



Is the current regulatory framework for Digital Transformation, E-commerce and financial Inclusion working and when must intervention take place?



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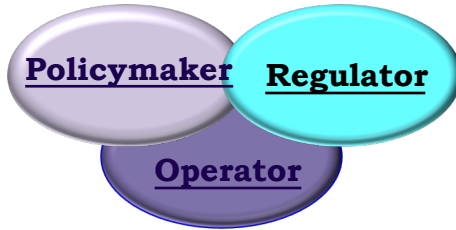


I. Communication Sector in Tanzania: Overview



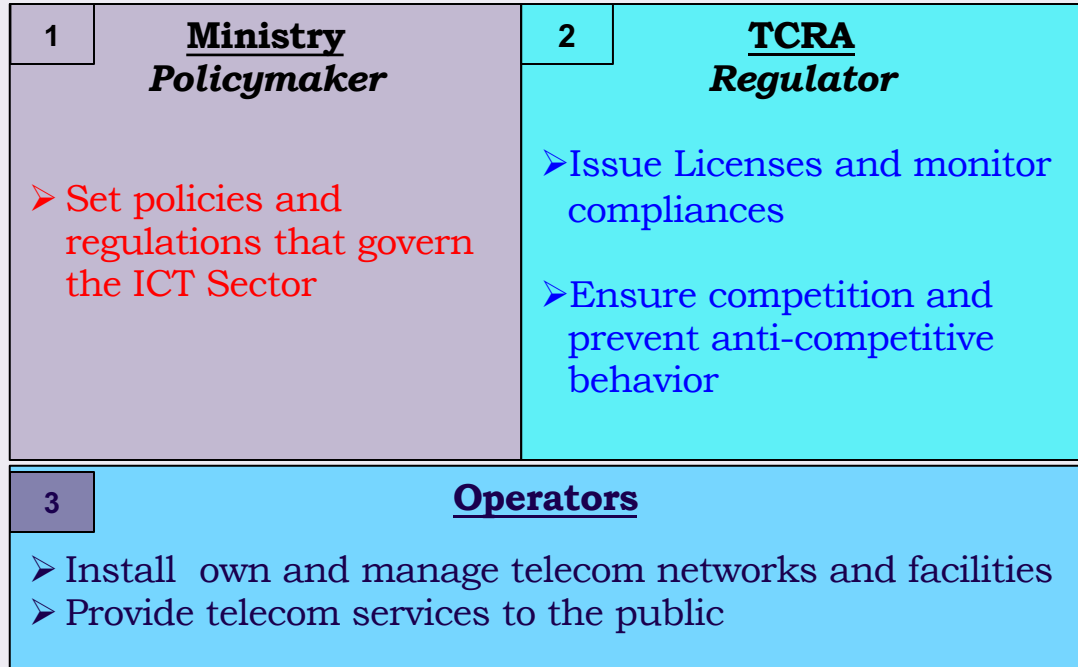
Before Telecom Liberalization

Ministry responsible for Communications



- Ministry: policymaker, regulator and service provider
- There was no dedicated regulatory regime

After Liberalization





2. Sector Policies and Legislation



FOUNDATIONAL PILLARS

POLICIES

National Telecommunications Policy of 1997

National Postal Policy 2003 --> Draft National Postal Policy 2018

National ICT Policy of 2016

MAIN OBJECTIVES

To accelerate socio-economic development with potentials to transform Tanzania into ICT driven middle-income economy and society.

To have a secured, innovative, accessible and affordable postal services using reliable infrastructures and technology



SECTOR LEGISLATION

Tanzania Communications Regulatory Authority Act of 2003

The Electronic and Postal Communications Act, 2010

The Universal Communications Service Access Act, 2006

The Cybercrimes Act, 2015

The Electronic Transactions Act, 2015

SECTORS



National ICT Policy 2016

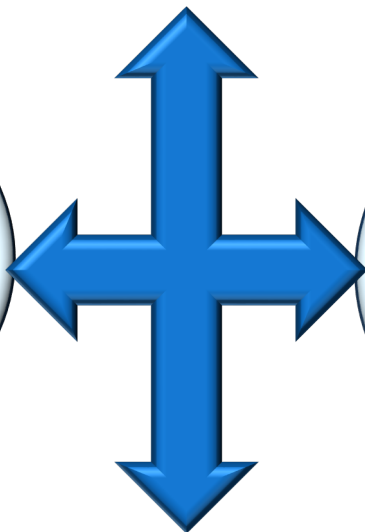


Vision

Tanzania with economically, socially and culturally enriched people in ICT-enabled knowledge society.

Mission

To transform Tanzania into an ICT-enabled knowledge-based economy through development, deployment and sustainable exploitation of ICT to benefit every citizen and business.



Key Strategic Issues

- Strengthen ICT security and standardization;
- Enhance innovation in e-service and promote local content development and hosting,
- Strengthening national capacity in protection of cyberspace users.
- Establishment of frameworks for e-waste management, issues.

Main Objective

To accelerate socio-economic development with potentials to transform Tanzania into ICT driven middle-income economy and society.



National Postal Policy



Vision

The Postal Sector an essential component for sustainable socio-economic development

Main Objective

To have secured, quality, accessible, efficient, affordable and sustainable ***postal and courier services*** that meet the customer needs

**NATIONAL
POSTAL
POLICY (NPP)**

Key Issues

To have a functional, effective and efficient National Addressing and Postcode System

To promote innovative, sustainable, efficient, affordable and accessible postal networks that offer *e-services and financial services*

Mission

To ensure secured, innovative, accessible and affordable postal services by using ***reliable infrastructures and technology***



Licensing and Regulation



Converged Licensing Framework

- ✓ Technology and Service Neutrality

Is there a need to revisit the Licensing Framework?



A robust and holistic regulatory and policy framework is required to regulate the highly converged environment.



New regulatory models need to be grounded in market realities and “make sense” for both industry and consumers.

A more flexible and collaborative regulation approach is needed to respond to the issues arising from the digital transformation.



Regulation has never been easy. All eyes are on policy-makers and regulators to lead the way out of the challenges and guide economies and societies towards growth and sustainability.

Regulatory Collaborations is needed to avoid fragmented regulatory environment.

Where is the Gap?



1

Regulatory frameworks have traditionally been organised on a sectoral or domain basis

2

Digital transformation is affecting every aspect of our lives and poses new challenges for Regulatory Frameworks that are traditionally organized on a sectoral basis

3

A more flexible and collaborative regulation approach is needed to respond to the ongoing digital transformation.

Evolving to adapt to a changing environment





Where is the Gap? ...



Most citizens still cannot access broadband services.



Absence of a supportive framework for acquisition of right of way (RoW) for construction of telecommunication/ICT infrastructure

Lack of mechanism to facilitate broadband penetration agenda to all

Low level of Smartphone Penetration



High cost of provision of digital services in rural areas due to unreliable/absence of power supply

Limited level of local expertise in ICT local content development



Absence of Adequate Policies and Strategies for Digital transformation



Moving the Regulatory Cursor for Digital Regulation

Innovative Regulatory Regime

What to regulate?

Whom to regulate?

Why regulate?

- ❖ The market need to be regulated, however Overregulation is one major obstacles to the innovative development of markets.
- ❖ Adopt streamlined regulatory framework, that make it easier for businesses to invest, create jobs and grow the economy.

Deregulation Approach

Self Regulation Approach

Co-regulation Approach

The goals are to allow industries to operate businesses more freely, make decisions efficiently, and remove corporate restrictions.



Policy and Regulatory measures needed to ensure optimal National Outcomes



Set Broadband target for the Digital Infrastructure



Improve Policy and Regulatory Skillset

Ensure legislation is updated and fit for purpose



Incentive for deployment of digital Infrastructure

Improve Quality of Broadband Services



Releasing more IMT Spectrum for wireless Broadband



Optimal National Outcome

Policy and Regulatory Environment



Enabling policy and regulatory environment.



Creating increased transparency and more efficient service delivery



Cooperation across sectors and a collaborative approach to regulation



Provide ubiquitous high-speed broadband connectivity services at affordable prices, including to remote areas.



Protecting citizens' rights and individuals' data online

Focus



New generation of policies and regulation is geared towards fast-tracking digital development and expanding **meaningful connectivity**.



Collaboration is needed more than ever – across economic sectors and beyond borders.



Data is the silver bullet of digital regulation. Adopt data-driven tools in decision-making

The process flow of e-commerce



Towards Digital Economy



Digital Tanzania

Pillars of Digital Tanzania

Infrastructure

Capacity
building and
Content

E-Services
and
Applications

Innovation
and
Industrialization

Awareness

Confidence and Security of Networks & Services

Conducive Regulatory Environment

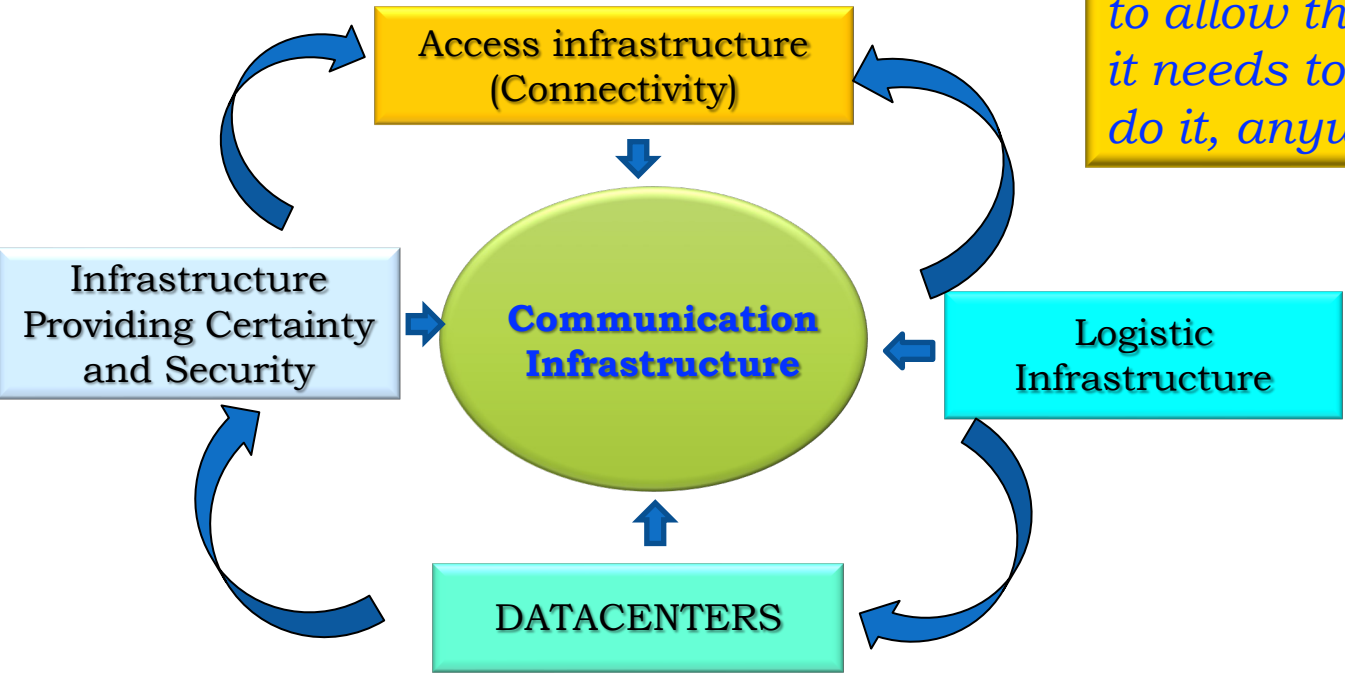
*To maximize the
social-economic
benefits of Digital
Transformation
for Tanzanians*



Infrastructure Need for the Digital Economy



Infrastructures must be designed to allow the business to do what it needs to do, when it needs to do it, anywhere in the world





Connectivity infrastructure



Connectivity Infrastructure

Connectivity infrastructure at three levels

01

International connectivity
→ Submarine cables & Satellite.

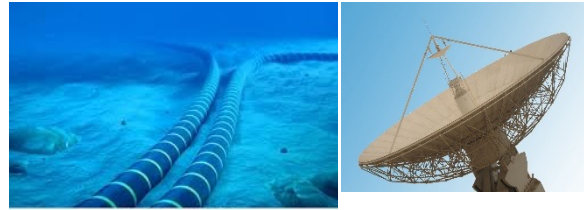
02

National connectivity (backbone) → Fiber Optic, Microwave Links, Satellite.

03

Last mile connectivity → end-user access

Reliable connectivity is critical for the development of the digital economy



Provide connectivity at the national and international levels and meet capacity needs without restrictions.

Logistic infrastructure



- ✓ Efficient distribution mechanisms is an essential requirement for e-commerce to guarantee the timely and efficient delivery of goods or services acquired electronically.
- ✓ The merchandise must arrive in optimum condition, the product must be traceable during transport
- ✓ A range of alternative services should be available to provide different price quality combinations, so that users can choose the combination best suited to their needs and limitations.
- ✓ Competition must be encouraged, along with the transparency of the delivery service market.



Logistical infrastructure



01

Postal codes and Addressing Systems are key to last mile delivery

02

Postal system plays an important role as it is present throughout the country

03

It constitutes the only distribution option for most of the national territory, which is fundamental for bringing e-commerce to the masses.

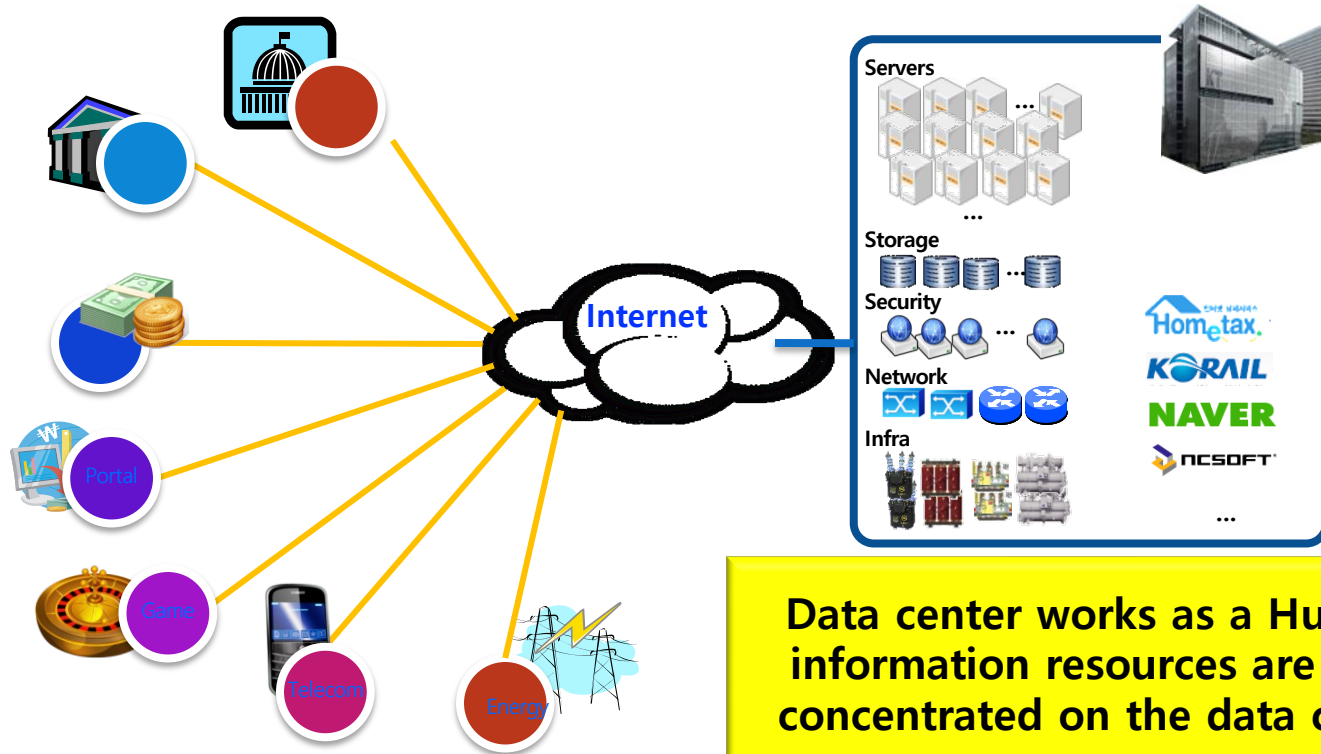




DATA CENTERS



Data centres are "strategic infrastructure"



Data center works as a Hub and information resources are being concentrated on the data center.

Infrastructure Providing Certainty and Security



01

Security is crucial for buying and selling over the Internet

02

Developing e-Commerce solutions successfully means building among others reliable, scalable systems for

- security,
- e-Commerce payments,
- supply-chain management,





Proposed Way forward



Building Trust in the Digital Marketplace

- Privacy, Consumer Protection



Clarifying Marketplace Rules

- Legal, Taxation, Trade Rules, IP Policies



Strengthening Information Infrastructure

- Network Access and Availability, Standards



Realizing the Benefits/Market Development

- Adoption and use in Private Sector and Governments

Proposed Way forward



Data is the silver bullet of digital regulation

- ✓ Build data analytics capabilities to inform regulatory decision making and foresight, monitor policy implementation;
- ✓ Identify emerging regulatory issues with regards to industry, consumer and market developments.
- ✓ Empower that regulators to collect relevant data from market players
- ✓ Capacity to develop regulatory tools to address identified challenges in the digital markets.



Conclusion



Fit for Purpose Policy and regulatory Framework for enabling Digital Transformation, E-commerce and financial Inclusion is required

- ✓ Basic and Digital Infrastructure
- ✓ Smart device penetration
- ✓ Electronic delivery of public services
- ✓ Payment gateways
- ✓ Education and awareness

E-Commerce is for everybody, we need to set Strategies for reducing the Usage gap.



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