



# IS 369: IT Audit & Controls

## Lecture 2: Legal Environment and its Impact on Information Technology

Aron Kondoro



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## Introduction

- Since the early 1970s, several laws have been passed and implemented within the US that deal with issues such as computer fraud and abuse, privacy, and security.
- In Tanzania, a cyber crime law was passed in 2015
  - Among other things deals with computer-related forgery and fraud

THE CYBERCRIMES ACT, 2015	
ARRANGEMENT OF SECTIONS	
Section	Title
PART I PRELIMINARY PROVISIONS	
1.	Short Title and commencement.
2.	Application.
3.	Interpretation.
PART II PROVISIONS RELATING TO OFFENCES AND PENALTIES	
4.	Illegal Access.
5.	Illegal remaining.
6.	Illegal interception.
7.	Illegal data interference.
8.	Data espionage.
9.	Illegal system interference.
10.	Illegal device.
11.	Computer related forgery.
12.	Computer related fraud.



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## IT Crime Issues

- Computer crime costs organizations and individuals time and money
- Fewer than 10% of computer crimes are reported
- Categories of computer crime
  - Computer is the target
  - Unauthorized access
  - Computer is used to commit crime



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## Other Crimes

- Software piracy is an \$11 billion-dollar-a-year problem and rising
- Information Theft and Identity Fraud cases reported are increasing (Federal Trade Commission)
- Individual and consumer privacy violations (FTC)
- Electronic-commerce fraud



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## US Laws to Combat IT Crime

- Computer Fraud and Abuse Act of 1984, 1987 and 1994
  - Penalties include fines and/or imprisonment
  - Cover acts of
    - Fraudulent trespass
    - Intentional destructive trespass
    - Reckless destructive trespass



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## US Laws to Combat IT Crime

- Sarbanes-Oxley Act (PL 107-204)
  - Importance of due professional care and financial integrity
  - Cover acts of
    - Financial Fraud
    - Intentional destruction of records
    - Penalizes Executives for Non-Performance
  - Penalties include fines and/or imprisonment



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## Tanzania - The Cybercrimes Act, 2015

### Data espionage

Cap. 47

8.-(1) Without prejudice to the National Security Act, a person shall not obtain computer data protected against unauthorized access without permission.

(2) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine of not less than twenty million shillings or three times the value of undue advantage received, whichever is greater, or to imprisonment for a term of not less than five years or to both.

### Illegal system interference

9. A person who intentionally and unlawfully hinders or interferes with-

- (a) the functioning of a computer system; or
  - (b) the usage or operation of a computer system,
- commits an offence and is liable on conviction, to a fine of not less than two million shillings or three times of value the undue advantage received, whichever is greater, or to imprisonment for a term of not less than one year or to both.

### Computer-related forgery

11.-(1) A person shall not intentionally and unlawfully input, alter, delay transmission or delete computer data, resulting in unauthentic data, with the intent that it be acted upon as if it were authentic, regardless of whether or not the data is readable or intelligible.

(2) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine of not less than twenty million shillings or three times the value of undue advantage received, whichever is greater, or to imprisonment for a term of not less than seven years or to both.

### Computer-related fraud

12.-(1) A person shall not cause a loss of property to another person by-

- (a) any input, alteration, deletion, delaying transmission or suppression of computer data; or
  - (b) any interference with the functioning of a computer system,
- with fraudulent or dishonest intent.

(2) A person who contravenes subsection (1)



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## Further Reading

- Tanzania Cybercrimes Act
  - <http://www.parliament.go.tz/polis/uploads/bills/acts/1452061463-ActNo-14-2015-Book-11-20.pdf>