## REPORT HIGHLIGHTS



REPORT/ITF/00



## **INNOVATING POLICY**

A Forward-looking and Integrated Approach to Policymaking in the Digital Age

The 5TH Innovation & Tech Forum



The 5th Innovation and Tech Forum is jointly brought to you by the ICT Commission (ICTC), UNDP Tanzania through the Funguo Innovation Programme (FUNGUO), Tech & Media Convergency, and the Commission of Science and Technology (COSTECH). All related content (video recordings, articles, and pictures) can be found across social media (Twitter, LinkedIn, Facebook, Instagram, and YouTube) through #InnoTechForum. The full livestream record of the event can be accessed through the QR Code below. To access all reports of the past forum convenings you can visit - <a href="https://linktr.ee/InnoTechForum">https://linktr.ee/InnoTechForum</a>

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# Sustainable Development Goals

SDGs that align with the Innovation and Tech Forum













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AI Artificial Intelligence

BOT Bank of Tanzania

**COSTECH** The Tanzania Commission for Science and Technology

**CSO** Civil Society Organisations

**DTBi** Dar Teknohama Business Incubator

**EAC** East African Community

**ERASMUS** European Region Action Scheme for the Mobility of University Students

**GDP** Gross Domestic Product

**HDIF** Human Development Innovation Fund

ICT Information and Communications Technology

ICTC Information and Communications Technology Commission

IT Information Technology

**ITF** Innovation and Tech Forum

MCST Ministry of Communications, Science and Technology of Tanzania

MICT Ministry of Information Communication and Information Technology

**SDG** Sustainable Development Goals

**TANZICT** The Information Society and ICT Sector Development Project

TMC Tech & Media Convergency

**UCSAF** The Universal Communications Service Access Fund

**UNDCF** The UN Capital Development Fund





# About the 5Th InnoTech Forum

## Introduction

This 5th episode of the Innovation an Tech Forum, also doubled as a Ministerial Roundtable Dialogue, with focus on Policymaking in Tanzania. As the country undergoes a rapid digital transformation, the need for agile and innovative Policymaking has never been more pressing. That is why we are advocating for a more innovative approach to Policymaking – one that takes into account the rapidly changing development needs of Tanzania and embraces the potential of digital transformation.

The event brought together policymakers, experts, and stakeholders to explore and discuss innovative approaches to Policymaking, including leveraging data analytics, fostering public-private partnerships, and engaging with the wider innovation ecosystem. By highlighting the benefits of innovative Policymaking, we aim to inspire a broader shift towards modernizing Tanzania's governance systems and achieving sustainable development in the digital age.

The 5th Innovation and Tech Forum is jointly brought to you by the ICT Commission (ICTC), UNDP Tanzania through the Funguo Innovation Programme (FUNGUO), Tech & Media Convergency (TMC), and the Commission of Science and Technology (COSTECH).



## Why the Forum?

This Innovation and Tech Forum seeks to advocate for an agile, innovative Policymaking process that can support the emerging innovative business models, address the emerging development needs fueled by digital transformation.

71%

## **Male Representation**

The event had a number of 85 male among the 120 participants that attended the session.

29%

## Female Representation

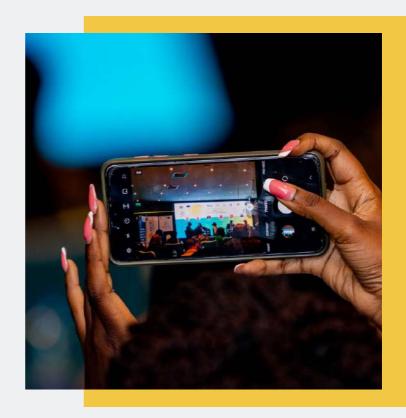
The event had a number of 35 female among the 120 participants that attended the session.

## **DIGITAL VISIBILITY**

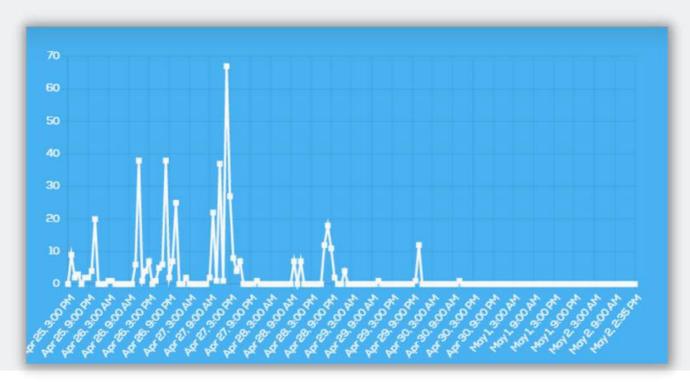
## Five Days of the #InnoTechForum

The forum was set up to take place in both virtual and physical settings. As the event started, participants from various parts of the world could actively witness and engage with the forum discussions in real time. They had the opportunity to express their thoughts and opinions on different platforms, including Facebook, Instagram, or LinkedIn. Twitter, in particular, stood out as the most popular platform for sharing real-time insights and perspectives among participants. The amplification of the conversation was an integral aspect of the overall coordination.

The conversations were consistently shared on social media platforms for five days, starting from a day prior to the event and continuing for three days after the event. Over time, the content was further circulated on social media, highlighting key messages derived from expert contributions. The sentiment of the majority of the posts remained neutral, accounting for 87.9%, while the remaining 13% precisely conveyed a positive tone.



439	4.3M	16.7M
Total Posts	Reach	Impressions



## **KEY DISCUSSION HIGHLIGHTS**



## Comprehensive Stakeholder Representation

The event successfully convened a broad spectrum of stakeholders, encompassing government officials, ambassadors, private sector representatives, civil society organizations (CSOs), and multi-disciplinary experts. This diverse participation enriched the discourse, ensuring a comprehensive exploration of innovative policymaking.



## Startups' Struggles and Regulatory Framework Needs

The challenges encountered by startups took center stage during discussions. The multifaceted issues, ranging from identity definition to licensing delays and financial hurdles, underscored the complex landscape for emerging businesses. The necessity of a supportive and adaptive regulatory framework to nurture the startup ecosystem became a focal point.



## Central Bank's Adaptive Approach

Insights from the banking sector revealed the Bank of Tanzania's (BOT) evolving stance on innovation. From historical policy adjustments to the introduction of sandboxes and regulatory stakeholder engagements, the central bank showcased a commitment to striking a balance between consumer demands for convenience and the imperative of effective financial regulation.



## Civil Society Organizations (CSOs) as Policy Influencers

The significant role of CSOs in the policymaking arena emerged as a crucial theme. Acting as bridges between the government, private sector entities, and local communities, CSOs were acknowledged for their pivotal role in fostering inclusive policymaking. Emphasis was placed on the necessity of data-driven decisions and vigilant monitoring of policy implementation by these organizations.



## Innovative Policy Approaches from Global Experiences

Insights into innovative policy approaches from global experiences provided valuable lessons. Concepts such as regulatory sandboxes, technological utilization for data-driven decision-making, and the establishment of policy labs for iterative policy development were discussed. The notion of evergreen policies and self-regulation mechanisms surfaced as potential solutions to address the dynamic policymaking landscape effectively.



## Call for Future Strategic Meetings

The Deputy Minister Hon. Eng. Kundo Andrea Mathew concluded the event by calling for future closed meetings with stakeholders. This forward-looking approach aims to translate the insights gained from the forum into actionable policy measures, showcasing the government's commitment to effective and responsive policymaking.



# CEO's Note

## Ms. Asha D. Abinallah

CEO, Tech & Media Convergency (TMC)

Tech & Media Convergency is honored to be the coordinator of the Forum. We intentionally and strategically involve as many critical partners as possible and plan for additional coordinators in the future to enhance its strength and sustainability.

When we initially launched the Innovation and Tech Forum in August 2021, with the support of COSTECH and UNDP, our target was 20 to 30 participants in the room. As of yesterday (April 24th, 2023), we have successfully conducted four innovation and tech forums with the last three forums having over 100 participants and thus, attracting 370 offline and 500 online participants via digital channels such as YouTube and Zoom. This has resulted in engaging over 24 million netizens and achieving online impressions of over 500 million across various social media platforms. Most notably, we have seen 5079 downloads of all the innovation and tech forums reports published after each convening. You can follow these conversations on all our digital platforms through the #InnoTechForum hashtags. There have been consistent insightful expert contributions from the ecosystem.

The forum's consistent goal has been to create an enabling environment for innovation, technology, and social ventures through solution-oriented discussions involving the ecosystem. We take pride in the forum's impact and believe that it will continue to be a powerful tool for contributing to sustainable development in the ecosystem in line with the fourth industrial revolution. The 5th forum this time around is particularly unique as it is part of the Innovation Week for 2023.

At Tech & Media Convergency, we are driven by a thirst for knowledge, propelling our exploration into the implications of the fourth industrial revolution for a digital Tanzania. Our sincere appreciation extends to our esteemed partners: the Ministry of Information, Communications, and Information Technology, the ICT Commission, COSTECH, the Funguo program, and UNDP for their unwavering support.

I express special thanks to Hon. Engineer Kundo Matthew, Deputy Minister of Information, Communications, and Information Technology; Ambassador Manfredo Fanti, head of the European Union delegation to Tanzania and the EAC; Ambassador Theresa Zitting, Finland Ambassador to Tanzania, and all our dedicated partners who have been unwavering in their support throughout this journey. A heartfelt acknowledgment goes to Madam Christine Musisi, UNDP Resident Representative alongside the Funguo Innovation program team led by Joseph Manirakiza, Dr. Amos Nungu, Director-General of COSTECH, Dr. Nkundwe Mwasaga, Director-General of the ICT Commission, and all the brilliant minds that graced us with their expertise, experience, and insights.

Lastly, a warm welcome to everyone present at the forum today, whether in person or joining us online. On behalf of Tech & Media Convergency, it is a pleasure to welcome you to the 5th Innovation and Tech Forum.



# Welcome Remarks

## **Dr. Amos Nungu**

The Director-General, COSTECH

- Dr. Amos Nungu, welcomed attendees to the fifth edition of the Innovation and Tech Forum, reflecting on the substantial growth since its initiation at the Commission for Science and TechnologyCOSTECH but with a smaller ecosystem participation.
- Expressing delight at the diverse audience, Dr. Nungu acknowledged the integral role played by both longstanding
  partners and recent participants in the forum's success. "Significant changes have occurred since we started, whereas the
  first meeting took place at COSTECH, with fewer participants from the ecosystem. But today, when we say the 5th one,
  I'm glad to see so many faces, aside from the partners but also for the last participants, because without this is
  impossible".
- He acknowledged that the overarching theme of the 5th forum, aligned with the ongoing Dodoma Innovation Week
  under the theme "Innovation for a competitive economy". This resonated with the forum's focus on "Innovating Policy

   A Forward-looking and Integrated Approach to Policymaking in the Digital Age."
- Dr. Nungu reminisced recalling a recent conversation, sharing that "I recently met with Dr. Mulamula, as I was chatting with him on Saturday about the TANZICT project, which was a bilateral collaboration between and Finland, which was by then implemented through the Ministry of Communication, Science and Technology (MCST), that is now the Ministry of Information, Communication, and Information Technology and COSTECH was under it. BUNI Hub was born out of COSTECH which was a product of the TANZICT project, later fueled by HDIF and now connected to Funguo".
- The current partnership with Funguo and others for the Innovation and Tech Forum marked a nostalgic return to the TANZAICT Project and its association with the InfoDev project, resulting in DTBi, where Dr. Mulamula played a crucial role. Gratitude was extended to the TANZAICT program and HDIF for their contributions that have shaped the forum's trajectory.
- Dr. Nungu also highlighted on the collaborative nature of the innovation ecosystem, emphasizing the government's
  responsibility in creating a conducive environment. "Today, among our partners, we have Tech & Media Convergency,
  which is not a government institution similar to Funguo Innovation Program, because the environment is very
  conducive, and everybody can play a part".
- Acknowledgments were extended to partners for their role in the event's success, as well as the participants who were
  thanked for their presence, with a call for collaborative efforts to share opinions and formulate policies and guidelines
  relevant to the contemporary world. coupled with an open invitation for those available to attend the Innovation Week in
  Dodoma on Friday.



# Opening Remarks

## Ms. Christine Musisi

Resident Representative, UNDP Tanzania

 Ms. Musisi expressed greetings and extended gratitude to the distinguished attendees, including Honorable Engineer Andrew Matthew, Deputy Minister of Information, Communications, and Information Technology; Ambassador Manfredo Fanti, head of the European Union delegation to Tanzania and the

East African Community (EAC); Ambassador Theresa Zitting, Finnish Ambassador to Tanzania; Dr. Nkundwe Mwasaga, Director-General, ICT Commission; Doctor Amos Nungu, Director-General COSTECH; and their partners Tech & Media Convergency, acknowledging their coordination role at the 5th edition of the Innovation and Tech Forum.

- Ms. Musisi conveyed congratulations to the Ministry of Education, Science, and Technology and all partners for their unwavering commitment to promoting innovation, especially within the strategic platform of the forum. She offered thanks to the long-term partners, COSTECH, ICT Commission, and Tech & Media Convergency, recognizing their pivotal role in sustaining discussions on innovation and digitalization in Tanzania. The journey, starting at an infancy stage, has progressed significantly due to their collaborative efforts.
- Ms. Musisi recalled the Deputy Minister's challenge during the Tanzania Digital Youth Summit in 2022, where he inspired critical thinking to bring forward important issues. Today, this challenge has culminated in the initiation of a crucial conversation. "When we met last year during the Tanzania Digital Youth Summit, Deputy Minister, you challenged us to organize a session to discuss this subject. I'm so glad that you are here to see the initiation of this conversation. It is high time we had this conversation."
- In recognizing the imperative for agile and innovative policymaking in the era of rapid digital transformation, Ms. Musisi
  advocated for an approach aligned with Tanzania's evolving development needs and the harnessing of emerging
  technologies.
- Acknowledging the theme of this year's Innovation Week, "Innovation for a competitive economy," Ms. Musisi
  highlighted the critical role of forward-looking policies in advancing the nation toward this goal. She cited examples such
  as the fintech regulatory sandbox by the Bank of Tanzania and crowdfunding guidelines by capital markets and securities
  authorities as progressive steps in embedding innovation in policymaking.
- Ms. Musisi emphasized the need to fully embrace innovation in the policy-making process, challenging the collective
  effort to develop timely and relevant solutions. She encouraged leveraging current technology to ensure broad
  participation and leadership endorsement.
- Concluding her remarks, Ms. Musisi expressed gratitude to everyone for their presence, giving special acknowledgment to partners, including the European Union, for their collaboration with UNDP in making initiatives like these possible.



# Expert Opinion

## Dr. Nkundwe M. Mwasaga

Director General, ICT Commission

- Dr. Mwasaga, Director, expressed gratitude to Honorable Engineer Kundo Matthew, Deputy Minister for the Ministry of Information, Communication, and IT, and other distinguished guests, including Ambassador Manfredo Fanti, Ambassador Theresa Zitting, UNDP Resident Representative Christine Musisi, Professor Msele, Chairman of the Board of the ICT Commission, Dr. Amos Nungu, and Asha Abinallah, the CEO of Tech & Media Convergency, among others.
- Dr. Mwasaga emphasized the evolution of policy-making as an art and acknowledged the changing landscape with innovations in science and engineering, particularly in electronics and telecommunications. He highlighted the significant impact of Information Technology (IT) and how it has transformed from supporting office operations to becoming a strategic area with the power to manage and produce vast amounts of data.
- Reflecting on the history of ICT development since 1995, Dr. Mwasaga highlighted initiatives that connected people, built
  networks, and made computing power more affordable. He emphasized the transformation of ICT into a strategic field
  that contributes to national competitiveness and economic growth by providing services and leveraging data for decisionmaking.
- Dr. Mwasaga discussed the digital transformation and its role in addressing key challenges faced by countries, such as job
  creation, especially for the youth, and boosting the GDP. He underscored the importance of countries accelerating digital
  transformation to avoid becoming consumers of others' technologies and outlined emerging technologies like blockchain,
  analytics, and AI. He further explained that now more than ever, we need to make sure, as a country, we leverage data.
  Countries that have an abundance and wealth of data have an upper hand in investing in the computational power of AI,
  thus addressing challenges facing their immediate communities.
- In particular, Dr. Mwasaga highlighted the challenges and opportunities presented by AI, emphasizing the competitive
  edge some countries gain through the availability of data. He acknowledged the complexities of AI and emphasized the
  need for countries to harness it effectively.
- Dr. Mwasaga's expert opinion focused on the importance of a forward-looking and integrated approach to policymaking
  in the digital age, acknowledging the transformative potential of technology and data in shaping the future of nations.
  "Policy-making is an art, it has been there for a long time, and governments use different instruments to guide something
  they aim to achieve, like enacting laws, drafting policies, and issuing guidelines and frameworks to ensure things are going
  okay."



# Key note Speech

## Hon. Eng. Kundo A. Mathew

Deputy Minister, Ministry of Information, Communication, and Information Technology

- Hon. Eng. Kundo Andrea Mathew began his keynote speech
  by acknowledging the presence of distinguished guests,
  including Ambassador Manfredo Fanti, Ambassador Theresa
  Zitting, Ms. Christine Musisi, Dr. Amos Nungu, Prof.
  Leonard J. Maselle, Dr. Nkundwe Mwasaga, Ms. Asha
  Abinallah, Justina Tumaini Mashiba, and various directors
  from government ministries, the panelists and the participants.
- He emphasized the challenge of aligning policies from different ministries, citing examples of conflicting approaches by
  the Ministry of Education, Science and Technology and the Ministry of Information, Communication, and Information
  Technology. The Deputy Minister stressed the importance of collaborative policymaking to address conflicting aspects
  and ensure effective implementation.
- Expressing his role as a learner at the Innovation and Tech Forum, Hon. Eng. Kundo highlighted the need for public and private sector engagement to propel the nation forward, emphasizing that, "I am here to ensure that what you say is put into practice. We will make sure that the government representation takes it seriously."
- Hon. Eng. Kundo emphasized the need for innovative policymaking procedures to cope with the rapidly changing technology landscape. He acknowledged the challenges in policy stages but emphasized the role of innovation in expediting the process. He explained "As a government, we intend to support and move forward together. We are aware of new technologies, including emerging technologies such as Artificial Intelligence, blockchain, fintech, and bitcoins. All these require policies that keep pace with change. Having policies is not a problem; the challenge is how to speed up the policy process to align with the changes in a way that they can be quickly put into use. For instance, we are expecting to launch our satellite, but we are still yet to have policies that will guide the satellite". Additionally, he highlighted the need for policies that address current challenges, such as supporting talents incubated by the government and removing barriers to their solutions to be adopted by the government where applicable.
- The Deputy Minister expressed gratitude for the realization of his challenge to UNDP to organize a conversation on innovative policies. He assured participants that the government takes the forum seriously, and the insights shared would be considered for implementation. He conveyed regards from the honorable Minister Nape Nnauye, who, due to unforeseen circumstances, couldn't attend.
- Hon. Eng. Kundo assured participants that the government is committed to improving service provision to the people.
  He acknowledged the efforts made by H.E. Samia Suluhu Hassan in engaging with international organizations to
  enhance government services. "I am looking forward to these conversations, which will certainly contribute to
  improving our policymaking. I am eager to understand how we can cope with the pace of technology in the
  Policymaking process, especially with the increasing emergence of new technologies in our lives."





# Vote of Thanks

## **Ambassador Manfredo Fanti**

Head of the European Union Delegation to Tanzania and the East African Community

- Ambassador Fanti, expressed his pleasure at being present at the event and conveyed his eagerness to engage in the discussions. He highlighted the significance of understanding the current situation of innovation and startups in Tanzania, recognizing both achievements and challenges in the sector.
- The Ambassador emphasized the crucial connection between innovation, startups, and higher education. He stressed the
  reciprocal relationship, stating that innovation and startups thrive when there is adequate support and skills provided by
  higher education institutions.
- Pointing out the potential impact of small startups on a country's growth, The Ambassador highlighted the importance of
  having the right policies in place to support their expansion. He noted that even though startups start small, they can
  quickly evolve into substantial operations with a significant impact.
- The Ambassador praised the Tanzanian Government's commitment to developing appropriate policies in the innovation sector. He revealed that the European Union has allocated part of its bilateral cooperation to two specific programs, namely "Funguo" and "Digital for Tanzania," to support startups and digital services in Tanzania.
- Funguo Innovative Program focuses on supporting startups through funding, creating an enabling environment, and assisting policymakers in adopting suitable regulations. The Ambassador shared that up to April 2023, the program had already provided grants to 26 Tanzanian startups, totaling 2.6 billion Tanzanian shillings. "Funguo supports startups and is implemented in partnership with the UNDP and UNDCF, besides the Tanzanian government. It has three main objectives; providing funds to startups to meet a specific condition of sustainability, creating an enabling environment, and supporting the policymakers in adopting the most suitable regulation for the business sector to thrive; for instance, in the crowdfunding sector, which is essential."
- The second program, "Digital for Tanzania," is a more extensive project with a budget of 90.6 billion Tanzanian shillings.
  It aims to enhance access to digital payments and financial services in Tanzania while supporting the innovation ecosystem. The expected results include the deployment of public e-services in rural areas, development of the legal framework for digital trade, growth in the financial technology sector, and mobilization of the Tanzanian startup ecosystem.
- The Ambassador drew attention to the ERASMUS program, the world's most extensive higher education initiative, funded by the EU. He encouraged participants to explore the opportunities provided by ERASMUS, emphasizing the positive impact it could have on higher education.
- In conclusion, The Ambassador highlighted that the EU's cooperation in innovation and startups aligns with the vision for Tanzania's future as a young and modern economic hub in East Africa. He assured the long-term commitment of the European Union to support Tanzania in realizing this vision and expressed gratitude for the audience's attention.





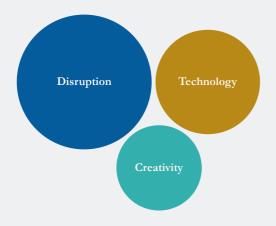
## A Warm-up Exercise towards "Innovative Policies"

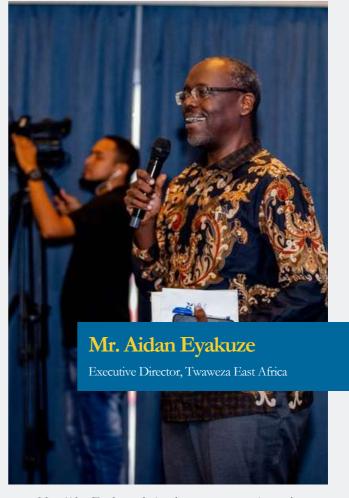
## The Exercise Approach

Mr. Eyakuze, the session co-moderator employed Mentimeter, a digital tool that facilitated audience engagement by allowing them to share responses to posed questions. As quoted from Mr. Eyakuze, "The responses from the exercise are also data for policymaking; data does not have to be numbers, graphs, and charts."

The bigger the word in the word-cloud result; meant the more mentions it got from the participants in the forum.

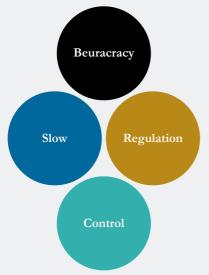
## Qn 1. What are the 3 words that come to mind when you hear "Innovation"?





Mr. Aidan Eyakuze, during the warm-up at session at the 5th Innovation and Tech Forum

To the firs question, the three predominant words were Disruption, Technology, and Creativity, indicating their widespread use among the participants. With over 100 attendees, although not everyone might have participated in the exercise, a substantial number actively responded. Additional words expressed by the audience included new ideas, unregulated, support, and similar terms.



# Qn 2. What are the 3 words that come to mind when you hear "Government Policy"?

To the second question, the words Slow, Regulation, Control, and Bureaucracy were of equal size, signifying their equal significance as perceived by the participants.

Additional terms, including Over-regulation, outdated guidance, gate-keeper, and others, suggested a prevailing sentiment that the laws favored the government more than the regulated entities. However, some positive expressions such as Support, Participation, Protection, and enabling were also noted.

## Roundtable Discussion

The Role of Government in championing Innovative Policymaking



On the left and right are the moderators of the session: Mr. Aidan Eyakuze, the Executive Director at Twaneza East Africa and Board Member of Open Government Partnership, and Ms. Anna Bwana, the Country Director at BBC Media Action, with their panelist in between, Hon. Eng. Kundo Andrea Mathew, Deputy Minister of Information, Communication, and Information Technology.

## Policymaking and Navigating Challenges

The roundtable discussion specifically aimed at mapping out innovative policy-making, with a particular emphasis on incorporating public opinion. The discourse revolved around identifying essential elements within the innovation process to enhance policymaking.

#### Essential Elements of Policies

The Deputy Minister acknowledged the critical role of regulations, order, rules, and bureaucracy in shaping public opinion. These elements were highlighted as foundational components that cannot be overlooked in the policymaking process.

#### An interest in learning

Honorable Eng. Kundo expressed a strong interest in learning from participants and the broader ecosystem. His curiosity centered on understanding how innovation could streamline the existing policy-making process, emphasizing that innovation could serve as a catalyst for transformative and expedited policymaking.

#### Holistic Impact of Innovation

The Deputy Minister stressed the importance of innovation impacting various facets of policymaking, including the approach, process, output, and subsequent impacts. This holistic perspective aimed at addressing existing challenges and fostering positive change. "Through the discussion people have been discussing on the problem that the current policies have forgetting the key point of the how to move from the problems that are already there, the government is always looking for a way to fasten Policymaking process".

#### Specificity in Innovation:

While recognizing the broad inclusivity of innovation, the Deputy Minister emphasized the need for specificity when applying innovative approaches to policymaking. Different sectors, such as ICT, agriculture, or energy, may require tailored innovations to address their unique challenges.



Investing in essential Initiatives

Honorable Eng. Kundo referred to initiatives such as the Data Center, HEPOCA, Digital Tanzania, and the role of the Data Privacy and Protection Act. These aspects were viewed as crucial elements for attracting investors and shaping impactful policies.

#### Addressing Community Disparities

Regarding concerns about certain communities being left behind in technological advancements, Hon. Eng. Kundo stressed the importance of understanding diverse perceptions of technology. He highlighted the ICT Commission's role in studying and proposing effective methods to ensure equitable access to technological benefits.

### The Collaborative Approach

The Deputy Minister envisioned a collaborative effort between the public and private sectors. He emphasized that through technology and innovation, a multiplier effect could be achieved, creating more employment opportunities and fostering positive societal impacts saying that; "We all understand that the public cannot on its own provide employment to all the people in the country, instead, with collaboration with the private sector and through the use of technology and innovation, there can be a multiplying effect that can help bring up more innovators and be able to create more employment opportunities - this can only be possible only if sectors can collaborate and enable each other in making policies that are friendly."

## Community Inclusiveness in Policymaking

#### Understanding Key Problems

Before crafting any policy, Hon. Eng. Kundo emphasized the paramount importance of understanding the core issues faced by the people the policy aimed to benefit. The involvement of citizens was crucial, particularly during the initial stages of approach and process, ensuring that policies

#### Interdependence in Telecommunication

Drawing from the telecommunication industry, Hon. Eng. Kundo highlighted the interconnected variables of consumers, service providers, and the government. He stressed the delicate balance required to create a conducive environment for investors and service providers, ensuring quality services to consumers and revenue generation for the government.

#### Compromise for a Balanced Flow

To maintain a near-perfect flow in the dynamic relationship between consumers, service providers, and the government, Hon. Eng. Kundo stressed the need for compromise. Each stakeholder had to find common ground to ensure the sustained success of the industry and the mutual benefit of all parties involved. A specific example was shared regarding the government's efforts to foster business-driven policies through the 10 BC platform and various dialogic processes at different levels.

Role of the Tanzanian National Business Council:

I would like to share an experience regarding the current government's dedicated efforts to implement business-proven policies. Our focus now is on cultivating business-driven policies, and we are achieving this through the 10 Business Councils platform, which encompasses various dialogic processes.

At the district level, the Business Council is instrumental, with the District Commissioner presiding over its sessions. This council serves as a forum where private sector representatives and government officials convene to discuss and address business-related issues. Moving to the regional level, a similar approach is adopted, where the Regional Commissioner, along with the regional secretariat, engages in fostering dialogue to tackle business challenges. Taking it a step further, at the ministerial level, the Ministers play a pivotal role. The Honorable Minister chairs the Ministerial Public-Private Dialogues, bringing together representatives from the private and public sectors. Through these dialogues, they successfully resolve a myriad of business issues. At the national level, the President assumes the role of chairing the Tanzanian National Business Council. This high-level council ensures that businesses contribute inputs into the formulation of policies, laws, and regulations, thus emphasizing a collaborative approach between the private and public sectors.

## Is the pace at which policies are formulated deemed satisfactory?

#### Dependence on Articulation Source

He emphasized that the speed of policy formulation is contingent on the source of the issue, whether from the public or private sector. Using the example of the ICT policy, last reviewed in 2016, he acknowledged the rapid evolution of technology since the policy's inception in 2003. The lack of necessary skills to navigate emerging technologies became evident, stressing the importance of data and hands-on experiences in the policy formulation process.

### Public and Private Sector Perspectives

Hon. Eng. Kundo recognized the dissatisfaction with policy formulation speed from both the public and private sectors. The Innovation and Tech Forum served as a platform to identify innovative approaches to expedite policy-making, with a focus on leveraging technology. Balancing agility, flexibility, stability, and predictability was crucial, requiring compromises to maintain equilibrium.



Mr. Kilonzo contributed to the discussion from the audience, stating that, "When it comes to engaging with the government, I would say the government is as responsive as you are proactive." He emphasized that inclusivity and collaboration play pivotal roles in finding solutions, especially when harnessing the advantages that innovation and technology bring to the policymaking table. Therefore, incorporating ideas and input from external sources holds significant value in addressing potential discrepancies within policies.

#### Private Sector Initiative

The private sector's proactive role was emphasized, with the suggestion that sometimes, instead of knocking on the government's door, private sectors could initiate engagements themselves. The importance of proposing solutions along with identifying discrepancies was underscored. The private sector was urged to submit valuable solutions to the government's open-door policy.

#### Measuring Policy Success

Hon. Eng. Kundo concluded by emphasizing the importance of measuring policy success. He added that the government has an open door policy and is ready to receive proposals on the things that need attention. He shared that for both the public and private sector to understand whether a policy has been successful is by measuring the extent of the problem before and after the policy was implemented.



Contributing from the audience, Mr. Mashaka, highlighted the government's openness and the critical role of situation analysis and stakeholder engagement in policy-making. He emphasized the need for adaptive and creative policies, encouraging the private sector to proactively engage by bringing change proposals and participating in deliberate dialogues, such as the Innovation and Tech Forum.



## **Panel Discussion**

## Disrupting the Status Quo: Embracing Innovation in Policymaking



From the left is the session moderator, Joseph E. Manirakiza -FUNGUO Programme Manager followed by Kheri Mbiro -Senior Partner, Breakthrough Attorneys, Lulu Ng'wanakilala - Deputy Chairperson, Tanzania Startup Association, Kennedy Komba - Director, Financial Deepening and Inclusion BOT, Anette Kasebele - Policy Specialist, UNCDF, and Jones Mrusha - Founder, Innovation Hub255

The panel discussion featured a highly proficient set of speakers, each strategically chosen to bring diverse expertise to the session. Mr. Manirakiza, with his extensive knowledge of the ecosystem, policies, and various sectors, proved to be an ideal fit for moderating the discussion. The selection of speakers included legal expertise from Adv Mbiro, insights from the CSO sector provided by Ms. Ng'wanakilala, a perspective from the financial sector authority delivered by Mr. Komba, policy expertise represented by Ms. Kasebele, and technological insights contributed by Mr. Mrusha, a seasoned technologist well-versed in policy infrastructure and corporate dynamics. The collective contributions of these speakers ensured a comprehensive exploration of the session's theme, "Disrupting the Status Quo: Embracing Innovation in Policymaking," resulting in a well-rounded and insightful discussion aligned with the intended outcomes of the session.

## Expectations from the Discussions

- Improved understanding and awareness of innovative Policymaking:
- The forum aims to inform Policymaking by providing participants with insights and best practices from other countries.
- Participants will have the opportunity to learn about successful innovative solutions and exchange ideas on how to adapt them to their own contexts.
- The forum aims to engage the private sector in the Policymaking process and promote private sector investment in innovation and technology.

## The role of the BOT concerning innovative financial policies

## Regulatory Embrace of Innovation

The Bank of Tanzania (BOT) has actively embraced innovation in the financial sector. Acknowledging that the central bank does not operate in isolation, Mr. Kennedy highlighted the importance of balancing consumer demands for convenient and interactive financial services with the need for appropriate regulation.

## Historical Background - Policy Formation

In response to the emergence of mobile financial services in East Africa around 2008-2009, the BOT undertook policy formation. Notably, there was an open-door policy, welcoming input from technologists and innovators. An illustrative example was provided about an individual innovator with a product called efinancing, emphasizing the central bank's guidance to collaborate with established entities to ensure financial stability.

## "Test and Learn" Philosophy

The BOT adopted a "test and learn" philosophy, allowing private sector innovators to introduce ideas that could benefit consumers. This approach involved a flexible testing period, acknowledging that change is constant in the financial sector. The philosophy evolved regulatory sandboxes, enabling controlled experimentation. Sharing a story as one of the example s of inspiration of the "test and learn" - Mr. Komba shared; "We had a gentleman; I don't know where he is right now, but I think most of us know him. He had a product called e-financing. So, he walked into the office; he had no company behind him. He was an innovator and brought this idea to provide payments and the transfer of money across the network. Unfortunately, since he was not the leading service provider, we asked him to look around at least and find a partner because we have this other element of balancing financial stability. As a startup, if you walk into the central bank and say, "I have an application, I have software, I want to launch it tomorrow," don't get frustrated if we tell you to come back as a company, as a stable entity that we can trust and ensure that you manage risk.



#### Evolution of Regulation

Over the years, the regulatory landscape evolved to adapt to changes. The Payment Systems Act, implemented in 2009, aimed to regulate disruptive industries like mobile network operators. Subsequent fintech operations posed new challenges, prompting the BOT to revisit regulatory frameworks.

## Open Regulations and Regulatory Sandbox

Mr. Kennedy emphasized the openness of regulations and the availability of regulators, even when specific regulations may not exist. The BOT has initiated a regulatory sandbox, providing a platform for fintechs and startups to engage with the central bank, subject to meeting regulatory requirements.

In summary, Mr. Kennedy outlined the BOT's proactive approach to innovation, from historical policy formation to embracing "test and learn" principles and adapting regulations to meet the evolving landscape. The establishment of a regulatory sandbox reflects the BOT's commitment to fostering innovation while ensuring compliance with regulatory frameworks.

## Innovative Approaches to Policymaking that Can Fast-Track Solutions for Startups



## Identity Challenge

The ambiguity surrounding the term 'startup' becomes a hindrance in effectively addressing the needs of these innovative entities. During the review of a baseline study for startup policy, variations in spelling ('startup,' 'startup,' and 'start up') surfaced, indicating the necessity for a unified understanding of what constitutes a startup. A collective effort is required to establish a common and clear definition.

## Stage-specific Challenges

The challenges startups face evolve as they progress through different growth stages. Adv. Mbiro pointed out that many discussions revolve around the entry phase, where regulatory approvals, licensing, and the cumbersome nature of getting started pose significant obstacles. Delays in acquiring necessary licenses impact the speed at which startups can innovate, potentially leading to a loss of enthusiasm for novel ideas.

### Formal Recognition

Policies that mandate formal incorporation present challenges for innovators who may prefer flexible and informal working arrangements. He advocates for recognizing and supporting individuals working independently, even proposing the consideration of single-shareholder companies to provide more inclusive and adaptable policies.

#### Capital and Financing

Startup financing, particularly through venture capital, is a critical aspect of their growth. However, bureaucratic hurdles, especially lengthy licensing processes that include approvals for mergers and acquisitions, create delays that impede the pace of innovation. The slow progress in these administrative matters can lead to a diminished appetite for groundbreaking initiatives.

## Market Exit Challenges

While much attention is given to market entry, the challenges associated with exiting the market are equally significant. The Advocate highlighted the prolonged timeline, often taking six months to several years to close a company in Tanzania. Investors are concerned about the ease and speed of exiting the market, emphasizing the need for streamlined procedures.

## Regulatory Inconsistency

Adv Mbiro, brought attention to the unintended consequences of regulations and laws that, despite intending to address specific issues, end up conflicting with each other. This inconsistency in regulatory frameworks can introduce confusion and hinder the smooth functioning of innovative entities. Instead of providing clear solutions, these regulations may contribute to additional challenges.

Some laws, while crafted with good intentions, might have unforeseen repercussions, complicating the operational landscape for startups. The unintended consequences of policies can counteract their original purpose, necessitating a comprehensive review to ensure that regulations align coherently and facilitate rather than impede the innovative ecosystem.

#### Coordination for Inclusivity

Adv Mbiro concluded with an emphasis on the need for enhanced coordination among policies to foster an inclusive environment. The interplay of various regulations requires careful orchestration to avoid overlaps or contradictions. Coordination becomes crucial to create a supportive regulatory framework that accommodates the diverse needs of startups, streamlining processes and minimizing obstacles.

## CSO's role in a fast-forward Innovative Policymaking process and Environment

## Proactive Policymaking

Ms. Ng'wanakilala shared that CSOs contribute to ensuring that policymaking is not merely a reactive process but a proactive endeavor. By engaging in innovative approaches, they facilitate the development of policies that not only address current challenges effectively but also anticipate and prepare for future needs. This proactive stance helps in reducing the need for subsequent revisions and adjustments. She emphasized on the indispensable role of Civil Society Organizations (CSOs) as intermediaries, facilitating connections between the government, private sector, and communities. Their central role lies in fostering collaboration and unity among these sectors, ensuring that policies are well-rounded and consider diverse perspectives.

#### Data and Evidence-Based Advocacy

CSOs bring a valuable contribution to policymaking through data, research, and evidence-based insights. This contribution ensures that policies are well-informed, grounded in the local context, and supported by empirical evidence. The emphasis on data-driven advocacy enhances the effectiveness of policies, making them more likely to address real-world issues.

#### Inclusive Dialogues

Inclusion emerged as a central theme in Ms. Ng'wanakilala's discussion. CSOs actively participate in policymaking processes, advocating for inclusive dialogues that involve various stakeholders. This inclusivity ensures that policies are comprehensive and consider the needs and perspectives of all relevant parties. It prevents hasty and flawed policy outcomes by fostering collaboration and understanding. She further shared on the Law of Marriage Act Consultations. The ongoing consultations related to the Law of Marriage Act demonstrate the importance of engaging key stakeholders in the policymaking process. Ms. Ng'wanakilala emphasized the positive changes seen through meaningful dialogues and consultations, leading to progressive policy developments. This example highlights the transformative power of inclusive policymaking processes.



Legal Aid Act Implementation Review

Ms. Ng'wanakilala highlighted a successful example of CSO collaboration with the government, specifically in the implementation of the Legal Aid Act of 2017. The CSO's role in monitoring and reviewing the implementation showcased the impact of their involvement in shaping effective policies. Through collaborative efforts, CSOs and the government worked together to ensure the success of a policy aimed at enhancing legal aid services.

### Community-Responsive Policies

CSOs actively engage in creative and innovative approaches to policymaking, ensuring that policies not only respond to the advocacy efforts of CSOs but also address the broader needs of the community at large. Their focus on community responsiveness ensures that policies are practical, impactful, and aligned with the diverse needs of the people they aim to serve.

#### Collaboration Across Sectors

She also emphasized a collaborative approach to policymaking, where the active involvement of CSOs, the Private Sector, and individuals is seen as a collective responsibility. The interconnected roles of CSOs, the Private Sector, and individuals are viewed as supportive pillars within the policymaking ecosystem, enhancing the overall effectiveness of policy development.

## How Can Tanzania Embrace an Innovative Policy-Making Process?



Regulatory Sandboxes

Taking inspiration from the pioneering work of the UK's Financial Conduct Authority, Ms. Kasebele suggests the creation of regulatory sandboxes. These sandboxes offer a unique environment where regulators can engage with innovators, fostering mutual learning. The approach not only facilitates technological understanding but also ensures a fair playing field for emerging businesses. This methodology has been successfully implemented in European countries like the UK and South Africa.

She shared more examples, such as how Singapore is experimenting with the regulatory sandbox framework for the energy sector. "How would you describe the creation of innovation in the energy sector? Additionally, in India, we have heard about autonomous vehicles. Again, a country like Sweden has been an example of regulatory sandboxes testing solutions beyond the financial sector, which Tanzania has started with."

#### Regulatory Technology Adoption

Acknowledging the transformative power of technology, Ms. Kasebele recommends the adoption of regulatory technology. This includes leveraging AI-based tools to collect market sentiments and consumer feedback.

She shared examples from Rwanda where chatbot solutions enable direct interactions with end-users, offering valuable insights for policymakers to understand market dynamics and make informed decisions. So, as an end user, you can raise any grievances with the central bank if you encounter issues with the solution. This information is currently utilized by the government to gain a better sense of how the market is operating and what policies or regulations need to be in place. This tool goes beyond just democratizing access to a resolution for consumers; it also opens up and makes the policymaking process inclusive. As a consumer, you can interact with this technology and provide input to policymakers as they contemplate various changes.

## Policy Labs

Ms. Kasebele introduced the concept of policy labs within government structures. These labs serve as dynamic units capable of prototyping, learning, and refining policies in a human-centered manner. By embracing this approach, governments can expedite the policymaking process, making it more responsive and adaptable. Notable examples of successful policy labs can be found in European countries like the UK and the EU.

#### Open Data and Data Governance

Ms. Kasebele highlights the challenge posed by the scarcity and limited accessibility of data. To overcome this hurdle and facilitate the development of innovative policies, she advocates for the embrace of Open Data initiatives. Many institutions possess substantial volumes of data, but its availability remains restricted. Open Data initiatives aim to make this valuable information more accessible to a broader audience.

To ensure the seamless flow of data, Ms. Kasebele emphasizes on the importance of implementing robust Data Governance frameworks. This strategic approach ensures that data is managed, shared, and utilized responsibly, fostering a conducive environment for the development and implementation of innovative policies.

## Leveraging Emerging Technologies to Navigate Policy-Making Challenges

## Regulatory Frameworks and Self-Regulation

Mr. Mrusha advocated for the creation of a comprehensive regulatory framework, particularly for emerging technologies. To address potential delays in policy updates, he proposed the development of a self-regulating framework. This self-regulation would ensure accountability for service providers, compelling them to adhere to established regulations even when immediate policy changes were not forthcoming. He further stated, "we need to build a framework for regulation. Many challenges, such as AI, require global solutions. To be honest, the computing power needed to create a sustainable AI tool is beyond our current capacity. As Dr. Mwasaga mentioned earlier, we require the computing power, the data, and the algorithms".

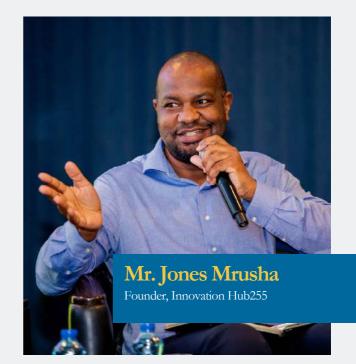
#### Evergreen Policies

Introducing an innovative concept, Mr. Mrusha suggested the implementation of Evergreen Policies. Drawing parallels with dynamic platforms like Wikipedia, he envisioned policies that continually evolve. While acknowledging the potential challenges, he proposed a multi-step approval process for these policies. The goal was to maintain dynamism and responsiveness, particularly in sectors experiencing rapid changes.

## Timely Policy Approval

Mr. Mrusha highlighted the extended approval timelines for policies, citing the example of the SMEs development policy drafted in 2003. "As I was speaking today, I was browsing the internet to check if we had received the final draft. Kheri was discussing startups, and we were also examining the SMEs development policy of 2003. I am aware that there is a draft, and some of you may have seen it, perhaps even contributed to its creation. I am uncertain whether it has been approved as of 2022".

He questioned the impact of such delays on progress and innovation. He suggested that the implementation of self-regulation or Evergreen policies could help mitigate the negative consequences of prolonged approval processes.



Collaborative Policy Development

Recognizing the collaborative nature of effective policy development, Mr. Mrusha stressed the need for wider stakeholder involvement. He specifically mentioned the importance of engaging various entities, including associations and civil society organizations, in the policy-making process. Additionally, he emphasized the pivotal role of technology in facilitating broader participation and streamlining policy development.

## Big words for Policies

In his concluding remarks, Mr. Mrusha critically examined the existing terminology and frameworks associated with policy formation, giving an example with the concept of Evidence-Based Policymaking (EBPM). He noted that while there's a prevalent use of sophisticated terms like EBPM, the actual examination of certain policies raises questions about whether these frameworks were genuinely considered during their formation.

This reflective perspective manifested the need for a more thorough evaluation of policies against the backdrop of the stated frameworks, challenging the assumption that the use of such terminologies always aligns with comprehensive and effective policy-making.



## Different stakeholders, contributing to the Forum, April 24 - 2023





Ms. Madeje, the Event Facilitator for the 5th Innovation and Tech Forum engaging in a warm-up with the participants at Four Points Hotel on April 24, 2023.

The far right image, with the top and bottom pictures participants during different times at the forum responding to the event Facilitator.



## Different stakeholders, contributing to the Forum, April 24 - 2023



## Stakeholders captured in moments at the Innovation and Tech Forum, April 24 - 2023





















## Stakeholders networking at the Innovation and Tech Forum, April 24 - 2023

















# **Conclusion**



From the left Dr. Nkundwe Mwasaga, Director General - ICT Commission;
Ambassador Theresa Zitting - Finland Ambassador to Tanzania; Madam Christine Musisi - UNDP Resident Representative,
Tanzania; Hon. Engineer Kundo Matthew - Deputy Minister of Information, Communications, and Information Technology;
Dr. Amos Nungu - Director-General of COSTECH and Ambassador Manfredo Fanti,
head of the European Union delegation to Tanzania and the EAC

The 5th Innovation and Tech Forum was a success. Throughout the event, a spectrum of perspectives was presented, covering legal aspects, financial regulations, challenges faced by startups, and the critical role of Civil Society Organizations (CSOs) in Policymaking. One of the recurring themes was the necessity for collaborative efforts between the public and private sectors, utilizing innovative approaches to address policy challenges effectively. The other recurring theme was the emphasis on the need for dynamic policy frameworks to adapt to the rapidly evolving technological landscape with excellent examples such as the self-regulating frameworks and Evergreen policies that urge more agile and adaptive policymaking processes.

As the discussions unfolded, it became evident that fostering innovation in policymaking requires a holistic and inclusive approach. In the end, there was a call to action from the Deputy Minister, Hon. Eng. Kundo to future strategic closed meetings with stakeholders for an actionable solution-oriented policy process. This forward-looking approach aims to facilitate more effective discussions with actionable outcomes, reflecting the government's dedication to translating insights from the forum into practical policy measures.

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