces.

MICROSOFT 4Afrika Director Mr. Louis Otieno

In closing Mr. Otieno spoke of Microsoft's commitment to promoting innovation and ICT development; particularly through 4Afrika, beyond the profit making dimensions. He spoke of the various initiatives such as access to free software, promoting innovation centers and hubs as some of the ways the company s partnering with stakeholders to ensure the growth of the industry and availability of ICT Services.

He also expressed his appreciation to the COMESA Business Council and COMESA Secretariat for partnering with them, and reinstated Microsoft's continued commitment to the implementation of the MOU and similar partnerships.

END