

Autonomy of Regulatory Authority to Effectively Provide Regulatory Services in Tanzania: A Case Study of LATRA

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ABSTRACT

The establishment of regulatory authorities is geared towards regulating or stabilizing the market economy through fostering fair competition and setting guidelines that safeguard consumers and nurture the private sector. The study was generally geared to assess the autonomy of regulatory authorities to effectively provide regulatory services in Tanzania, taking the case study of the Land Transport Regulatory Authority (LATRA). This study was guided by four specific objectives, namely: to determine the ability of LATRA to effectively provide regulatory services in Tanzania; to assess institutional frameworks that influence LATRA to effectively provide regulatory services in Tanzania; to assess legal frameworks that influence LATRA to effectively provide regulatory services in Tanzania; and to explore challenges facing LATRA to effectively provide regulatory services in Tanzania. Transportation, SERVIQUAL, and agency theories were used to support this study. LATRA was used as the case study, targeting a population of 123, among which were LATRA employees as regulatory authorities, the Tanzania Bus Owners Association (TABOA) as service providers, and commuters on public transport as service users. The researcher employed simple random sampling and purposive sampling procedures to get a sample size of 55 respondents from the targeted population. The study used an interview schedule guide and a questionnaire to obtain data from the field. The data were analysed using the Statistical Package for Social Sciences (SPSS). The study found that LATRA has been providing various regulatory services, such as the issuance and cancellation of public transport permits and licenses, reviewing and setting rates and charges, and also imposing sanctions on entities that contravene regulation policies and laws. The current institutional framework affects the smooth functioning of LATRA and its ability to effectively provide its regulatory services. This is due to LATRA's administrative incapacity, poor management support, and financial independence, which affect its autonomy to effectively provide regulatory services. The smooth functioning of LATRA is hindered by political interference, limited administrative competencies, limited transparency, the use of the Tanzania Police Force (TPF) to deal with regulatory issues, the invisible hand of the Tanzanian government in LATRA's daily operation, as well as LATRA's institutional and legal frameworks, which reduce the practical aspect of LATRA's autonomy in discharging regulatory functions. The study further recommended that the LATRA policy, institutional framework, and legal framework should be overhauled or repaired in order to remove or reduce political interference in LATRA operations, which affects the autonomy of LATRA.

Key words: Autonomy, Regulatory, Regulatory Authority

I. INTRODUCTION

The regulation of public transport is becoming a major issue and an increasingly important part of the realization of socio-economic development for many urban public transport systems in the world. This is because the provision of transport services allows people to connect and contribute to the growth of urban areas and increases the mobility of factors of production, which are capital, labour, and natural resources. Many nation-state governments have been struggling to consider tremendous reforms of the public sector with the aim of replacing a state-led economic model with a market-led economic model. These reforms were influenced by the economic crisis of the early 1980s, during which many nation-state governments were forced to decrease and review their welfare expenditures. In that regard, the strategy for reforms in the public sector was expected, among others, to minimize the role of the state in the efficient and effective discharging of public administration functions (Josa, 2018; Land Transport Regulatory Authority [LATRA], 2020).

One of the features that define public sector reform worldwide is the creation of regulatory bodies and authorities. Regulatory bodies are seen as a fundamental component of market-led economic reforms that intend to replace state-planned economic systems. However, in a market-led economy, regulatory reforms focus on protecting both public and private interests, and as a result, this reform is an essential component of economic governance. The effectiveness of regulatory reforms initiated in many developing countries has three important components, including regulation policy, regulatory institutions, and regulatory processes (Mishra & Kumar, 2021).

The IMF (2004) further elaborated that, despite public reforms being driven by neo-liberal ideas, they seek to make the public sector smaller and more efficient in the delivery of public services. Indeed, the reforms in the public sector aim to strengthen state capacity so as to enable better economic governance that will support the private sector in the short and long run. Although reforms have been initiated in most Western democracies, the public sector reforms took on a terrestrial dimension, whereby third-world countries, including Tanzania, decided to join the trend of reforming the public sector.

In response to the ongoing public administration transition, the government of the United Republic of Tanzania took the necessary initiatives to adopt public sector reforms. As a result, decentralisation by devolution was funded by the European Union (EU) to build the capacity of the government for the adoption of the proposed reforms in the public sector. Privatization was adopted, and the establishment of regulatory authorities began. The reforms are also geared towards building capacity for the private sector, including informal enterprises, to operate the economy while the government performs the roles of regulating and collecting taxes from the market economy. And thus, when the regulation authorities are not part of the producer in the economy, they become more autonomous; hence, regulatory functions can be effectively and efficiently discharged for the welfare of the market and the public (EU, 2016; Tanzania Insurance Regulatory Authority [TIRA], 2022).

TIRA (2022) further elaborated that, in order to improve the transportation sector, which was previously state-operated, the government privatised the transportation sector and established a regulatory agency, namely the Tanzania Land Transport Regulatory Authority, commonly known as LATRA. The purpose of the establishment of the institution was to safeguard the public interest as well as foster development in the transportation business in the respective sector. LATRA was established in 2019 by the Land Transport Regulatory Authority Act. No. 3 of 2019 (Cap. 413), purposely for land transport sector regulation of roads and railways in particular. Sections 5 and 6 of the same Act stipulate the duties and functions of LATRA. The Act vests autonomy in LATRA to effectively regulate the land transport sector for the benefit of both public and private sector development. This implies that the autonomy of LATRA would be one of the important components towards enhancing the effective delivery of regulatory services. Despite the laws and strategies established under LATRA specifically to provide regulatory services, there may be a need to assess its autonomy (United Republic of Tanzania [URT], 2019).

This study aims to empirically assess whether LATRA, as a case study, operates effectively within its autonomous framework to provide regulatory services that safeguard public and private sector interests. The findings will offer insights into the broader implications for the public sector in Tanzania, addressing challenges related to administrative capacity and political interference.

1.1 Statement of the Problem

Mihayo (2013) described the economy of Tanzania as underdeveloped, fragile, and vulnerable in a way that, without taking serious precautions, the adoption of public sector reforms can lead to every kind of abuse since the private sector is surviving in its infancy stage. For fair competition and market economy regulation, the government, after leaving the production role to the private sector, needed to establish regulatory authorities that would provide an eye on how the market economy is operating and behaving to make sure that there is a welfare gain between the producer and the user of transportation services. Initially, it was not possible for the same organ to effectively perform production as well as regulate roles, but the decentralisation reforms came with the establishment of regulatory authorities that were not part of the producers in order to regulate the market.

LATRA was established as a regulatory authority purposefully to regulate the land transport sector. Under Act No. 3 of 2019 (Cap. 413), LATRA is vested with powers as enshrined in laws and strategies to ensure smooth carrying of its functions and duties. Despite the establishment of LATRA to effectively regulate the land transport sector for the benefit of both public and private sector development, the independence of regulatory authorities keeps receiving stiff intervention from state political pressures. This necessitated the assessment of the capacity or level of autonomy of the regulatory authorities to provide regulatory services for both the private and public sectors (URT, 2019). Van Gorp and Maitland (2009) propounded that regulatory authorities still work in a political context and suffer from weak administrative capacity, although they are structurally and institutionally divided from other public organizations. In that view, the fundamental question was how and to what extent bureaucratic politics limit the autonomy and smooth functioning of regulatory authorities in the delivery of effective regulatory services. The assumption that regulatory authorities should be autonomous requires further empirical investigation. In that backdrop, this study assessed the autonomy of regulatory authority to effectively provide regulatory services in Tanzania: A Case of LATRA.

1.2 Research Objectives

The general objective of the study was to assess the autonomy of regulatory authority to effectively provide regulatory services in Tanzania with reference to LATRA. Specifically, the study sought to:

- i. To determine the ability of LATRA to effectively provide regulatory services in Tanzania.
- ii. To assess institutional framework that influence LATRA to effectively provide regulatory services in Tanzania.
- iii. To assess legal framework that influence LATRA to effectively provide regulator services in Tanzania.
- iv. To explore the challenges facing LATRA to effectively provide regulatory services in Tanzania.

II. LITERATURE REVIEW

2.1 Theoretical Reviews

2.1.1 Transportation Theory

This is the theory that was developed by Charles H. Cooley in 1884. The theory assumes that in the transportation system, the quality of service is measured by the force and time applied during transportation. This is to say that the best service is the one that is accomplished in the shortest time and uses the fewest forces, which means such a transportation system will be quick and cheap at the same time. The theory can be linked to transportation service delivery, whereby effective and efficient transport service facilities are regarded as those that offer service at the quickest and lowest cost. In this regard, the market should be regulated to make service delivery effective, efficient, and affordable to the majority of the community (Cooley, 1894).

The theory further pointed out speed and reliability as the main factors in improving transportation services, which should be regulated by regulatory authorities. However, the theory failed to propose the best way to evaluate the effectiveness of regulatory authorities in improving land transport service delivery (Nkrunziza, 2008).

2.1.2 SERVQUAL Model

Parasuraman et al. (1991) refined their exploratory research conducted in 1985 and reviewed the ten dimensions by condensing them into five dimensions. SERVQUAL is an abbreviation of service and quality, where SERV stands for service and UAL stands for quality, and thus the model was developed to measure service quality. The condensed dimensions were responsiveness, reliability, tangibleness, responsiveness, and empathy. The SERVQUAL instrument was created from the revised edition. SERVQUAL is a commonly utilised and tested method of gauging customers' perceptions of service quality. It has been broadly cited in retailing and marketing literature, and its use in the industry has been widely spread (Nyandoro, 2015).

The SERVQUAL model has received several criticisms based on its focus on the process of service delivery rather than the consequences of the service encounter. From the perspective of dimensionality, the SERVQUAL model 5 dimensions are not universal in a way that the quantity of dimensions comprising service quality is contextualized, the items do not always load on the factors that one would a priori expect, and there is a high degree of intercorrelation between the 5 reliability dimensions (Zairi, 1999).

However, the model has some criticisms. For example, Parasuraman et al. (1991) claim that the SERVQUAL Model 5-dimensional structure is unstable to measure service quality, the conceptualization of service quality is inadequate, and SERVQUAL confounds satisfaction, attitude, and measuring either service quality or customer satisfaction. Still, the model holds relevance to this study because it deals with service delivery. Therefore, this study helped the researcher assess the autonomy of regulatory authorities to effectively provide regulatory services in Tanzania.

2.1.3 Agency Theory

The agency theory was advocated by Stephen Ross and Mitnick in 1973 (Ross, 1973; Mitnick, 1973). The main assumption of the theory was to expose the contractual relationship that exists between the principle and agent. The theory further elaborates the greater conceptual emphasis on the economic incentives of the contracting parties (principle and agent) within this context of a principle-agent relationship. The implication for this is that, for transparency and accountability, the agent institution should have autonomy in discharging their functions without intervention from their surroundings (Alucha, 2023; Laiho, 2011).

Laiho (2011) further explained that agency theory is relevant in the sense that it offers a detailed analysis of the relationship. In that case, LATRA is conceptualized as a public agency with vested authority that has the legal mandate and autonomy, though it is not assessed to regulate land transport services. In this regard, LATRA has to be given full independence to exercise its authority in the interests of both the government and the market economy. However, the performance of regulatory authorities (LATRA), as seen as an agency from the interests of both the government and political elite (concern) as underpinned in the public reform initiated in Tanzania, cannot independently implement self-autonomy in decision-making. This escalated a problem, which was the prime goal of the study: to assess the autonomy of regulatory authorities (LATRA) to effectively provide regulatory services in Tanzania.

2.2 Empirical Review

In developing countries, including Tanzania, public administration is often politicized in their civil service due to factors like a weak institutional base and a lack of expertise that fuel the interference of politics in public administration. Even if the skills are available, they are often underutilized because of poor deployment, a weak institutional environment, a lack of morale, or political interference in administrative processes (Lufunyo, 2013). This is unlike the other well-developed administrative system, which has the following features: a tradition of being politically neutral, relatively competent, uncorrupt civil service, significant nepotism, consistent and well-enforced legal codes, which include contract laws, and well-functioning markets (Sulle, 2011).

The study on regulatory innovation in Tanzania: the role of administrative capabilities and regulatory governance was conducted by Van Gorp and Maitland in 2006 at the Tanzania Communication Regulatory Agency (TCRA). The study employed a case study research design, and the study used 20 participants. The interview data collection method was employed. The study found that regulatory innovation and market development were lagged behind because of the inadequate autonomy of TCRA, the dependent funding mechanism of the institution, and the incapacity of the respective ministries in discharging their functions. The study suggested policy reforms on internal capacity building, regulatory governance, and fostering regulatory innovation (Van Gorp & Maitland, 2009).

Another study by Ndomondo-Sigonda et al. (2020) researched the national medicine regulatory authorities' financial sustainability in the East African Community (EAC). The findings revealed that financial autonomy and adequate and sustainable financial ability are two of the major aspects for efficient regulatory authorities to deliver efficient and effective services. It was also discovered that there are a number of prerequisites to its performance, such as the level of autonomy in executing its mandate, the appropriate structure that allows for proper coordination of various regulatory activities, the availability of financial resources, and an adequate number and type of appropriately skilled human resources with the requisite competency to carry out their duties.

Oscar (2014) researched the impact of the legal framework on regulatory authorities in Tanzania, using the Surface and Marine Transport Regulatory Authority (SUMATRA) as a case study. In this study, it was found that regulatory authorities are neither independent, transparent nor predictable due to the situation of unwarranted political interference in their mode of operation in the context of Tanzania. In this case, the findings reached the conclusion that SUMATRA should be separated from operating land transport as it fails to meet the desired outcome in such a way that the legal framework should be overhauled because it creates a room for political intervention in regulatory operations in Tanzania.

Dora (2014) researched the reliability of regulatory authorities to timely regulate public transport as a mode of choice in Accra, Ghana. The findings discovered that mini-buses are still the most frequently used mode of transport in the city of Accra, although the fare is set by the regulators without hearing from the users and other transport stakeholders. Also, the study discovered that many commuters in Ghana perceive the regulators of public transport and MMT's shortfalls in terms of travel time, accessibility, comfort, reliability, and, to a lesser extent, aesthetics in terms of vehicle and waiting area cleanliness.

Stern (2010) opined that the independence of regulatory functions from politics is necessary because that can demonstrate the government's credibility in protecting the interests of different actors in free market economics. This implies that the creation of regulatory authorities to provide regulatory services demonstrates the government's long-term policy commitment to ensure long-term public policy predictability, which is good for the market economy in the contemporary 21st century. In this regard, it was imperative that the government that wants to attract private investors in a given social context make sure it creates a legal and institutional framework that limits its own opportunistic behaviour in dealing with the private sector.

In the study "Regulatory Challenges in Africa: An Empirical Analysis," Prof. Mark J. Mwandosya made an analysis of the regulatory authorities across Africa, Tanzania in particular, in comparison to the global regulatory standards. The study employed the majority of secondary data, where the study gathered information from various regulatory authorities in Tanzania, including the Consumer Consultative Council (CCCs), the Rural Water Supply and Sanitation Agency of Tanzania (RUWASA), the Tanzania Communications Regulatory Authority (TCRA), the Surface and Marine Transport Regulatory Authority (SUMATRA), the National Consumer Advocacy Council, the Energy and Water Utilities Regulatory Authority (EWURA), and the National Audit Office of Tanzania (NAOT). The study finds that there is limited autonomy in these institutions due to a lack of funding; they depend on external sources of funding from the government; poor information and computer technology (ICT), which makes the regulatory authorities fail to capture all the required information; legal dilemmas facing regulators; state interference with regulatory authorities; a lack of accountability and transparency; and regulatory rollbacks by citing Tanzania Shipping Agency Corporation (TASAC), which has been established as a service provider and regulatory authority. The study further recommended policy, legal and institutional reform, regulatory innovation, self-appraisal of regulators, balancing between the consumer's and producer's interests, investing in technological development as well

as organizational learning, and maintaining the principles of good governance and accountability among regulatory authorities (Mwandosya, 2021).

2.3 Conceptual Framework

This study wants to assess the autonomy of regulatory authorities to effectively provide regulatory services in Tanzania. In that sense, the conceptual framework includes independent and dependent variables. In the case of assessing the autonomy of regulatory authorities to effectively provide regulatory services in Tanzania, only two variables (independent and dependent) were linked to address the research problem. Regulatory authority is conceptualized as a dependent variable, while regulatory functions, regulatory autonomy (government and political), institutional framework, and legal framework are conceptualized as independent variables. The independent variable is the one that can be controlled by the researcher (it is a presumed factor that has effects on the dependent variable), whereas the dependent variable is the outcome of the independent variable (Kothari 2011). Therefore, Figure 1 illustrates the conceptual framework.

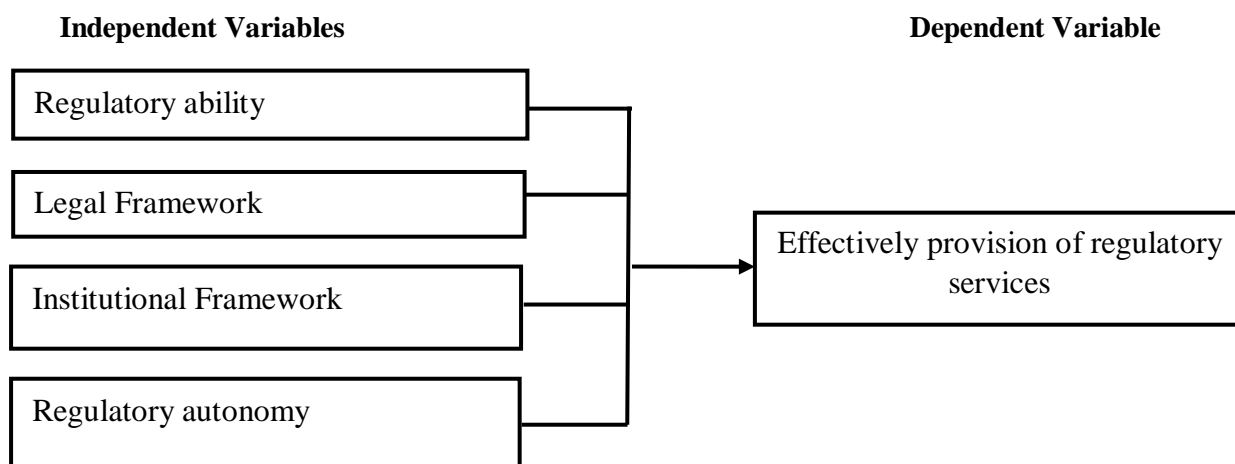


Figure 1
Conceptual Framework

III. METHODOLOGY

3.1 Research design

This refers to the use of evidence-based procedures and guidelines that give out the tools and framework for performing a research study (Kothari, 2011). In assessing the autonomy of regulatory authorities to effectively provide regulatory services in Tanzania, this study adopted case study design.

3.2 Study Area

This study was conducted at LATRA headquarters, based in Dodoma City, which is the capital city of Tanzania. LATRA has been vested with constitutional power to discharge regulatory functions in land transport services and its associated business sectors. LATRA was established in the period where transportation services were already privatised to the private sector, and thus there was a boom in the transport sector in Tanzania, which has made a made a great contribution towards achieving sustainable middle income by 2025. This has been evidenced in the ongoing construction and development of the central route of the Standard Gauge Railway (SGR) from Dar es Salaam City to Mwanza City through Dodoma City. These factors motivated the researcher to opt for Dodoma to carry out the study assessing the autonomy of regulatory authority to effectively provide regulatory services in the United Republic of Tanzania.

3.3 Sampling and Sample Size

This study applied both probability and non-probability sampling procedures in order to get the required sample size of respondents used by this study to collect data used to assess the autonomy of regulatory authorities to effectively provide regulatory services in Tanzania. The random sampling procedure gave an equal chance to each of the 123 targeted populations to participate in the study, while the purposive sampling procedure allowed the researcher to establish criteria that facilitated getting the required informants from the different population strata that were used in this study (Kothari, 2011).



The Yamane Formula was used to compute the sample size for this study from the 123 targeted populations in this study. The reason behind this formula is that it is simple to compute, bias-less, mathematically calculated, and also enables validation of the ability of adjustment when estimating the needed adequate or minimum sample size (Adam, 2020). In that regard, this study used the Yamane formula that was developed in 1967. In this formula, a total of 95% confidence level and (e) = 1–10% as marginal error are involved (Yamane, 1967).

$$\text{Thus, } n = \frac{N}{1+N(e)^2}$$

Where "n" denotes the number of sample sizes, "N" represents the total population, and "e" represents the precision level (margin of error limit) (Yamane, 1967).

$$n = \frac{123}{1+123(0.01)^2} = n \frac{123}{1+1.23} \quad n = \frac{123}{2.23} \quad n = 55.1 \approx 55$$

Therefore, n = 55.

The sample size of this study was 55 respondents.

3.4 Data Collection and Analysis

This study used a questionnaire, an interview schedule guide, and a documentary schedule guide as the data collection tools. The primary data were collected through a questionnaire and an interview schedule guide, while a documentary schedule guide was used to collect the secondary data from the existing literature. The data analysis was performed using the Statistical Package for Social Sciences (SPSS).

IV. FINDINGS & DISCUSSIONS

4.1 Ability of LATRA to Effectively Provide Regulatory Services

The first objective of this study was to identify the abilities (functions) of LATRA to effectively provide regulatory services in Tanzania. In this regard, it was assumed that LATRA plays a major function that effectively enhances effectively the provision of regulatory services in Tanzania. However, the findings indicate that among the major functions that LATRA provides in ensuring regulatory services are the issuance and cancellation of public transport permits and licenses. This was asserted by the majority (56.9%) of respondents, followed by reviewing and setting rates and charges (52.9%) and imposing sanctions on the entities (service providers) that contravene LATRA legislation. Key: The variables F, %, and n represent the frequency, percentage and total sample size. 5 = strongly disagree (SD), 4 = disagree (DA), 3 = neutral (N), 2 = agree (A), and 1 = strongly agree (SA).

Table 1

Ability of LATRA to Effectively Provide Regulatory Services in Tanzania

Statement	Responses										n
	1		2		3		4		5		
	F	%	F	%	F	%	F	%	F	%	
Establish standards and certification of roadworthiness of vehicles	18	35.3	22	43.1	0	0.0	7	13.7	4	7.8	51
Coordination of road vehicle safety activities	21	41.2	25	49.0	0	0.0	2	3.9	3	5.9	51
Impose sanctions on entities who contravene LATRA legislations	23	45.1	22	43.1	0	0.0	4	7.8	2	3.9	51
Protection of consumers of land transport	25	49.0	24	47.1	0	0.0	0	0.0	2	3.9	51
Review and set rates and charges	24	47.1	27	52.9	0	0.0	0	0.0	0	0.0	51
Certification of drivers in public transport	19	37.3	21	41.2	5	9.8	4	7.8	2	3.9	51
Issuance and cancelation of public transport permit and licenses	29	56.9	18	35.3	0	0.0	1	1.9	3	5.9	51

The findings from Table 1 contradict Karama (2023) that LATRA organization is an oversight of a sound legal system prone to any legal challenge. In such a fragile legal arrangement, regulatory authorities cannot spearhead the market economy without a legitimate legal framework. In addition to legal legitimacy, the regulatory authorities miss the important aspect of independence in their operations, which is the basis for any regulatory authority. Indeed, regulatory roles remain the theory if the regulators cannot independently discharge their functions. The findings further reveal that, despite the major functions discharged by LATRA in discharging regulatory functions in Tanzania, the autonomy to discharge its functions has remained in theory rather than in practice.

The Land Transport Regulatory Authority has three main functions: consumer protection from unfair business practices, protecting companies or firms from unfair competition, and protecting the public interest from illegal or



harmful business behaviors. To balance these functions, LATRA needs a conducive legal framework that, in return, will vest practical power in regulatory authority in discharging its functions. This implies that the functional legal framework of regulatory authority will enable the regulatory authority to effectively provide regulatory services. The contradictory current legal framework is that the regulatory authority's legal framework is designed to regulate the market economy, while the Constitution of the United Republic of Tanzania pronounces socialism as the economic model adopted by Tanzania (Kottler, 2004).

The findings of the study from Table 1 came to an agreement with Gilardi and Maggetti (2010) and Mwandosya (2021) that the autonomy of regulatory agency LATRA in particular has been identified as the focal point towards improvement of economic efficiency and regulatory outcomes. The study further uncovered that the current formal independence is insignificant to say that the regulatory authority is independent because it allows political interference by state actors in the functions of LATRA. The study further suggests that separating technical regulatory authority decisions from political interference must be carefully reviewed to find the best way that will not cause a deficit of democracy in independent regulatory authorities.

4.2 Influence of LATRA Institutional Framework to Effectively Provide Regulatory Services in Tanzania

The second objective was to assess the influence of the LATRA institutional framework on effectively providing regulatory services in Tanzania. Prior to that, it was opined and hypothesized that the autonomy of LATRA was constrained by an institutional framework that prevented it from providing its regulatory services in Tanzania. However, the study confirms that the influence of the institutional framework on providing regulatory services in Tanzania plays a major role in sensitizing LATRA autonomy or limiting its full autonomy. The majority (52.9%) of the study participants disagreed that the administrative capability of LATRA influences the provision of regulatory services. Also, the findings revealed that management support does not influence LATRA to effectively provide its regulatory services, given the fact that the institutional framework hinders effective autonomy for LATRA to further effectively provide its regulatory services in Tanzania.

Table 2

Contribution of LATRA Institutional Framework in Enhancing Autonomy to Provide Regulatory Services in Tanzania

Statement	Responses										N
	1		2		3		4		5		
	F	%	F	%	F	%	F	%	F	%	
Management support	5	9.80	9	17.6	0	0	11	21.6	26	51.0	51
Financial independence	7	13.7	13	25.5	0	0	23	45.1	8	15.7	51
Technological integration	15	29.4	19	37.3	0	0	13	25.5	6	11.8	51
Administrative capability	3	5.90	7	13.7	0	0	27	52.9	14	27.5	51
Infrastructure sufficient	12	23.5	9	17.6	0	0	16	31.4	15	29.4	51

Weston and Bollier (2013) advocated that autonomous regulators typically bridge the gap between utilities, consumers, and the government and are bound to publicize information based on licensing procedures, performance issues, or tariff setting. Yet, the increase in the number of actors in the market in a particular sector calls for improvements in good governance and accountability to improve the general welfare of the state among diverse groups of people and enhance more decentralized power dynamics. The findings contradict Mandosya (2021) and suggest that, unlike TASAC, LATRA does not have the double function of regulating authority as well as the producer. Having the producer role as well as the regulatory role creates a conflicting interest where the regulatory authority will fail to effectively discharge its functions.

The study by Jackson et al. (2017) further accounted for administrative perspectives from a misplaced ministerial perspective by pointing out an example of the Surface and Marine Transport Regulatory Authority (SUMATRA), which previously regulated railway and marine transport, which fall under the Ministry of Transportation while SUMATRA itself falls under the same ministry. This implies that SUMATRA cannot cross the line drawn by the Ministry of Transport and that they will be implementing the wants and interests of the Ministry of Transportation. The same administrative arrangement applies to LATRA, which means that the institutional framework of LATRA comprises regulatory autonomy in discharging its functions.

The data from Table 2 also agree with Van Gorp and Maitland (2009) that the legal framework and institutional framework of Tanzania are not coherent enough to guarantee enough power to the regulatory authorities to discharge their functions. In the case of LATRA, the transportation sector is multisectorally managed by the Ministry of Finance, the Ministry of Home Affairs, the Ministry of Work, the Ministry of Transport, the Ministry of



Trade, as well as the Ministry of Regional Administration and Local Government Authorities. Some of the ministerial functions overlap with those of LATRA, and hence the institutional framework does not enhance the effective provision of regulatory services by LATRA.

4.3 Influence of LATRA Legal Framework to Effectively Provide Regulatory Services in Tanzania

The third objective of this study was to assess the influence of the LATRA legal framework on effectively providing regulatory services in Tanzania. The study confirms that the legal framework has an influence on LATRA's ability to effectively provide its regulatory services in Tanzania. It was hypothesized that legal framework influence positively or negatively on LATRA to effectively provide its regulatory services in Tanzania.

The evidenced findings from the majority (56.9%) of the study participants strongly agreed that LATRA has been setting tariffs for regulated goods and services, setting regulated standards for goods and services (52.9%), and safeguarding consumers of public transport as well. Besides that, the study realized that in order to have full autonomy, there is a need to delegate full autonomy to the regulatory bodies.

Table 3

Contribution of LATRA Legal Framework to Effectively Provision of Regulatory Services in Tanzania

Statements	Responses										N
	1		2		3		4		5		
	F	%	F	%	F	%	F	%	F	%	
LATRA nurtures private sector	11	21.6	9	17.6	0	0	17	33.3	14	27.5	51
LATRA promotes competition	23	45.1	21	41.2	0	0	7	13.7	10	19.6	51
LATRA safeguards consumers of public transport	6	11.8	0	0.00	0	0	26	51.0	19	37.3	51
LATRA set regulations and standards of goods and services	17	33.3	27	52.9	0	0	5	9.80	2	3.90	51
LATRA set tariffs of regulated goods and services	29	56.9	15	29.4	0	0	3	5.90	4	7.80	51

The findings are consistent with Mwandosya (2021), who argued that revising relevant legal and legislative frameworks plays a great role in allowing the smooth discharging of regulatory functions by the regulatory authorities in Tanzania. This involves creating a conducive atmosphere to mandate the regulatory authority to effectively perform its regulatory function. This is due to the severity of the fact that the prevailing regulatory framework in Tanzania was established in disregard of the existing legal framework, which resulted in having regulatory authorities that could not effectively discharge its regulatory services. This implies that the need to review relevant legal and legislative frameworks so as to create a conducive atmosphere to enable regulatory authority become a necessity because of a lack of legislative clarity to effectively carry out its intended roles. Likewise, the mother laws of the land (constitution) should be amended in such a way that they do not contradict the ongoing transition of development, which needs to be supported by legal reforms.

The findings also agree with Karama (2022) that the legal framework that exists in Tanzania does not give LATRA an opportunity to utilize its full potential and demonstrate its competencies. The bureaucratic arrangement, legal framework, and political pressure do not fully allow LATRA to operate in a fully autonomous mode in a way that the state, private sector, and politicians have their own interests to protect; hence, the government funds these agencies. The agencies are kept working in the interest of who put them in place or who makes them survive. The bureaucratic interests impede the effectiveness of LATRA in discharging its functions of regulatory service provision.

Oscar (2014) also holds that a legal framework was put in place to fill the gap after the government of the United Republic of Tanzania withdrew from providing services. This caused the establishment of regulatory authorities that started from the beginning, aiming at improving the sectors they were established to regulate. This implies that the establishment of regulatory authorities as a part of the economic restructuring was to provide an oversight role that reflected the legal framework to enable them to deliver their regulated services.

Mwandosya (2021) once made a remark way back in 2005 that during the establishment of the regulatory legal framework, amendments of laws were made; unfortunately, those amendments did not cover the existing competing legislation in the transport sector. Added to that, a regulator has the mandate to regulate the market by setting standards and regulations that service providers as well as consumers of the regulated goods and services have to abide by. This gives the implication that service providers whose regulations and standards are regarded as limiting their operations are not regarded positively, while consumers feel protected by the regulations and standards; hence, they feel that the regulators are competent in that regard. As a result, the legal framework has led to conflicting interests between the regulating institutions and their respective ministries. For example, in 2005, the Ministry of



Mineral and Energy in Tanzania intervened in the case of EWURA and Songas (a power-generating company using natural gas based in Tanzania) in favour of Songas, where the Ministry impeded EWURA from discharging their legal functions.

Ndomondo-Sigonda et al. (2020) propounded that, in addition to administrative hindrances, LATRA faces legal framework setbacks ranging from the institutional set-up to the transport management itself. This means that transport in Tanzania is mainly by road, supplemented by rail, whereby the national road traffic represents 70% of freight and 90% of the passenger transport market share (National Road Safety Policy, 2018). This implies that, going by statistics, road transport plays a great role in the transport subsector, yet LATRA’s regulatory role is limited in autonomy to effectively provide regulatory services in Tanzania.

4.4 Challenges Facing LATRA to Effectively Provide Regulatory Services in Tanzania

The fourth objective was to explore the challenges facing LATRA to effectively provide regulatory services in Tanzania. It was hypothesized that LATRA are overwhelmed with practical challenges that limits them to operate autonomously to the extent of effective provision of regulatory services in Tanzania. The findings revealed major challenges such as political interference (58.8%), invisible hands of Government officials both from Central and local level in the day-to-day operations of LATRA hence contravening them to effectively deliver its regulatory functions and services in Tanzania. Also, the problem of insufficient manpower because of limited autonomy to hire supporting staffs that hampers the engagement of LATRA in cases that contrive its regulated services. Knowingly, shortage of manpower ineffectively hinders the autonomy of LATRA to operate in local setting than being located in towns and cities.

Table 4
Challenges Facing LATRA to Effectively Provide Regulatory Services

Statements	Response										N
	1		2		3		4		5		
	F	%	F	%	F	%	F	%	F	%	
Insufficient manpower	21	41.2	26	51.0	0	0	0	0.00	4	7.80	51
Inadequate enforcement strategy	25	49.0	17	33.3	0	0	8	15.7	1	2.00	51
Limited competences to regulated market	13	25.5	22	43.1	0	0	3	5.90	13	25.5	51
Limited transparency	19	37.3	16	31.4	0	0	7	13.7	9	17.6	51
Political interference	30	58.8	15	29.4	0	0	5	9.80	1	2.00	51
Invisible hands of Govt. officials in operation of LATRA	28	54.9	11	21.6	0	0	1	2.00	11	21.6	51

The findings also agree with Oscar (2014), who researched the impact of the legal framework on regulatory authorities in Tanzania, using SUMATRA as a case study. The findings from Table 4 revealed that regulatory authorities lacked relevant competencies to regulate the market. This is because most of the regulated sectors are sophisticated, such that regulations require highly qualified personnel in those areas. This implies that the regulatory authorities suffer from autonomy to provide their regulatory services because they operate with limited human resources.

According to Arik et al. (2020), LATRA is regulating the market using political dimensions, and as a result, it has compromised regulatory principles, ethics, and values due to political whims. This also indicates that, under the same scenario, one cannot speak of either the regulator's independence or transparency. Thus, a lack of transparency makes LATRA lose its credibility and justification before the market it regulates. As a result, the regulator, operators, and consumers of the regulated goods and services have become enemies instead of partners. This has the same application to TASAC, where the legal framework has given an institution authority to both produce and regulate. When the same entity acts as the producer and at the same time is the regulating authority, such an institution loses its capacity to discharge one or all of its functions, and there will be market failure in the economy (Mwandosya, 2021).

The above also contradicts Stern's (2010) claim that the independence of regulatory functions from politics is necessary because that can demonstrate the government's credibility in protecting the interests of different actors in free market economics. This implies that the creation of regulatory authorities to provide regulatory services demonstrates the government’s long-term policy commitment to ensure long-term public policy predictability, which is good for the market economy in the contemporary 21st century.

The above agrees with the EWURA (2022) report, which has realized that LATRA, like SUMATRA, has not so far shown competence and that road transport under the Tanzania National Roads Agency (TANROADS) and Tanzania Rural and Urban Roads Agency (TARURA) has been well funded. For example, LATRA has been

performing the three minor functions of licensing, tariff setting, and enacting regulations under a dubious legal arrangement. In that case, its independence is usurped by other parts of the government, such as TANROADS and TARURA. Indeed, the inspection of vehicles in Tanzania since then to date has been done by the police forces, the basis for which LATRA was supposed or required under the laws of licensing such motor vehicles. Analytically, it implies that with these bottlenecks, LATRA is portrayed as the sole regulator of land transport, while some of its functions are discharged by other institutions.

Mwandosya (2021) explained that the tenure of the regulatory authorities' boards of directors signifies a good example of how the political dichotomy in ministries frustrates the concept of regulatory authority and infringes on the autonomy of such institutions. Mwandosya added the internal institutional capacity of regulating authorities and inadequate information and computer technology literacy as impeding factors towards the effective discharging of regulatory functions by LATRA and hence the limited autonomy of the regulating authorities.

However, the above contradicts Minogue and Carino's (2006) claim that regulatory governance in developing countries will have merit by taking bureaucrats out of business, but in fact, in most developing countries, it is still predominated and affected by the political and economic systems of most African countries. This is because there is a group of people who are enjoying the involvement of political dichotomies in the regulatory authorities.

V. CONCLUSIONS & RECOMMENDATIONS

5.1 Conclusions

The findings from the study have shown that the aspect of autonomy in LATRA organisations is more theoretical than practical due to government intervention in the daily operations of the organization. To bring about changes in the operations of LATRA, the government needs to make strategic reforms that are going to make autonomy practical in an organization. Such reforms should cover the legal and institutional framework. Such reforms should be in line with the constitution, and in that sense, there is a need to amend the constitution as the Constitution of the United Republic of Tanzania of 1977 follows a socialism economy, while now the country is in the capitalism era, where the country has adopted a market economy. By doing this, the reform will be practical. However, LATRA does not need to be fully autonomous in the sense that there should be an external institution providing checks and balances to make sure that good governance and transparency principles are observed.

5.2 Recommendations

For effective discharging of LATRA functions in the provision of regulatory services and enhancing effective autonomy, the study recommends the following: Constitutional reform to accommodate the market economic transition from a socialist economy. Outsourcing of services and personnel to make effective use of resources should also be undertaken. LATRA needs to fund and manage works that an organisations has less capacity for or that do not yield an effective and efficient outcome. LATRA needs to increase the level of autonomy in its operations to reduce influence from external parties. There is need for evading the politicization of public services, which hinders LATRA from effectively discharging its duties.

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