

STATUTORY INSTRUMENTS SUPPLEMENT

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S T A T U T O R Y I N S T R U M E N T S

2023 No. 30.

**THE TRAFFIC AND ROAD SAFETY (DIGITAL NETWORKS)
REGULATIONS, 2023**

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S T A T U T O R Y I N S T R U M E N T S

2023 No. 30.

The Traffic and Road Safety (Digital Networks) Regulations, 2023.

*(Under sections 70A and 178 of the Traffic and Road Safety Act,
1998, Cap. 361)*

IN EXERCISE of the powers conferred upon the Minister responsible for transport by sections 70A and 178 of the Traffic and Road Safety Act 1998, these Regulations are made this 14th day of March, 2023.

PART I—PRELIMINARY

1. Title

These Regulations may be cited as the Traffic and Road Safety (Digital Networks) Regulations, 2023.

2. Interpretation

“Act” means the Traffic and Road Safety Act, 1998, Cap 361;

“Commissioner” means the Commissioner responsible for transport regulation and safety the Ministry responsible for transport;

“Competent Authority” means the department of transport regulation and safety in the Ministry responsible for transport;

“currency point” has the value assigned to it in Schedule 1 to these Regulations;

“digital network” means a set of communications standards for the simultaneous digital transmission of voice, video, data

- and other network services over the traditional circuits of the public switched telephone network;
- “licensee” means a person issued a licence under these Regulations;
- “Minister” means the Minister responsible for transport;
- “platform” means a digital service that facilitates interactions between two or more distinct but interdependent sets of users who interact through the service of the internet;
- “transport provider” includes an driver of a vehicle.

3. Prohibition of operating an online digital platform or network without licence

(1) A person shall not provide an online digital platform or network for the provision of public service transport to passengers or goods without a licence issued by the Competent Authority.

(2) A person who contravenes subregulation (1) commits an offence and is liable, on conviction, to a fine not exceeding thirty currency points or to imprisonment not exceeding two years or both.

(3) An operator for an online digital platform or network shall operate in accordance with the Act, these Regulations and the terms and conditions of the licence issued under these Regulations.

PART II—LICENSING OF DIGITAL NETWORK

4. Application for an online digital platform or network licence

(1) A person who wishes to provide an online digital platform or network for the provision of public service transport to passengers or goods shall apply to the Competent Authority for a licence in Form A set out in Schedule 2 to these Regulations.

(2) The licence referred to in section 70A (1) of the Act and subregulation (1) may be in form of an online digital platform or network licence.

(3) An application made under subregulation (1), shall be accompanied by—

- (a) a detailed description of the product or service and its operations;
- (b) a business plan with financial projections for the first ten years demonstrating that the applicant is able to employ appropriate and proportionate systems, resources and procedures to operate soundly for a three-year period;
- (c) a risk management framework with a data recovery plan, cyber security plan and a network backup system plan in case of failure of the original system and business continuity arrangements that are appropriate and adequate;
- (d) a certified copy of the incorporation documents of the applicant or copies of the national identification card, in case of an individual;
- (e) the tax identification number and a copy of a tax clearance certificate from the Uganda Revenue Authority;
- (f) a certified copy of an electronic systems licence and the certificate of the software from the National Information Technology Authority Uganda;
- (g) proof of payment of the application fees prescribed in Schedule 3 to these Regulations;
- (h) a list of countries in which the applicant is licensed to engage in or provide similar business if any; and
- (i) any other information as the Competent Authority may require.

(4) The Competent Authority may, at any time after filing an application for a licence, require from an applicant, further written

statements of fact to enable the Competent Authority to determine whether the application for a licence should be granted or denied.

(5) An applicant for a licence shall be bound by all the terms, commitments, offers, presentations, proposals, plans and obligations stated in the application and shall ensure the accuracy of the information and representations submitted in the application.

(6) The Competent Authority shall, before granting of a licence to an applicant, conduct due diligence and background checks on the applicant to ensure that the applicant is suitable to perform the licensed activities.

5. Persons prohibited from applying for an online digital platform or network licence

The following persons are prohibited from applying for an online digital platform or network licence for at least two years from the date of serving the sentence—

- (a) a person convicted of the offence of computer misuse under the Computer Misuse Act, 2012;
- (b) a person convicted of broadcasting prohibited content under the Uganda Communications (Content) Regulations, 2019; and
- (c) a person is declared insolvent under the Insolvency Act, 2011.

6. Grant of licence

(1) The Competent Authority shall, upon receiving an application under regulation 4 consider the application and may, if satisfied that the applicant meets the requirements, grant a licence to the applicant within thirty days from the date of receipt of the application.

(2) A licence granted under subregulation (1), shall be in Form B set out in Schedule 2 to these Regulations.

(3) The Competent Authority may grant a licence subject to such conditions as the Competent Authority may consider necessary and may, from time to time, add, vary or substitute the conditions as it deems appropriate.

(4) Where a decision is made to grant a licence under subregulation (1), the applicant shall pay the licence fees prescribed in Schedule 3 to these Regulations.

(5) Where the Competent Authority declines to grant a licence to the applicant, the Competent Authority shall, within thirty days, notify the applicant of its decision and specify the reasons for the refusal in writing.

(6) An applicant aggrieved by the decision of the Competent Authority under subregulation (5), may appeal to the Minister within thirty days from the date of the decision.

7. Duration of licence

A licence granted under regulation 6 shall be valid for the duration specified in the licence.

8. Compliance certificate

Subject to regulation 7, a licensee under these Regulations shall obtain an annual compliance certificate issued by the Competent Authority, certifying that the licensee has complied with the provisions of these Regulations and the terms and conditions specified in the licence.

9. Transportation of goods

A person issued with an online digital network operator's licence under these Regulations shall comply with Part V of the Uganda Communications (Licensing) Regulations, 2019 in respect of transporting goods or offering courier services.

10. Terms and conditions of licence

(1) A licence shall authorise the licensee to provide the services or activities specified in the licence.

(2) The Competent Authority may modify, renew, suspend or revoke a licence.

(3) A licensee shall not operate or permit the provision of services in a manner which is inconsistent with the terms and conditions of the licence, these Regulations or the Act.

(4) The Competent Authority may include in a licence, all or any of the following conditions as applicable—

- (a) technical conditions of the system;
- (b) restrictions on subcontracting;
- (c) conditions for the imposition by the Competent Authority of a penalty, fine or sanction, where the licensee does not comply with specified technical, quality and general delivery standards; and
- (d) any other condition as the Competent Authority may consider appropriate or expedient.

11. Compliance with terms and conditions

A person granted a licence under these Regulations shall—

- (a) be bound by all the terms, commitments, offers, presentations, proposals, plans and obligations stated in the application for licence and the licence; and
- (b) ensure the accuracy of the information and representation submitted in the application for a licence.

12. Modification of licence

(1) A licensee may apply to the Competent Authority for modification of the conditions of a licence where a clause or condition in the licence has become unduly onerous and is impacting negatively on the licensee's ability to fulfil the licensee's obligations under the licence.

(2) Where the Competent Authority is satisfied that it is reasonable and just to modify the condition of licence, the Competent Authority may modify the conditions in the licence.

13. Renewal of licence

(1) An application for renewal of a licence shall be made at least two months before the expiration of the licence.

(2) An application for renewal of a licence shall be in Form A set out in Schedule 2 to these Regulations and shall be accompanied by the prescribed fee in Schedule 3 to these Regulations.

(3) In considering an application for renewal of a licence, the Competent Authority shall have regard to the performance of the licensee during the term of the licence.

(4) The Competent Authority may renew a licence within thirty days from the date of receipt of a complete application.

(5) The Competent Authority may renew a licence on such terms and conditions as it may deem fit.

(6) Where the Competent Authority declines to renew a licence, it shall within fourteen days of the decision, provide a written explanation to the applicant giving reasons for the refusal.

14. Suspension or revocation of licence

(1) The Competent Authority may, in accordance with the Act, these Regulations and the terms and conditions of a licence, suspend or revoke a licence on the following grounds—

- (a) serious or repeated breach of the terms and conditions of the licence;
- (b) fraud or intentional misrepresentation by a licensee in the application for a licence or in any statement of fact;

- (c) where the licensee has ceased to be an eligible person; and
- (d) where the Competent Authority deems it appropriate in the public interest to revoke or suspend a licence.

(2) Without limiting the general effect of subregulation (1), the Competent Authority shall revoke a licence—

- (a) for false statements knowingly made, either in an application for the licence or in any statement of fact;
- (b) for conditions brought to the attention of the Competent Authority, which warrant refusal to grant the licence in an original application;
- (c) for wilful or repeated failure to operate in accordance with the licence;
- (d) for wilful or repeated failure to comply with the Act or Regulations made under the Act; or
- (e) for violation of or failure to observe any cease and desist order issued by the Competent Authority.

(3) The Competent Authority may issue to a licensee, a cease and desist order where the licensee—

- (a) fails to operate substantially as provided in the licence; or
- (b) violates or fails to comply with the Act or these Regulations.

(4) The Competent Authority shall, before suspending or revoking a licence, give the licensee written notice of not less than thirty days, specifying the reasons for the intended suspension or revocation, during which the licensee may make representations to the Competent Authority.

(5) The Competent Authority shall, after consideration of any representations made by the licensee, require the licensee to remedy

the offending act or conduct within thirty days from the date of the notice issued under subregulation (4).

(6) Where the Competent Authority is of the opinion that the measures taken by the licensee under this regulation are not sufficient, the Competent Authority may—

- (a) suspend the licence for a specified period; or
- (b) revoke the licence.

(7) The Competent Authority may, before revoking a licence or issuing a cease and desist order, serve upon a licensee, notice requiring the licensee to appear before the Competent Authority and show cause why an order of revocation or a cease and desist order should not be issued.

(8) Where, after a hearing, under subregulation (7) the Competent Authority determines that a cease and desist order should be issued, the Competent Authority—

- (a) issue the order; which shall include a statement of the findings of the Competent Authority and the grounds and reasons for the findings;
- (b) specify the effective date of the order; and
- (c) cause the order to be served on the licensee.

(9) A person aggrieved by the decision of the Competent Authority or the Commissioner under these Regulations may appeal the decision to the Minister in accordance with the Traffic and Road Safety (Appeal) Regulations.

15. Enforcement of licence

(1) Where the Competent Authority has reason to believe that an operator of an online digital network or licensee is contravening or has contravened these Regulations or any condition of a licence, the

Competent Authority shall commence an investigation for the purpose of securing compliance with the Act, these Regulations or conditions of the licence.

(2) Notwithstanding subregulation (1), the Competent Authority may investigate any matter relating to a licence—

- (a) following a complaint by any person that there is a contravention of a term or condition of the licence;
- (b) arising from an inspection or investigation of any person as part of the performance of the duties of the Competent Authority; or
- (c) where the Competent Authority obtains information by any other means suggesting that a contravention of a term or condition of a licence may have occurred or is occurring.

(3) In determining whether to proceed with investigating a complaint, the Competent Authority shall give priority to matters where—

- (a) there appears to be an obvious disregard for the law;
- (b) there appears to be substantial damage arising from the breach;
- (c) there is likely to be significant harm to the public;
- (d) successful enforcement by litigation or other means would have a significant deterrent or educational effect; or
- (e) an important new issue is involved, including a matter arising from economic or technological change.

(4) Where the Competent Authority determines that there is reason to believe that there is a contravention of any condition of a licence, the Competent Authority shall, subject to subregulation (6) issue an investigation notice to the licensee.

(5) The Competent Authority shall make the decision to issue an investigation notice after giving proper consideration to the merits of the case and deciding whether it has reason to believe that the licensee contravened a condition of the licence, the Act or these Regulations.

(6) An investigation notice under subregulation (6) shall state—

- (a) that the Competent Authority is investigating a possible breach of a condition of a licence;
- (b) the reasons for the belief of a contravention or breach, including any matter of fact or law which is relevant to the investigation;
- (c) further information required from a licensee to complete the investigation; and
- (d) where appropriate, the steps to be taken to remedy the breach.

(7) In arriving at a decision on any matter concerning the breach of a condition of a licence, the Competent Authority—

- (a) may provide an opportunity for public comment on the material issues, through public consultation;
- (b) shall, where there is public consultation, give full consideration to the public comments received;
- (c) shall be guided by technical opinions and the Act, where applicable;
- (d) shall act as expeditiously as proper consideration of the matter may allow, having regard to the need to carefully and quickly inquire into and investigate the breach and all matters affecting the merits and fair settlement of the breach; and

- (e) may inform itself of any matter relevant to the breach in any way it considers appropriate.

(8) The decision of the Competent Authority shall be non-discriminatory and shall treat similarly situated persons in the same manner and on an equal basis.

(9) At any time during enforcement proceedings, the Competent Authority may issue an order directing a licensee to stop specified conduct, where the Competent Authority is satisfied that—

- (a) there is prima facie evidence that the licensee contravened the Act, these Regulations or a condition of a licence;
- (b) continuation of the licensee's conduct is likely to cause serious harm to other operators, consumers or the general public;
- (c) the potential harm in allowing a licensee to continue the conduct outweighs the burden on the licensee; or
- (d) the issuing of the order is in the public interest.

(10) Where the Competent Authority determines that a licensee has contravened any of the conditions of a licence, the Act or these Regulations, the Competent Authority shall take the following enforcement action—

- (a) direct the licensee to cease engaging in the conduct by issuing a cease and desist order;
- (b) direct the licensee to take specific remedial action;
- (c) impose a financial penalty on the licensee, not exceeding ten percent of the operator's annual turnover;
- (d) suspend the licence for a specified period; or
- (e) revoke the licence.

16. Surrender of licence

(1) A licensee may discontinue the provision of an online digital network or platform of public service transport to passengers or goods under these Regulations and shall surrender the licence to the Competent Authority.

(2) The surrender of the licence is specified in subregulation (1) shall not release the licensee from the obligations that accrued before the surrender of the licence.

PART III—REGISTRATION OF TRANSPORT PROVIDERS AND PASSENGERS

17. Registration of transport providers and passengers

(1) A licensee who operates an online digital network or platform shall establish and maintain a register of the transport providers and passengers admitted on the digital network of the licensee.

(2) A licensee who operates an online digital network or platform shall not grant access to online public service transport to person who is not registered with the licensee and licensed with the Competent Authority.

(3) A licensee shall enter into a service agreement with the transport provider stipulating the terms and conditions regulating the relationship between the licensee and the transport provider.

(4) A licensee who contravenes subregulation (2) and (3), commits an offence and is liable, on conviction, to a fine not exceeding thirty currency points or to imprisonment not exceeding two years, or both.

18. Registration system

(1) A licensee shall establish a registration system of transport providers and passengers.

(2) A registration system established under subregulation (1) shall allow the licensee to conduct a suitability assessment and due diligence on a person before registering the person as a public transport provider or passenger on a digital network or platform.

(3) The registration system established by a licensee under subregulation (1) shall—

- (a) require the registration of the full details of the vehicle to be used on the digital network platform;
- (b) require the registration of full details of the driver or owner of the vehicle, including a passport photo and a copy of the national identification card, passport number in case of foreigner or refugee identification card number in case of a refugee and the driving licence number where applicable;
- (c) require the transport provider to read and accept the terms and conditions before gaining access to the online digital platform;
- (d) be designed in a manner that does not allow an unregistered transport provider or passenger to access the online digital network or platform;
- (e) be designed in a manner that allows for identification of any person or transport provider registered; and
- (f) protect the privacy of the transport provider and the information provided by the transport provider to the licensee shall only be disclosed in accordance with the Data Protection and Privacy Act, 2019.

19. Unique identifier

(1) A licensee shall assign a unique identifier that is not a phone number or vehicle registration number, to every registered transport provider registered with an operator of an online digital network.

(2) The registration system shall prompt the registered transport provider to activate the service by use of a personal identification number or password or any other authentication process at the time of registration.

(3) The activation process shall be through a secure messaging system or any other system internationally recognised to ensure the integrity and security of the customer's identity.

(4) A licensee shall be responsible for the security and integrity of the entire activation process.

20. Monitoring of the registration system

A licensee shall provide the Commissioner with access rights to its registration system and records to facilitate monitoring of the operations of the licensee.

PART IV—MISCELLANEOUS

21. Reporting

(1) Subject to subregulation (2), a licensee shall, at least after two months after the end of a calendar year, submit to the Competent Authority information regarding—

- (a) the number of registered and active transport providers and passengers on the digital network, with activity counted on the basis of monthly transactions;
- (b) the activities on its digital network or platform, broken down by type of transaction, including transport of passenger and goods;
- (c) incidents of fraud, theft or robbery, if any;
- (d) the number and type of service interruptions and significant security breaches;
- (e) the number of suspicious transaction reports generated;

- (f) complaints received, broken down by category and location, including remedial measures taken; and
- (g) such other information as may be required by the Competent Authority from time to time.

(2) Notwithstanding subregulation (1), a licensee shall submit to the Competent Authority, information referred to in subregulation (1) (a) at least five days from the end of every calendar month.

(3) Any licensee who, without reasonable cause, fails to comply with this regulation or submits inaccurate information, commits an offence and is liable, on conviction, to a fine not exceeding thirty currency points or to imprisonment not exceeding two years, or both.

22. Backup system

(1) A licensee who operates an online digital network shall establish a backup of its electronic system to ensure that information relating to registration of transport providers and passengers and accounts is recoverable in the case of failure in the parent system.

(2) A licensee shall retain the data collected from its customers for at least five years from the date of collection of the data.

23. Liaison officer for regulatory affairs

(1) A licensee shall appoint and notify the Competent Authority, in writing, of personnel responsible for handling regulatory requirements, including furnishing information to the Competent Authority.

(2) Where there is a change of personnel appointed under subregulation (1), the licensee shall notify the Competent Authority of the new appointment, immediately after the appointment.

24. Register of licences

(1) The Competent Authority shall compile and maintain a register of licences issued by the Competent Authority under these Regulations.

(2) The register compiled under subregulation (1) shall be kept in such form as the Competent Authority may consider appropriate.

(3) Every entry in the register shall state—

- (a) the contents of every licence;
- (b) every modification, revocation or surrender of a licence; and
- (c) any other information as the Competent Authority may determine.

(4) The contents of the register shall be available for inspection by the public during normal working hours, upon payment of the fee prescribed in Schedule 3 to these Regulations.

(5) The Competent Authority shall, upon application by any interested person, supply a certified copy of the register or an extract from the register, subject to payment of the fee set out in schedule 3 of these Regulations.

(6) An extract from a register under this regulation authenticated by the Commissioner shall be conclusive evidence that the information exists on the register.

25. Marking of vehicles offering online digital transport

(1) A transport provider offering online digital transport services shall mark, label or put an identifier on the registered vehicle, indicating the name or logo of the licensee under whom the vehicle and the transport provider is registered.

(2) The marking of the vehicle referred to in subregulation (1), may include—

- (a) the brand name or logo of the licensee;
- (b) the use of a beacon; or.
- (c) any other unique identifying sign or feature.

(3) The mark, label or identifier referred to in this regulation shall be approved by the Competent Authority.

(4) Subject to subregulation (1), in case of a motorcycle, the marking may be inscribed on the helmet or reflector jacket if it is impracticable to be placed on the motorcycle.

26. Designated special parking

A transport provider offering online digital transport services may with the approval of the Competent Authority, establish a designated special parking where it may park its vehicles.

27. Transitional provision

A person who, before the commencement of these Regulations is operating or providing online digital transport services shall, within twelve months of the commencement of these Regulations, apply for a licence in accordance with the Act and these Regulations.

SCHEDULE 1

Regulation 2

CURRENCY POINT

A currency point is equivalent to twenty thousand shillings.

SCHEDULE 2

FORMS

Form A.

Reg 4 (1)

THE REPUBLIC OF UGANDA

**THE TRAFFIC AND ROAD SAFETY (DIGITAL NETWORKS)
REGULATIONS, 2023**

**APPLICATION FOR OR ONLINE DIGITAL NETWORK
OPERATOR'S LICENCE / RENEWAL**

PART I- PARTICULARS OF APPLICANT

1. Name of applicant _____

2. Nationality _____
3. Business address _____

4. Postal address _____
5. Telephone number _____
6. National Identification card number or Registration Number in case of corporate entity _____

PART II—DESCRIPTION OF ONLINE DIGITAL NETWORK

7. Detailed description of the nature of the product or services and its operations

8. Location and detailed geographical area of coverage;

9. Details of financial position of the applicant. *(These details may be sent under confidential cover; it is preferable to attach bank statements.)*

(1) In the case of limited liability companies, please state—

(a) authorised capital _____

(b) paid-up capital _____

(c) names of the directors, indicating their nationalities—

(2) In the case of a partnership, please state—

(a) names of partners, indicating their nationalities—

(b) extent of each individual's interest _____

10. Any other information that relevant to this application

11. Particulars of vehicles owned by the applicant, if any—

Registration No.	Year of make	Type of body	Seating capacity

I certify that, to the best of my knowledge and belief that the above particulars are true; and I declare that I have/have not been convicted of any offence involving fraud or dishonesty.

Dated this _____ day of _____, 20 _____

Signature of Applicant

Part II.

For Official Use Only.

Remarks and recommendation of Commissioner

Decision of Competent Authority

Dated this _____ day _____ of _____

REPUBLIC OF UGANDA

**THE TRAFFIC AND ROAD SAFETY (DIGITAL NETWORKS)
REGULATIONS, 2023**

ONLINE DIGITAL NETWORK OPERATOR'S LICENCE

Name: _____

Address: _____

is granted an online digital network operator's licence, subject to the conditions indicated in this licence.

Date at Kampala this _____ day of _____ 20 _____

Commissioner

Conditions.

SCHEDULE 3

FEES

Reg 4 (3), 6(4) and 24 (4) (5)

THE TRAFFIC AND ROAD SAFETY (DIGITAL NETWORKS) REGULATIONS, 2023

Item No.	Matter under which the fee is payable	Fees Shillings
1	Application for licence for an online digital platform or network operator's licence	1,500,000/= for one year
		4,000,000/= for three years
		6,000,000/= for five years
2	Renewal of licence	1,500,000/= for one year
		4,000,000/= for three years
		6,000,000/= for five years
3	Duplicate licence	50% of the fee of the licence
4	Search of register	20,000/=
5	Certified copy of a document or extract in the register	20,000/= per page
6	Certificate of compliance and filing of reports required by these Regulations	500,000/= per year

GEN. EDWARD KATUMBA WAMALA,
Minister of Works and Transport

Cross references

Computer Misuse Act, 2011 Act 2 of 2011.

Insolvency Act, 2011 Act 14 of 2011

Data Protection and Privacy Act, 2019 Act 9 of 2019.

Uganda Communications Commission (Content) Regulations 2019
S.I. No. 91 of 2019.

The Traffic and Road Safety (Appeal) Regulation S. 361-66.

