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**RESEARCH,  
INNOVATION AND  
DEVELOPMENT STRATEGY  
2025 - 2030**



# FOREWORD

The Tanzania insurance industry stands at the threshold of transformation, driven by the urgent need to adapt to a rapidly evolving risk landscape and the rising expectations of consumers. In response to these dynamics, the Research, Innovation and Development Strategy (RIDEs) present a timely and forward-looking blueprint that will guide the industry toward sustainable, inclusive, and technology-enabled growth.

This strategy is anchored on a bold vision—"an insurance industry transformed by innovation, research, inclusivity, and trust". It sets out a clear mission "harness innovation, foster inclusive practices, and build trust through data-driven research, digital technology and collaboration, delivering customer-centric insurance solutions that contribute to sustainable growth."

Through its three foundational pillars namely digital transformation, inclusive product development, and regulatory innovation; the strategy is premised on four thematic areas which are Innovative insurance solutions; Data-driven research and development; Inclusive, Accessible and customer-centric insurance products; and Insurance consumer protection. The RIDES lays the groundwork for addressing both existing gaps and emerging opportunities in the market.

The RIDeS is not just a strategic document; it is a call to action. It underscores the importance of partnerships among all key stakeholders including regulators, insurance registrants, technology providers, research institutions, and consumer groups. Such collaboration will be essential in fostering an enabling environment where innovative products can be piloted, tested, and scaled to meet the needs of all Tanzanians, particularly those in underserved segments.

Effective execution of this strategy depends to a great extent on involvement of Technology providers as key enablers in the realization of various targets set out in Chapter Four of this document, considering their role as drivers of innovation, distribution, and service quality.

As we implement this strategy, I urge all stakeholders to embrace its vision and actively contribute to its success. By doing so, we will build a more resilient, responsive, and inclusive insurance industry, one that not only protects but empowers individuals and communities, to harness research and innovation to support national development goals.



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**Dr. Baghayo Saqware**  
Commissioner of Insurance

# EXECUTIVE SUMMARY

The Research, Innovation and Development Strategy (RIDeS) provides a comprehensive roadmap for advancing research, innovation and development in the insurance industry. Anchored in the need to strengthen risk management, enhance customer experience and ensure long-term industry sustainability, the strategy aims to position the industry as modern, inclusive and responsive to risks and market needs.

At the heart of the RIDeS is a conceptual framework built on three pillars: Digital Transformation, Inclusive Product Development and Regulatory Innovation. These pillars guide the development of innovative insurance solutions using emerging technologies such as artificial intelligence and big data; the design of products tailored to low-income and underserved population and the creation of enabling regulatory environments such as sandboxes and insurtech partnerships.

The Strategy explicitly recognizes insurtech and digital platforms as co creators of new products and channels with incentives for partnerships between incumbents and innovators and clear inclusion criteria so that women led SMEs and rural users benefit

The Vision of the strategy is “An insurance industry transformed by innovation, research, inclusivity and trust,” while its Mission focuses on leveraging innovation and collaboration to deliver inclusive, customer-centric solutions.

The strategy is structured around four core themes: Innovative insurance solutions; Data-driven research and development; Inclusive and customer-focused products; and Consumer protection. Each theme has defined strategic objectives that promote legal and regulatory reforms, improved data management, stronger partnerships and greater consumer awareness.

RIDeS outline eight strategic objectives that align with the themes and pillars of the strategy. The objectives are: Enhancing Legal and Regulatory Frameworks; Strengthening Research Capacity; Integrating Data Systems; Developing Inclusive Products; and Improving Consumer Literacy and Protection. These objectives will guide the industry’s actions, ensuring a unified approach toward industry transformation. A clear monitoring and evaluation framework will be applied to measure progress and guide adjustments throughout implementation.

The strategy calls for active collaboration among insurers, regulators, technology firms, research institutions and consumer advocacy groups. Their combined input will shape responsive policies, pilot new ideas and scale impactful innovations.

Stakeholder engagement will facilitate knowledge exchange and capacity building to ensure that all players are equipped to adapt to emerging challenges and opportunities in the insurance landscape.

In the long term, the strategy is expected to catalyze a shift toward a more dynamic and inclusive insurance industry that better serves the Tanzanian population.

By embedding innovation and research at the center of industry's development, it also aims to increase access, deepen trust and enhance resilience contributing to broader national goals in financial inclusion, economic growth and social protection. Ultimately, this strategic framework is not only about modernizing insurance but about building a future-ready industry that leaves no one behind.

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# ABBREVIATIONS AND ACRONYMS

<b>AGRA</b>	The Alliance for a Green Revolution in Africa
<b>AYII</b>	Area Yield Index Insurance
<b>AI</b>	Artificial Intelligence
<b>BD</b>	Big Data
<b>BRELA</b>	Business Registration and Licensing Agency
<b>CBOs</b>	Community Cased Organizations
<b>COSTECH</b>	Tanzania Commission for Science and Technology
<b>FSDMP</b>	Financial Sector Development Master Plan
<b>FBOs</b>	Faith Based Organizations
<b>FSDT</b>	Financial Deepening Tanzania
<b>BPRA</b>	Business and Property Registration Agency
<b>GDP</b>	Gross Domestic Product
<b>GPW</b>	Gross Premium Written
<b>IDP</b>	Insurance Digital Platform
<b>IoT</b>	Internet of Things
<b>ILO</b>	International Labour Organization
<b>IRFF</b>	Insurance and Risk Finance Facility
<b>LATRA</b>	Land Transport Regulatory Authority
<b>MEL</b>	Monitoring, Evaluation, and Learning
<b>ML</b>	Machine Learning
<b>RIDES</b>	Research, Innovation and Development Strategy
<b>SDGs</b>	Sustainable Development Goals
<b>SMEs</b>	Small Medium Enterprises
<b>TAIC</b>	Tanzania Agriculture Insurance Consortium
<b>TIRA</b>	Tanzania Insurance Regulatory Authority
<b>TPF</b>	Tanzania Police Force
<b>TRA</b>	Tanzania Revenue Authority
<b>TWG</b>	Thematic Working Group
<b>UNDP</b>	United Nations Development Program
<b>USSD</b>	Unstructured Supplementary Service Data
<b>VICOBA</b>	Village Community Banks
<b>ZRA</b>	Zanzibar Revenue Authority

# GLOSSARY OF TERMS

“**Artificial Intelligence (AI)**” means use of advanced technologies, such as machine learning, natural language processing, and predictive analytics, to enhance various aspects of the insurance value chain.

“**Blockchain**” means use of a decentralized, secure, and tamper-proof digital ledger to enhance transparency, efficiency, and trust in various insurance processes.

“**Big Data**” means the vast volumes of structured and unstructured data collected from various sources, which are analyzed to enhance decision-making, risk assessment, customer experience, and operational efficiency.

“**Development**” means systematic process of transforming research findings and innovative ideas into tangible product, services or processes that meet market needs and contribute to economic growth.

“**FinTech**” means use of innovative digital technologies to enhance, automate, and streamline financial services.

“**FinScope**” means is a research survey tool developed by FinMark Trust to assess and understand how individuals in a country access and use financial services.

“**HealthTech**” means use of technology—particularly digital tools and platforms—to improve the delivery, efficiency, and quality of healthcare services. It encompasses a broad range of innovations.

“**Internet of Things (IoT)**” means the network of physical devices embedded with sensors, software, and other technologies that enable them to collect and exchange data over the internet or other communication networks—without requiring direct human intervention

“**InsurTech**” means use of innovative technologies such as Artificial Intelligence (AI), Machine Learning (ML), Big Data, Blockchain, and the Internet of Things (IoT) to enhance and streamline insurance processes.

“**Innovation**” means the intentional introduction and application of new ideas, processes, technologies, products, or services that result in significant improvement in efficiency, accessibility, customer experience, or market performance.

“**Machine Learning (ML)**” means use of algorithms that analyse historical and real-time data to identify patterns, make predictions, and automate decision-making.

“**Research**” means a systematic and methodical process of investigation undertaken to increase knowledge, generate new insight or solve specific problems.

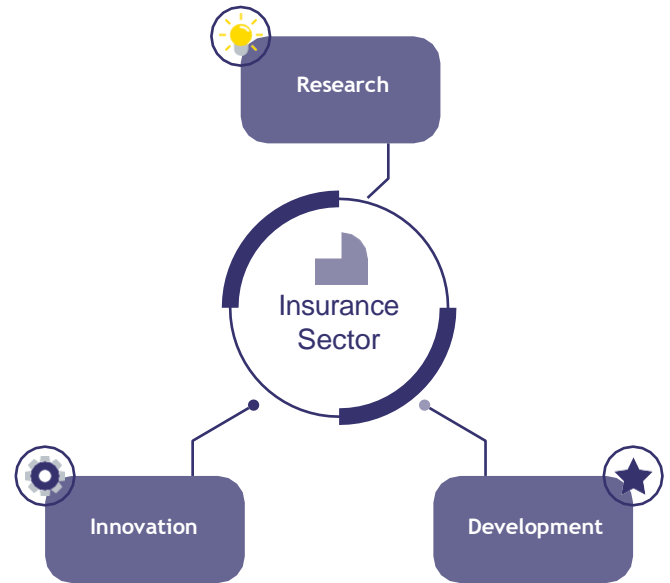
# CHAPTER ONE: INTRODUCTION AND BACKGROUND

## 1.1 INTRODUCTION

Globally, the insurance sector is undergoing rapid transformation driven by research, innovation, and development, particularly through the rise of InsurTech, big data analytics, climate risk modeling, and customer-centric product design, which are redefining market dynamics and regulatory approaches (OECD, 2023). These shifts emphasize financial inclusion, digital distribution, and resilience against systemic risks such as climate change and health crises (StartUs Insights, 2025).

In Tanzania, where insurance penetration remains relatively low, such global trends provide both opportunities and imperatives: the adoption of digital platforms, microinsurance, and climate-risk products to expand access, improve efficiency, and build trust in underserved segments.

Recent initiatives by the Tanzania Insurance Regulatory Authority (TIRA) and partners such as UNDP and ILO underscore a growing focus on inclusive insurance innovation, regulatory modernization, and alignment with global best practices (UNDP, 2025). This positions Tanzania's insurance industry to not only catch up with global standards but also contribute regionally by tailoring innovative solutions to local socio-economic realities.



The Tanzania insurance industry has undergone significant transformation over the past three decades since liberalization of the market in mid 1990s, with research and innovation playing a pivotal role in addressing local challenges and opportunities. Digital technologies have revolutionized how premiums are collected, and claims are processed, making insurance more accessible to underserved populations.

Microinsurance has emerged as a vital tool, providing affordable and tailored coverage for low-income individuals, particularly in agriculture, health, and life insurance. Product diversification to address emerging risks such as cyber liability and climate-related challenges has further positioned the sector to meet evolving customer needs.

Research has been instrumental in shaping the insurance landscape in Tanzania. Studies have identified low

insurance penetration, approximately 2.08% of GDP as a critical challenge, largely driven by limited awareness and affordability issues. Local research efforts have also helped insurers develop strategies to manage risks unique to the Tanzanian context, such as traffic hazards and climatic vulnerabilities.

Insurance Registrants and Institutions including learning institutions, among others contribute by conducting studies on market dynamics, consumer behavior, and economic impacts, thereby informing policies and products aligned with the country's socio-economic realities.

Strategically, the Tanzanian insurance industry aligns with the government's financial inclusion, economic development goals and regulatory frameworks, such as the Insurance Act, Cap 394, to ensure market stability and compliance, while public-private partnerships foster the development of inclusive insurance products. The market-wide adoption of technology, along with the creation of products including climate insurance for farmers, demonstrates the sector's commitment to innovation, resilience, and broad-based growth.



## 1.2. RATIONALE OF THE STRATEGY

The rationale for preparing this research, innovation and development strategy is anchored on the need to address challenges that hinder the growth and development of the insurance sub-sector while capitalizing on emerging opportunities.

The challenges addressed by the strategy are related to key six areas: Low insurance uptake, limited reach of operations of insurance registrants, limited distribution channels, limited access of insurance solutions, Low insurance consumer awareness, and Low investment in research and innovation by insurance registrants.

According to FinScope Tanzania 2023 survey, only 10% of adult population use insurance services, a figure that is relatively low compared to other countries such as South Africa and Namibia, where insurance usage exceeds 60% of the adult population. The low usage of insurance in Tanzania is attributed by the aforementioned challenges.

Comparatively, the ratio of insurance premiums to GDP in 2024 stood at 2.08 percent compared to 1.58 percent in 2020. In terms of regional, continental, and global comparison for 2024, this ratio remains below that of South Africa (11.5%), the United States (11.4%), the United Kingdom (8.0%), Morocco (3.9%), India (3.7%), Kenya (2.3%), and Rwanda (2.1%). However, it is above Uganda (0.89%), Ethiopia (0.6%), and Zimbabwe (0.43%).

The Financial Sector Development Master Plan 2021/22–2029/30 sets targets insurance awareness at 90%, penetration at 5%, and user rates at 50% by 2030. Achieving these targets requires research and innovative solutions. As well as a robust strategy to drive innovation, foster research and development, and align regulatory frameworks with market needs.

Moreover, digital transformation offers significant opportunities for the sector through technologies such as InsurTech, AI, big data, and blockchain. These innovations can enhance risk assessment, improve service delivery, and expand coverage to underserved populations. By addressing existing challenges and leveraging technological advancements, the strategy will promote financial inclusion, rebuild consumer trust, and contribute to Tanzania's economic resilience and sustainable growth.

This strategy is, therefore, crucial for unlocking the potential of the insurance industry and ensuring it becomes a key driver of national development.

## 1.3. SCOPE OF THE STRATEGY

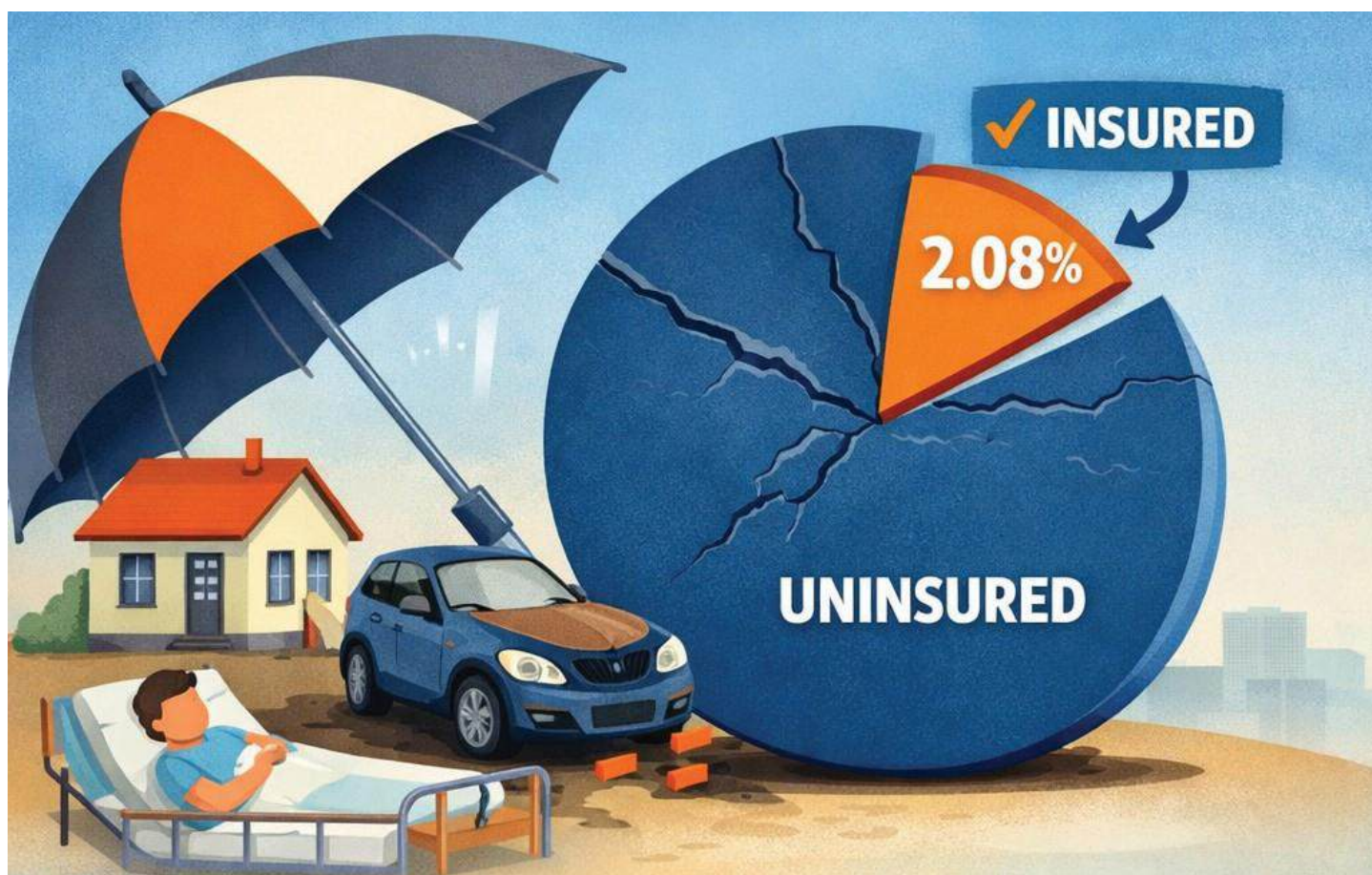
The scope of the RIDES focuses on fostering a robust ecosystem for innovation, advancing research capabilities, and driving sustainable growth. It targets key stakeholders such as regulatory bodies, insurance registrants, research institutions, and innovators.

This Strategy aligns with Dira ya Taifa 2050; Zanzibar Development Vision (2050); National ICT Policy (2016); the Tanzania Digital Economy Strategic Framework 2024–2034; FYDP III; the Financial Sector Development Master Plan (2021/22 – 2029/30); the National Financial Inclusion Framework (2023 – 2028); and data protection/cybersecurity instruments.

At global level, the strategy has also made due recognition of the

Sustainable Development Goals (SDGs) whose achievement is directly contributed by insurance.

The SDGs include: No Poverty (SDG 1), Zero Hunger (SDG 2), Good Health and Well-being (SDG 3), Decent Work & Economic Growth (SDG 8), Industry, Innovation & Infrastructure (SDG 9), Reduced Inequalities (SDG 10), Climate Action (SDG 13), and Partnerships for Goals (SDG 17).



#### 1.4. ORGANIZATION OF THE STRATEGY

This strategy is organized into six chapters. Chapter One introduces the strategy including the rationale and scope. While Chapter Two provides a Situational Analysis, an overview of the Tanzanian insurance market, emerging trends and a SWOC analysis, Chapter Three outlines the strategy framework.

## CHAPTER TWO: SITUATIONAL ANALYSIS

This chapter analyzes the current landscape of Tanzania's insurance sub-sector, covering recent policy reforms, market performance and technological development. It highlights strengths, weaknesses, opportunities, and challenges that inform the sector's future direction.

### 2.1 POLICY, LEGAL AND REGULATORY DEVELOPMENT

The Tanzania Insurance Regulatory Authority (TIRA) in collaboration with other stakeholders, has undertaken various initiatives to ensure that the insurance market is inclusive, efficient, fair, safe and stable for the benefit and protection of policyholders. The initiatives include:

i. Enactment of the Universal Health Insurance Act, Cap. 161: this Act introduces mandatory health insurance coverage for all citizens and grants TIRA mandate to regulate all health insurance schemes. It also allows private insurance companies to register health insurance schemes, offering citizens options beyond public health insurance;

ii. Amendments to the Finance Act No. 5 of 2022: These amendments introduced and enforced mandatory insurance coverage for imported goods, commercial buildings, filling stations, and market buildings, which is expected to significantly contribute to insurance penetration; and

iii. Issuance of Guidelines and Circulars: Various regulatory guidelines and circulars have been introduced to strengthen the supervisory and regulatory framework within the insurance industry. This includes Guidelines on Insurance Products, Guidelines for Insurance Digital Platforms and Guidelines on Sales Force Executives.

### 2.2 INSURANCE MARKET STRUCTURE

The Tanzanian insurance market is evolving into a more inclusive and competitive environment.

It comprises a diverse range of key players, including insurance and reinsurance companies, insurance intermediaries, digital and InsurTech platforms, and other service providers. These actors collectively support the development and distribution of insurance products and services across the country.

The market features a mix of state-owned, privately-owned local entities, and foreign participants, with at least one-third of ownership held by local stakeholders—highlighting a strong emphasis on domestic participation. Oversight and regulation are provided by the Tanzania Insurance Regulatory Authority (TIRA), which plays a critical role in maintaining industry stability, enforcing compliance, and protecting consumer interests.

## Key Market players:

### i. Insurance companies:

These are the primary underwriters of risk, offering life and non-life insurance products to individuals, businesses, and institutions. They provide protection against various risks in consideration of premium.

### ii. Reinsurance Companies:

Both domestic and international reinsurers operate in Tanzania, offering risk-sharing and underwriting capacity to primary insurers. Their role is vital in helping insurers manage large, specialized, or catastrophic risks, thereby strengthening market resilience.

### iii. Insurance Intermediaries:

Intermediaries play a central role in distributing and servicing of insurance products. As of 2024, Tanzania had over 1,500 registered intermediaries, including:

- Insurance brokers, who typically manage complex or high-value commercial accounts and act in the best interest of their clients.
- Insurance agents, often affiliated with specific insurers and focused on retail clients and small enterprises.
- Bancassurance agents, facilitate the distribution of insurance products through banking channels, enhancing accessibility and customer convenience.
- Reinsurance brokers, who facilitate the insurance business

between reinsurance companies and insurance companies or with other reinsurance companies.

### iv. Digital and InsurTech Platforms:

These are digital platforms or networks that provide information or complete insurance solutions between insurance registrants and customers by enabling access of information, advertisement, purchasing and/or comparison of prices and benefits of insurance products from different insurance companies.

### v. Insurance Service Providers:

This category of registrants includes Actuarial Firms, Loss Assessors or Surveyors, Private Investigators, Health Service

Providers, Automobile Repairers and Motor Vehicle Maintainers. They support the operational, technical, and service delivery functions of the insurance industry, ensuring quality and timely service to policyholder

To sharpen market understanding, the Strategy will publish, in the annual MEL report, summary concentration indicators (e.g., share of GPW by top five insurers, reinsurance retention ratios) and channel breakdowns. Where available, indicators will be disaggregated by line of business.

## 2.3 INSURANCE MARKET PERFORMANCE

Overall, the insurance industry exhibited sustained growth and resilience, reflecting its rising significance within the national economy. Performance indicators across various metrics show a steady upward trajectory.

i. **Market Expansion:** The number of registered market players increased significantly from 920 in 2020 to 2,208 in 2024, reflecting an average annual growth rate of 23 percent.

ii. **Employment:** Employment within the industry grew steadily, from 3,397 individuals in 2020 to 6,437 in 2024, underscoring its expanding role in job creation and national development.

iii. **Usage of insurance service:** The uptake of insurance services increased markedly as well, with the number of individuals covered—both policyholders and beneficiaries—rising from 5.6 million in 2020 to 27.7 million in 2024.

This translates to 43.1 percent of the total population being insured in 2024, demonstrating substantial progress in insurance penetration and access to risk protection.

iv. **Gross Premiums Written:** Total Gross Premiums Written (GPW) rose from TZS 824.3 billion in 2020 to TZS

1.42 trillion in 2024, an average annual increase of 12.0 percent. General insurance premiums grew at an average rate of 10.4 percent, while life insurance premiums expanded by 10.6 percent annually over the same period.

- **Health Insurance:**

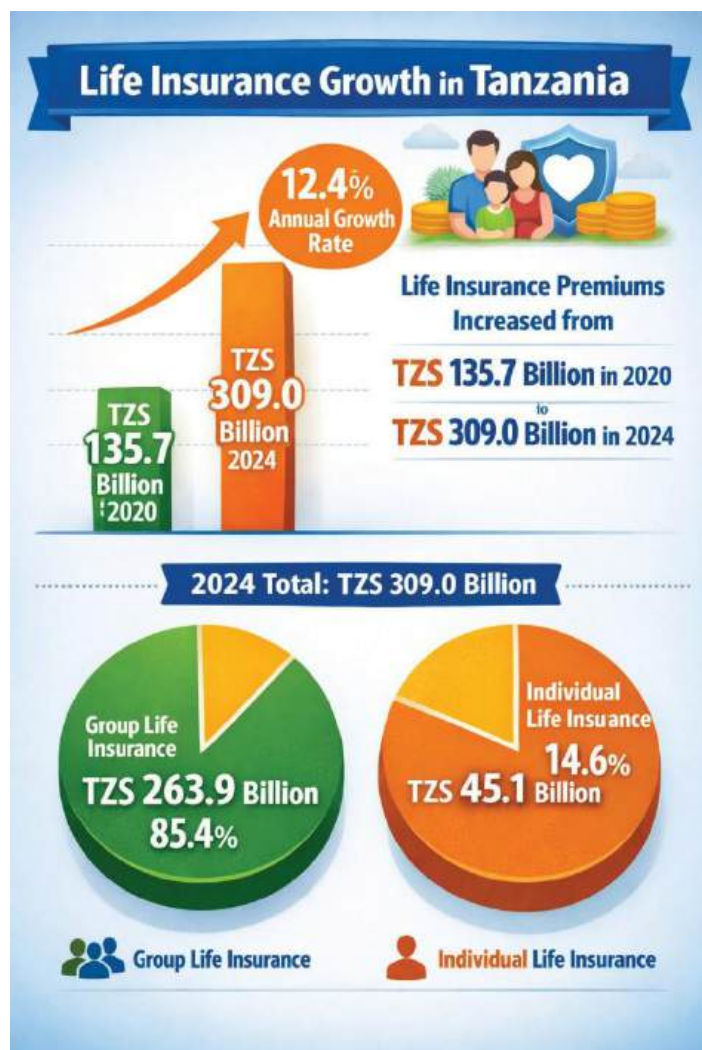
Out of the forty (40) licensed insurance companies, six (6) offer health insurance products and services.

Gross health insurance premiums rose from TZS 136.2 billion in 2020 to TZS 187.5 billion in 2024, representing an average annual growth rate of 8.0%.



- **Life Insurance:**

Life insurance premiums increased from TZS 135.7 billion in 2020 to TZS 309.0 billion in 2024, reflecting an average annual growth rate of 12.4%. Of the 2024 total, group life insurance accounted for TZS 263.9 billion (85.4%), while individual life insurance contributed TZS 45.1 billion (14.6%).



- v. **Claims payments:**

Total claims paid by insurers increased from TZS 336.1 billion in 2020 to TZS 560.5 billion in 2024, reflecting an annual average growth of 12.4 percent. This growth in claims payments signals enhanced financial capacity to meet policyholder obligations and strengthens

consumer confidence in the industry.

- vi. **Insurance Products:** Product and market development have been a key focus area. In 2024, nine new demand-driven insurance products were introduced, bringing the cumulative number of launched products to 64. This trend reflects the subsector's commitment to developing solutions that align with evolving market needs.

- vii. **Agriculture Insurance:**

Agriculture insurance, though still a small segment, has shown significant growth—contributing 0.7 percent to general insurance premiums in 2024 compared to just 0.02 percent in 2020. This growth reflects increasing awareness and adoption of insurance solutions within sector.

- viii. **Insurance Distribution channels:**

The number of insurance distribution channels increased from four (4) in 2020 to six (6) in 2024. This expansion has enhanced public access to insurance services, making it easier for individuals and businesses to obtain coverage through more diverse and accessible channels.

- ix. **Contribution to GDP:**

The sector's contribution to Tanzania's Gross Domestic Product (GDP) increased slightly to 2.08 percent in 2024, from 1.55 percent in 2020,

underscoring its growing economic importance. Regional and global comparisons for 2024 show that this ratio remains below that of South Africa (11.5%), United States (11.4%), United Kingdom (8.0%), Morocco (3.9%), India (3.7%), Kenya (2.3%), and Rwanda (2.1%).

However, it is higher than Uganda (0.89%), Ethiopia (0.6%), and Zimbabwe (0.43%). The increase in Tanzania's insurance contribution to GDP in 2024 was driven by the growing uptake of insurance products and services nationwide.

#### **x. Insurance Density (Per Capita Premiums):**

The average insurance premium per person, which measures the level of insurance consumption relative to the population, rose from TZS 14,747 in 2020 to TZS 22,878 in 2024—equivalent to an average annual growth rate of approximately 9.2%.

#### **xi. Integrated Systems:**

Technological integration has also played a crucial role, with all underwriting and claims systems now operating through the centralized TIRAMIS platform. TIRAMIS has been successfully linked with key government institutions such as TPF, TRA, LATRA, NIDA, PPRA, BRELA, ZRA, and BPRA, significantly improving information verification and enhancing regulatory compliance across the insurance landscape.

#### **xii. Data Visualization:**

Key time series indicators (GPW, claims, insured lives/beneficiaries,

number of registrants, employment) will be presented as charts in Annex A for rapid comprehension and year over year tracking.

#### **xiii. Disaggregation:**

Performance reporting will be disaggregated by life/non life (and, where possible, by rural/urban and gendered uptake proxies) to reveal inclusion gaps and guide targeted interventions.

## **2.4 STATUS OF RESEARCH, INNOVATION AND MARKET DEVELOPMENT**

The insurance industry has gradually embraced digital transformation, yet investment in innovation and Research and Development (R&D) remains low. Key developments are as outlined below.

### **2.4.1 INNOVATION**

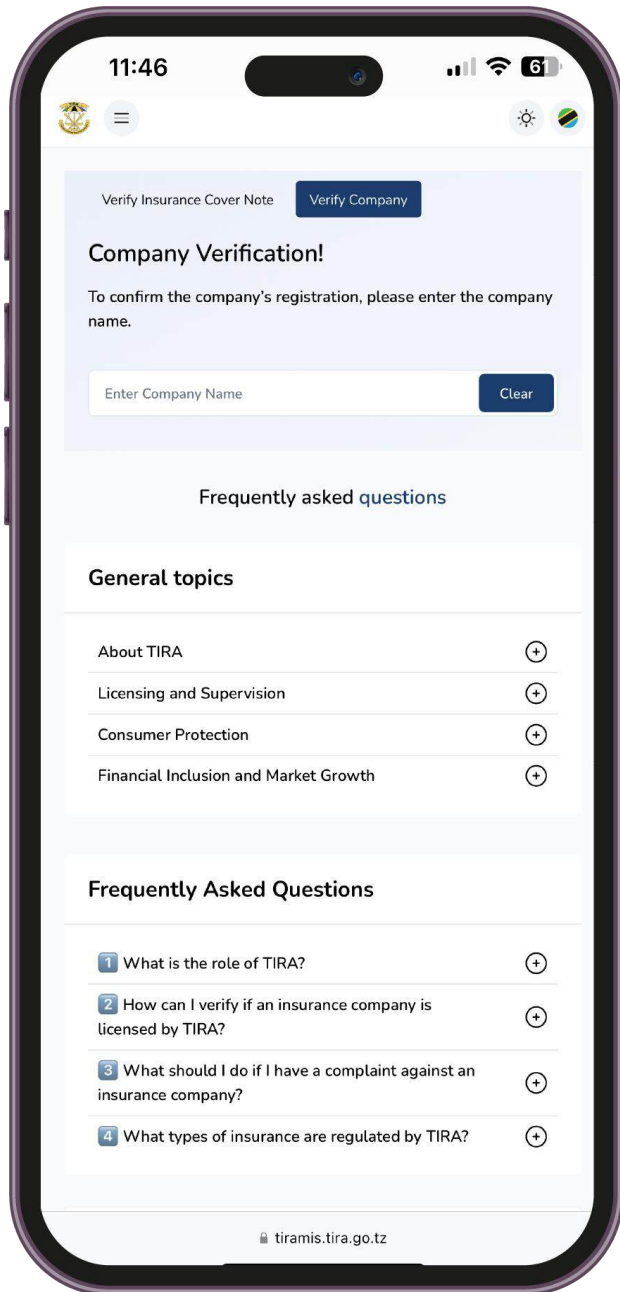
Innovation is a critical driver of growth and competitiveness in the insurance sector, enabling insurers to develop more efficient processes, customer-centric products, and technology-driven distribution channels:

#### **i. Market Adoption to Technology:**

All Brokers, Bancassurance, Agents & Insurers are using integrated System for effective customer service delivery (use of Smart Policy Platform).

## ii. Implementation of TIRA MIS:

MRO has been successfully implemented through TIRA's compliance system and effective insurance verification by enforcement agencies, which has eradicated all fraudulent insurance covers.



## iii. Digital Premium Collection:

The market has adopted to digital premium collection; thus, premium debt has significantly reduced.

## iv. Enhanced Motor Underwriting:

Motor Data is coming directly from TRA Motor Database via TIRA MIS, which has enhanced the motor underwriting.

## v. Digital Delivery of Policies:

With all the effective service deliveries and enhance distribution channels, market has achieved digital deliveries of insurance cover

## vi. Mobile-Based Microinsurance Expansion:

- Growing partnerships between Mobile Network Operators (MNOs) and insurers for insurance distribution.

- Introduction of mobile-based insurance solutions that enable customers to purchase insurance through USSD codes and mobile wallets.

## vii. Adoption of InsurTech Solutions:

- Increase use of digital insurance platforms.

- Some insurers have initiated AI-driven underwriting and claims processing.

- Increased use of blockchain for fraud detection and insurance verification.

## viii. Regulatory Developments Supporting Innovation:

- TIRA has introduced an Insurance Digital Platform (IDP) Guideline to accommodate tech-based insurance solutions.

- Compulsory insurance mandates (e.g. motor, and health) have increased market participation.
- Plans for a Regulatory Sandbox to promote controlled innovation testing.



## 2.4.2 RESEARCH

The following key studies provide valuable insights into the current state of insurance uptake, structural barriers, and strategic opportunities to build a more inclusive, resilient, and responsive agricultural insurance ecosystem in the country.

### i. Tanzania Agriculture Insurance Viability Diagnostic Study (AGRA, August 2024):

This study investigates the challenges and potential for agricultural insurance among smallholder farmers, who make up 70% of the agricultural workforce and produce 80% of Tanzania’s food. It highlights that fewer than 3% of smallholders have

insurance coverage, exposing them to climate risks, pest outbreaks, and price volatility. The report calls for targeted interventions to expand insurance access and improve resilience.

### ii. Inclusive Insurance in the United Republic of Tanzania: Snapshot and Way Forward (UNDP, 2023):

Produced by the UNDP’s Insurance and Risk Finance Facility (IRFF), this diagnostic outlines the landscape of inclusive insurance and disaster risk finance in Tanzania. It identifies climate risks as a major concern and recommends policy, regulatory, and financial strategies to enhance insurance inclusion and national disaster preparedness.

### iii. Factors for Crop Insurance Uptake among Smallholder Maize Farmers – A Case Study of Njombe Region (Jacqueline Machangu-Motcho, 2023):

This case study explores socio-economic drivers of insurance adoption, revealing that marital status and low literacy levels significantly influence uptake. A lack of understanding of insurance concepts among farmers led to the recommendation for increased awareness and education on agricultural risks and insurance solutions.

### iv. FinScope Tanzania 2023 (FSDT Tanzania):

The FinScope survey shows that formal insurance usage has declined, from 15% in 2017 to 10% in 2023, despite widespread belief in its necessity.

Barriers such as cost, mistrust in providers, and limited understanding persist. The study stresses the need for public education campaigns to improve insurance literacy and confidence.

#### v. **Crop Insurance in Tanzania:**

**The Case for Area Yield Index Insurance** (Elizabeth Thinwa, Pula Advisors, 2022): This research highlights Area Yield Index Insurance (AYII) as a practical solution for smallholder farmers, especially those using OPV maize seeds.

With pests such as fall armyworm and locusts identified as major threats, AYII offers a cost-effective and scalable model—particularly when bundled with relevant products like inputs, credit, and solar tools—to support farmer resilience.

A strong research foundation provides valuable insights into consumer behavior, emerging risks, and market trends, enabling insurers to design affordable and accessible products that expand market reach.



Furthermore, research supports proactive regulatory compliance, strengthens consumer trust, and contributes to sustainable sectoral growth and broader economic resilience.

The absence of robust and inaccessible research lead to a reduced innovation, weaker consumer protection, and inefficiencies in legal and operational functions.

Without adequate data, insurers risk offering misaligned products and missing out on evolving market demands resulting in reduced profitability, increased costs, and greater vulnerability to systemic risks.

### 2.4.3 MARKET DEVELOPMENT

Market development focuses on innovative and sustainable approaches to increase insurance penetration, foster financial inclusion, and stimulate insurance sectoral growth.

#### i. **Regulatory and Digital Reforms:**

TIRA's rollout of TIRAMIS (a digital registry and management system) in 2019 has been transformative, driving premiums from TZS 912 billion to over TZS 1.23 trillion by 2023 through enhanced efficiency and compliance.

Further, the 2022 “Insurance Digital Platforms” guidelines opened the door for independent digital insurers and mobile-based distribution via USSD, laying the groundwork for fintech-insurance convergence.

**ii. Bancassurance and Distribution Channels:**

Bancassurance has become a key growth engine. It has expanded its access to life insurance and General insurance products.

**iii. Establishment of the Tanzania Agriculture Insurance Consortium (TAIC) and the Consortium for Oil and Gas:**

These insurance consortiums aim to enhance the capacity of local insurers in retaining large and specialized risks.

**iv. Digital Premium Collection:**

The market has adopted to digital premium collection; thus, premium debt has significantly reduced.

**v. Enhanced Motor Underwriting:**

Motor Data is coming directly from TRA Motor Database via TIRAMIS, which has enhanced the motor underwriting.

**vi. Digital Delivery of Policies:**

With all the effective service deliveries and enhance distribution channels, market has achieved digital deliveries of insurance cover.

## 2.5 STAKEHOLDERS ANALYSIS

A stakeholder is any individual, group, or institution with an interest in the activities of the insurance industry.

To foster a customer-centric approach, it is essential to analyze stakeholders in terms of both their interests and influence, as reflected in their expectations of the industry—and the industry's expectations of them. Table 2.1 below presents the findings of this stakeholder analysis.

**Table 2.1: Sector's Stakeholders Analysis**

Stakeholder	Stakeholders' expectation	Impact
Government Institutions	<ul style="list-style-type: none"> <li>i. Compliance with laws and regulations</li> <li>ii. Transparency in operations</li> <li>iii. Contribution to national development</li> <li>iv. Promotion of research and innovation</li> </ul>	<ul style="list-style-type: none"> <li>i. Enhanced regulatory environment and trust</li> <li>ii. Increased public confidence</li> <li>iii. Economic growth and stability</li> <li>iv. Competitive advantage on a global scale</li> <li>v. Improved Insurance solutions based on research data</li> <li>vi. Evidence – based decision making</li> </ul>
Insurance Registrants	<ul style="list-style-type: none"> <li>i. Fair access to insurance products and services</li> <li>ii. Transparent pricing structures</li> <li>iii. Quick claims processing</li> <li>iv. Comprehensive coverage options</li> <li>v. Support for risk management</li> </ul>	<ul style="list-style-type: none"> <li>i. Increased market participation</li> <li>ii. Greater consumer trust</li> <li>iii. Enhanced customer satisfaction</li> <li>iv. Reduction in uninsured rates</li> <li>v. Improved financial stability for consumers</li> </ul>
Consumers	<ul style="list-style-type: none"> <li>i. Quality products and fair pricing</li> <li>ii. Transparency in information</li> <li>iii. Accessible customer service</li> <li>iv. Protection of personal data</li> <li>v. Ethical business practices</li> </ul>	<ul style="list-style-type: none"> <li>i. Higher customer satisfaction</li> <li>ii. Empowered decision-making</li> <li>iii. Increased consumer's welfare</li> <li>iv. Enhanced trust in companies</li> <li>v. Positive brand reputation</li> </ul>
Regulatory Bodies	<ul style="list-style-type: none"> <li>i. Adherence to industry standards</li> <li>ii. Regular reporting and accountability</li> <li>iii. Collaboration with stakeholders</li> <li>iv. Consumer protection initiatives</li> <li>v. Promotion of fair competition</li> </ul>	<ul style="list-style-type: none"> <li>i. Improved industry standards</li> <li>ii. Better compliance rates</li> <li>iii. More effective regulatory frameworks</li> <li>iv. Enhanced public safety</li> <li>v. Better pareto efficiency outcome</li> </ul>
NGOs, Community-Based Organizations, AMCOS, and SACCOS	<ul style="list-style-type: none"> <li>i. Social responsibility from businesses</li> <li>ii. Engagement in community development initiatives</li> <li>iii. Environmental sustainability efforts</li> <li>iv. Support for vulnerable populations</li> </ul>	<ul style="list-style-type: none"> <li>i. Positive social impact</li> <li>ii. Strengthened community ties</li> <li>iii. Improved public health</li> <li>iv. Enhanced social equity</li> </ul>
Special Groups (women, youth, people with disabilities, and rural/low-income communities)	<ul style="list-style-type: none"> <li>i. Access to affordable and flexible insurance products</li> <li>ii. Innovative, digital-first insurance solutions</li> <li>iii. Inclusive insurance schemes that consider their unique health, mobility, and employment challenges.</li> <li>iv. Accessible microinsurance, health and agricultural insurance products</li> </ul>	<ul style="list-style-type: none"> <li>i. Enhanced financial security for households and increased participation of women in economic activities</li> <li>ii. Strengthened trust in insurance among the younger generation, increased penetration of insurance.</li> <li>iii. Improved social protection and dignity for people with disabilities, reduced dependency on government or family support, and advancement of equity and SDG commitments</li> <li>iv. Increased resilience to poverty</li> </ul>
Mobile Network Operators (MNOs):	<ul style="list-style-type: none"> <li>i. Reliable and high-quality service</li> <li>ii. Continuous innovation in services</li> <li>iii. Transparency in pricing and contracts</li> <li>iv. Support for network expansion</li> <li>v. Compliance with regulatory requirements</li> </ul>	<ul style="list-style-type: none"> <li>i. Increased customer retention</li> <li>ii. Competitive advantage in the market</li> <li>iii. Improved customer trust</li> <li>iv. Enhanced connectivity in underserved areas</li> <li>v. Avoidance of legal penalties</li> </ul>

Development Partners	<ul style="list-style-type: none"> <li>i. Alignment of national insurance innovation efforts with international best practices and global development goals.</li> <li>ii. Transparent implementation and reporting.</li> <li>iii. Effective use of donor resources to drive systemic impact.</li> <li>iv. Collaboration with government and private sector actors.</li> </ul>	<ul style="list-style-type: none"> <li>i. Strengthened institutional capacity and innovation ecosystems.</li> <li>ii. Improved financial inclusion and access to insurance for underserved populations.</li> <li>iii. Increased credibility and sustainability of insurance sector reforms.</li> </ul>
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## 2.6 ANALYSIS OF STRENGTHS, WEAKNESSES, OPPORTUNITIES AND CHALLENGES

This section summarizes the strengths, weaknesses, opportunities, and challenges identified in the previous section, based on both internal and external analyses. The RIDES Vision, Mission, Goals, Objectives, and interventions are derived from the SWOC and situational analysis.

**Table 2.2: Analysis of SWOC**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>i. The Government and Regulators are increasingly promoting sandbox environments and InsurTech frameworks, supported by ongoing reforms under the <b>Insurance Act, Cap 394</b>, which provides the legal basis for regulatory innovation and the development of enabling frameworks for emerging technologies in the insurance sector.</li> <li>ii. Presence of Financial Sector Development Master Plan (2021/22 - 2029/30).</li> <li>iii. Expansion of mandatory insurance (health, motor, agriculture).</li> <li>iv. Emerging Technologies Adoption – AI, blockchain, and IoT are transforming risk assessment, underwriting, and claims processing.</li> <li>v. Growing Consumer Demand – Increasing need for customized, digital-first insurance solutions.</li> </ul>	<ul style="list-style-type: none"> <li>i. Low insurance penetration 2.01percent, far from the 5 percent target by 2030.</li> <li>ii. Shortage of training programs for new insurance technologies.</li> <li>iii. Limited R&amp;D Culture – Insurance companies traditionally focus on risk mitigation rather than innovation.</li> <li>iv. Regulatory and Compliance Hurdles – Strict regulatory requirements slow down product innovation.</li> <li>v. Data Silos and Integration Challenges – Lack of a centralized insurance database hinders AI and big data applications.</li> <li>vi. Low Financial Literacy and Awareness – Customers may not</li> </ul>

Opportunities	Challenges
<ul style="list-style-type: none"> <li>i. Regulatory push for financial inclusion targets 3 percent insurance penetration by 2030.</li> <li>ii. Establishment of a Regulatory Sandbox under controlled environment</li> <li>iii. Growth of InsurTech and Digital Insurance – Expansion of mobile-based, AI-powered, and blockchain-backed insurance products.</li> <li>iv. Microinsurance and Financial Inclusion – Potential to reach underserved populations with affordable, accessible products.</li> <li>v. Climate and Parametric Insurance – Rising demand for solutions to address climate change risks and natural disasters.</li> <li>vi. Public-Private Partnerships – Collaboration with governments, startups, and academia to drive R&amp;D.</li> <li>vii. Open Finance and Embedded Insurance – Integration of insurance within fintech and</li> </ul>	<ul style="list-style-type: none"> <li>i. Cybersecurity and Data Privacy Risks – Increased risk of data breaches with digital transformation.</li> <li>ii. Regulatory Uncertainty – Need for adaptive frameworks that balance innovation with consumer protection.</li> <li>iii. Consumer Trust and Adoption Barriers – Hesitancy towards AI-driven, fully digital insurance solutions.</li> <li>iv. Talent Gap and Workforce Readiness – Shortage of skilled professionals in data analytics, AI, and InsurTech development.</li> </ul>

The situation analysis findings indicate that the demand side on uptake of insurance service remained low, and a notable reason, among others, is the low awareness of insurance service. The development of RIDES aims to enhance insurance uptake, and contribution to the Gross Domestic Product (GDP) in the long run.

## 2.7 FUTURE OUTLOOK

The insurance industry is poised for significant transformation, driven by policy reforms, market expansion, and enhanced stakeholder collaboration. performance indicators for the industry over the

next five years are projected as follows:

- i. Insurance penetration (premium as percentage of GDP) is expected to increase 2.01 percent in 2023 to 3 percent in 2030;
- ii. insurance awareness amongst Tanzanians to be at least 80% by 2030;
- iii. Usage of insurance product and service by adult population to be at 50% by 2030;
- iv. Ten (10) new demand driven products and services developed by 2030;

v. Agriculture insurance to contribution to general insurance business to improve from 1 percent in 2023 to at least 10 percent in 2030;

vi. Eight (8) affordable insurance distribution channels developed by 2030; and

vii. Integrated ICT Systems in insurance sub-sector developed and implemented by 2030.

In order to achieve the aforementioned performance targets, the industry has embarked on a number of policy, legal, regulatory and technological measures as outlined below:

i. Formulating the National Insurance Policy and its implementation strategy in close collaboration with key stakeholders, to provide strategic direction for the growth of the industry;

ii. Advancing the implementation of the Universal Health Insurance Act, Cap 161;

iii. Enhancing legal framework for enforcement of mandatory insurance coverage for marine vessels, imported goods, commercial buildings, filling stations and market buildings as provided for under the Finance Act No. 5 of 2022;

iv. Reviewing the insurance legal framework to align with evolving market dynamics and international best practices;

v. Completing the design and operationalization of key insurance schemes—including the National Agricultural Insurance Scheme and the Oil and Gas Insurance Scheme—to enhance coverage in critical sectors;

vi. Developing innovative, demand-driven insurance solutions that address emerging risks and evolving customer needs such as agriculture insurance, and health insurance;

vii. Putting in place Insurance Sandbox Regulatory Framework to allow testing of new innovative insurance solutions; and

viii. Implementing various measures to advance innovation and research including promoting local research capacity, stakeholders' engagements, innovation management, R&D incentive mechanisms, dissemination of the insurance research findings.

# CHAPTER THREE: RESEARCH, INNOVATION AND DEVELOPMENT STRATEGY FRAMEWORK

This chapter presents the Strategy framework for advancement of innovation, research and development in the insurance industry. The chapter describes the conceptual framework; the strategy's Vision, Mission and Thematic areas; and specifies the Strategic Objectives that are to be pursued during its implementation.

## 3.1 RIDES CONCEPTUAL FRAMEWORK

The strategy is anchored on the need to enhance risk management, improve customer experience, and ensure long-term sustainability in a rapidly evolving financial and technological landscape.

At its core, it aligns Research, innovation, and Development initiatives with objectives such as enhancing insurance innovative solutions, strengthening R&D, integrating and enhancing data management systems for the insurance industry and developing customer-centric and inclusive insurance products.

The strategy starts with a strategic vision that promotes a modern, equitable, and trusted insurance ecosystem that is responsive to evolving risks and the needs of diverse populations in insurance industry, and it defines goals such as expanding access, protecting consumers, and building resilience through innovative products and services.

This strategy rests on three key pillars: digital transformation, inclusive product development, and regulatory innovation. Digital transformation involves investing in technologies such as artificial intelligence, blockchain, and big data analytics to improve underwriting, pricing, claims processing, and fraud detection.

Inclusive product development focuses on research into underserved markets, particularly low-income and informal sector populations, to design microinsurance and parametric products that address their unique needs.

Regulatory innovation supports the creation of flexible, forward-looking frameworks such as regulatory sandboxes and InsurTech partnerships that encourage experimentation while safeguarding consumer interests.

These pillars are interconnected through continuous learning loops and partnerships among insurers, reinsurers, regulators, academic institutions, and technology firms.

The strategy implementation is supported by structured governance, targeted funding, and robust monitoring and evaluation systems.

Research outputs are translated into pilot projects, prototypes, and eventually scaled innovations through a well-defined innovation pipeline.

Performance indicators are tracked to assess progress and guide refinement. Stakeholder engagement is central to this process, ensuring that innovation is driven by real-market challenges and opportunities. Ultimately, this conceptual framework provides a roadmap for leveraging innovation and R&D to build a more inclusive, resilient, and responsive insurance.

## 3.2 RIDES VISION, MISSION AND GOALS

The Vision, Mission, and Goals of RIDeS serve as the guiding principles for driving innovation, resilience, and sustainable growth within the insurance industry. They provide a strategic direction to enhance research, development, and policy frameworks, ensuring a dynamic and inclusive insurance landscape.

### 3.2.1 VISION

An insurance industry transformed by research, innovation, inclusivity, and trust.

### 3.2.2 MISSION

To harness innovation, foster inclusive practices, and build trust through data-driven research, digital technology and collaboration, delivering customer-centric insurance solutions that contribute to sustainable growth.

### 3.2.3 THEMES

The strategy is built around the following four themes as follows

- i. Innovative insurance solutions;
- ii. Data-driven research and development;

- iii. Inclusive, Accessible and customer-centric insurance products; and
- iv. Insurance consumer protection.

Explanation of the above-mentioned themes are as follows:

- **Innovative insurance solutions:** To drive transformation in the insurance industry, priority will be on the development and adoption of innovative insurance solutions that leverage emerging technologies, modern delivery channels, and creative product designs to meet evolving consumer and market needs.
- Data-Driven Research and Development:**

Commitment to fostering a culture of evidence-based innovation through robust data collection, analysis, and applied research, as well as adherence to scientific principles and professional ethics —enabling smarter risk assessment, product design, and policy formulation across the insurance value chain.

- **Inclusive, Accessible, and Customer-Centric Insurance Products:** Insurance products will be designed with the end-user in mind—affordable, relevant, easy to understand, and widely accessible—particularly for underserved communities, thereby advancing financial inclusion and social protection.

- **Insurance Consumer Protection:** Public trust and confidence in the insurance industry will be strengthened by enhancing consumer protection frameworks, ensuring

transparency, fairness, and accountability in all insurance practices, and empowering consumers with knowledge and recourse mechanisms.

Based on the aforementioned themes of the RIDeS, the strategic objectives corresponding to each theme have been analyzed and are presented in Table 3.1 below.

**Table 3.1 Strategic Objectives**

No	Theme	Strategic Objectives
i.	Innovative insurance solutions	<ul style="list-style-type: none"> <li>i. Legal and regulatory frameworks for innovation and research in insurance enhanced.</li> <li>ii. Insurance innovative solutions enhanced.</li> </ul>
ii.	Data-driven research and development	<ul style="list-style-type: none"> <li>i. Research and Development strengthened.</li> <li>ii. Data management systems for the insurance industry integrated and enhanced</li> <li>iii.</li> </ul>
iii.	Inclusive, Accessible and customer-centric insurance products	<ul style="list-style-type: none"> <li>i. Customer-centric and inclusive insurance products developed.</li> <li>ii. Strategic partnerships on accessing insurance solutions improved.</li> </ul>
iv.	Insurance consumer protection	<ul style="list-style-type: none"> <li>i. Consumer protection mechanisms enhanced</li> <li>ii. Insurance consumer literacy and awareness improved.</li> </ul>

### 3.3 STRATEGIC OBJECTIVES

The following are the objectives of RIDeS:

- i. Legal and regulatory frameworks for innovation and research in insurance enhanced;
- ii. Insurance innovative solutions enhanced;
- iii. Research and development strengthened;
- iv. Data management systems for the insurance industry integrated and enhanced
- v. Customer-centric and inclusive insurance products developed;
- vi. Strategic partnerships on accessing insurance solutions improved;

- vii. Consumer protection mechanisms enhanced; and
- viii. Insurance consumer literacy and awareness improved.

A detailed explanation of each of the above strategic objectives is presented below:

#### **i. Legal and Regulatory Frameworks for Innovation and Research in Insurance Enhanced**

A supportive legal and regulatory framework is critical to fostering innovation and research within the insurance sector.

As emerging risks and evolving technologies reshape the landscape, regulations must be adaptive,

forward-looking, and conducive to experimentation. Enhancing these frameworks will enable the development and testing of new insurance products, digital platforms, and alternative distribution models, while ensuring that consumer protection and market stability are maintained.

This objective aims to create an enabling environment where innovation and research can thrive through clear guidelines, flexible regulatory tools such as sandboxes and innovation hubs, and streamlined approval processes.

Strengthened collaboration between regulators, industry players, and research institutions will be encouraged to align innovation with public interest and sector resilience.

## **ii. Innovative Insurance Solutions Enhanced**

Innovation in insurance is essential for responding to evolving risks, such as climate change, pandemics, and shifting economic conditions.

Enhancing innovation involves encouraging the development and testing of new insurance models, products, and technologies, including the use of digital platforms, parametric insurance, and usage-based products.

These innovations can help increase efficiency, reduce costs, and extend coverage to populations previously excluded from formal insurance markets.

To achieve this, the regulatory environment must support experimentation through innovation hubs and regulatory sandboxes. Partnerships with technology providers, academic institutions, FinTechs, InsurTechs and HealthTechs will be encouraged to stimulate cross-sectoral innovation.

The goal is to create an enabling environment where novel solutions can be piloted, scaled, and refined based on market feedback and consumer needs.

## **iii. Research and Development Strengthened**

Evidence-based decision-making is critical to the sustainable growth of the insurance sector. Strengthening research and development (R&D) will involve supporting sector-wide studies, market assessments, and consumer behavior analyses that inform product design, risk modeling, and policy reforms.

R&D will also guide the sector in anticipating future risks and understanding underserved markets. Investment in local research capacity, collaboration with academic institutions, and establishment of insurance think tanks or R&D units will be key priorities. Disseminating research findings through public forums, workshops, and policy briefs will further ensure that insights are translated into action, guiding regulators, insurers, and development partners in creating more resilient and inclusive insurance systems.



#### **iv. Data Management Systems for the Insurance Integrated and Enhanced**

Reliable, timely, and accessible data is fundamental to risk assessment, product pricing, fraud prevention, and regulatory oversight in the insurance sector.

This objective focuses on integrating and enhancing data management systems to support evidence-driven planning, performance monitoring, and early warning systems.

A central goal is to ensure interoperability among different data sources and systems used by insurers, regulators, and third-party service providers.

To this end, efforts will focus on modernizing data infrastructure,

establishing industry-wide data standards, and promoting secure data sharing protocols. Capacity-building for insurers and regulators on data governance, analytics, and digital security will complement investments in technology.

Strong emphasis will be placed on cyber security, data privacy and protection, in line with applicable local and international laws, to foster trust and ensure compliance with both national and global standards.

#### **v. Customer-Centric and Inclusive Insurance Products Developed**

Developing customer-centric and inclusive insurance products involves designing solutions that meet the real-life needs of diverse customer groups, especially those historically

excluded from formal insurance markets such as smallholder farmers, informal workers, and low-income households.

This objective seeks to ensure that insurance offerings are understandable, affordable, relevant, and accessible to all population segments.

Stakeholder consultations, market research, and user feedback mechanisms will inform product design to reflect customer priorities and cultural contexts.

Inclusive distribution channels—such as mobile platforms, cooperatives, and community-based agents—will be scaled to enhance outreach.

Regulatory frameworks will also be adapted to support simplified products and alternative underwriting approaches that reduce entry barriers for underserved groups.

#### **vi. Strategic Partnerships on Accessing Insurance Solutions Improved**

Strategic partnerships are vital for expanding insurance coverage and improving service delivery, particularly in hard-to-reach and underserved areas.

This objective aims to foster collaboration between insurers, government agencies, NGOs, development partners, and private sector actors to leverage resources, expertise, and distribution networks for wider access to insurance solutions.



Public-private partnerships (PPPs) bundled services (e.g., insurance with agricultural inputs or credit), and joint awareness campaigns will be promoted to maximize impact.

Institutional frameworks will be strengthened to support coordinated action, shared accountability, and sustainable delivery models.

These partnerships will play a pivotal role in integrating insurance into broader socio-economic development programs.

#### **vii. Consumer Protection Mechanisms Enhanced**

A strong consumer protection framework is essential for building public confidence and ensuring that policyholders are treated fairly throughout their engagement with insurance providers.

Enhancing consumer protection involves setting clear standards for transparency, contract fairness, claims processing, grievance redress, and ethical conduct within the insurance sector.

Regulators will be supported to enforce consumer rights through licensing conditions, supervisory tools, and sanctions where necessary. Additionally, complaint handling mechanisms will be made more accessible and responsive. Consumer protection guidelines will be developed and enforced, and insurers will be encouraged to adopt self-regulatory practices that prioritize ethical standards and customer trust.

### viii. Insurance Consumer Literacy and Awareness Improved

Low levels of insurance literacy hinder uptake and informed decision-making, particularly among vulnerable groups. This objective aims to improve public understanding of insurance concepts, to improve public

understanding of insurance concepts, rights, responsibilities, and the value of risk protection.

Greater awareness will empower consumers to seek appropriate coverage and engage constructively with providers.

Multi-channel campaigns—utilizing radio, social media, community events, and schools—will be deployed to reach diverse audiences with tailored messages.

Partnerships with civil society, local governments, and educational institutions will amplify outreach.

Strategic initiatives for achieving the eight (8) objectives stated above are provided in Table 3.2 in this document.

**Table 3.2. RIDeS Strategic Objectives and Initiatives**

Strategic Objectives	Initiatives
1. Legal and regulatory frameworks for innovation and research in insurance enhanced.	<ul style="list-style-type: none"> <li>i. Develop a legal and regulatory framework for insurance innovation and research</li> <li>ii. Develop and implement Regulatory Sandboxes and Innovation Hubs</li> </ul>
2. Innovative Insurance solutions enhanced.	<ul style="list-style-type: none"> <li>i. Promote inclusive Digital Insurance Platforms and Mobile Distribution Channels</li> <li>ii. Leverage use of Blockchain tech for underwriting and claims</li> <li>iii. Design, test, and scale innovative insurance solution</li> <li>iv. Foster partnerships with InsurTechs and Non-Traditional Players</li> <li>v.</li> </ul>
3. Research and Development strengthened.	<ul style="list-style-type: none"> <li>i. Develop regulatory guidelines on insurance research.</li> <li>ii. Establish an incentive mechanism for insurance-related research.</li> <li>iii. Create a dedicated fund to support academic and applied research on innovative insurance models</li> <li>iv. Implement capacity building programs on insurance research.</li> <li>v. Collaborate with Academic and Research Institutions.</li> </ul>
4. Data management systems for the insurance industry integrated and enhanced	<ul style="list-style-type: none"> <li>i. Establish a comprehensive insurance data base for underwriting, claims and fraud management</li> <li>ii. Integrate insurance industry data management systems with other related systems</li> <li>iii. Establish insurance data and Knowledge Hub (resource center).</li> </ul>

5. Customer-centric and inclusive insurance products developed.	<ul style="list-style-type: none"> <li>i. Develop bundled products that combine insurance with essential services</li> <li>ii. Design tailored insurance products that address the specific risks and needs of consumers (Including low income, Rural and informal sector)</li> </ul>
6. Strategic partnerships on accessing insurance solutions improved.	<ul style="list-style-type: none"> <li>i. Develop a legal and regulatory framework for Cooperatives and other similar institutions (VICOBA, MVIWATA, FBOs, and CBOs) to provide insurance intermediation services.</li> <li>ii. Establish partnerships with cooperatives, producer associations (such as AMCOS), and informal sector networks for insurance intermediation.</li> <li>iii. Leverage on the professional bodies such as NBAA, TLS, ZLS, ERB and CRB for insurance intermediation services.</li> <li>iv. Create partnerships with Mobile Network Operators (MNOs), InsurTechs, HealthTech, FinTechs etc.</li> <li>v. Create targeted <b>adoption support</b> for women, youth, SMEs and special groups in partnership with MNOs/banks/IDPs.</li> </ul>
7. Consumer protection mechanisms enhanced.	<ul style="list-style-type: none"> <li>i. Develop and implement a regulatory framework for Insurance Market Conduct.</li> <li>ii. Develop and implement a regulatory framework for insurance consumer protection.</li> <li>iii. Develop and enforce a professional code of conduct and ethics for insurance practitioners</li> <li>iv. Enhance and digitize consumer Complaints and Dispute Resolution mechanisms</li> <li>v. Simplify, Standardize and customize insurance policy wording</li> </ul>
8. Insurance consumer literacy and awareness improved.	<ul style="list-style-type: none"> <li>i. Develop and implement insurance curriculum for various education levels.</li> <li>ii. Implement targeted public awareness and education initiatives.</li> <li>iii. Design and implement community-based training and peer education models.</li> </ul>

# CHAPTER FOUR: STRATEGY IMPLEMENTATION

Successful implementation of the Research, innovation, and Development Strategy (RiDeS) is essential for transforming Tanzania's insurance industry into a dynamic, technology-driven, and customer-centric ecosystem.

This chapter presents the execution framework, detailing key stakeholder duties and roles, timelines, and key performance indicators.

The strategy will be implemented by engaging various partners drawn from different sectors.

This will call for effective leadership and well-coordinated efforts.

## 4.1 RIDES IMPLEMENTATION FRAMEWORK

The implementation of the RiDeS is steered by a well-defined and collaborative organizational structure to ensure effective governance, coordination, and accountability.

This structure includes the Thematic Working Group (TWG) for the insurance sub-sector, which provide strategic and operational oversight. At the operational level, the structure incorporates the National Insurance Research, Innovation and Development Committee (NIRIDC) and its Secretariat, responsible for delivering technical inputs and coordinating the strategy's implementation. Figure 1 below shows the governance structure of the Strategy.

Figure 1: Governance Structure



The composition for each level of RIDeS Governance appears as Annexure 1 to this Strategy document.

as well as associated Targets and Key Performance Indicators (KPIs).

Strategic Objectives are translated into expected outputs in the form of Targets. KPIs for all Strategic Objectives are established to help monitor and evaluate progress in implementing this Strategy. All Strategic Objectives, corresponding Strategies, Targets and KPIs are presented in Table 4.1

### 4.1.1 STRATEGIES FOR IMPLEMENTING THE OBJECTIVES

The strategic focus has already been set out in the Mission and Vision statements that articulated the strategic direction. This section outlines the Strategic Objectives for the period of five years,

TABLE 4.1: MATRIX ON STRATEGIC OBJECTIVES, INITIATIVES, TARGET DESCRIPTIONS AND KEY PERFORMANCE INDICATORS					
Strategic Objective	Key Initiatives	Target Description	Key Performance Indicators (KPIs)	Timeline	Responsible
1. Legal and regulatory frameworks for innovation and research in insurance enhanced.	Develop a legal and regulatory framework for insurance innovation and research.	Insurance Act Cap 394 reviewed to incorporate innovation and research in insurance.	Reviewed Insurance Act Cap 394	By June 2026	TIRA
			Number of reports	Quarterly effective from Q2 FY 2026/27	TIRA
		Insurance Innovation and research regulations developed.	Developed Innovation and research regulations.	By December 2026	TIRA
		Insurance guidelines related to innovation and research developed.	Number of guidelines.	By March 2027	TIRA
	Develop and implement Regulatory Sandboxes and Innovation Hubs.	Insurance Regulatory Sandboxes regulations developed.	Regulatory Sandboxes regulations.	By December 2025	TIRA
		Insurance Innovation Hubs established.	Number of innovation hubs.	By June 2026	TIRA
		Guidelines on the implementation of Regulatory Sandboxes and Innovation Hubs developed and implemented.	Number of Guidelines.	By September 2026	TIRA

2. Insurance innovative solutions enhanced.	Promote Digital Insurance Platforms and Mobile Distribution Channels.	Digital Insurance Platforms coordinated and integrated	Number of platforms	Annually by June 2030	Insurers/IDPs/MNOs
		Mobile distribution channels coordinated and integrated	Number of distribution channels	Annually by June 2030	TIRA, MNOs and other stakeholders
		Awareness on Digital Insurance Platforms and Mobile Distribution Channels enhanced.	Percentage of awareness programs conducted	Annually by June 2030	Insurers/IDPs/MNOs
		Usage of Digital Platforms and Mobile distribution channels	Number of policies sold	Quarterly by June 2030	Insurers/IDPs/MNOs
	Leverage use of Blockchain tech for underwriting and claims	Guidelines for blockchain tech developed and implemented	Guidelines issued	By June 2027	TIRA
			% level of implementation	By June 2030	TIRA
		Blockchain tech established and implemented	Number of blockchain tech centralized data system	By June 2030	TIRA
			% level of implementation	By June 2030	TIRA
	Design, test, and scale innovative insurance solution	Insurance sandboxes solutions designed, tested and scaled	Number of sandboxes developed	By December 2026	TIRA
			Number of solutions designed for testing	Annual by December 2030	TIRA
% of solutions qualified for testing			Annual by December 2030	TIRA	
Percentage of sandboxes scaled			Annual by December 2030	TIRA	
Foster partnerships with InsurTechs and Non-Traditional Players		Partnerships with InsurTechs/Healthtechs/AgriTechs strengthened	i. Number of Partnerships MoUs signed ii. % level of implementation	Annual by December 2030	Insurer/IDPs/NTPs
		Partnerships with Non-Traditional Players strengthened	i. Number of Partnerships MoUs signed ii. % level of implementation	Annual by December 2030	Insurer/IDPs/NTPs
Design and implement climate-risks related insurance solutions	Climate-risk insurance solutions enhanced	Number of climate-risk insurance solutions developed	By June 2030	Registrants	
		Guidelines developed and issued	By June 2030	TIRA	
		Regulatory framework developed and implemented	By June 2030	TIRA	
3. Research and Development strengthened.	Develop regulatory guidelines on insurance research.	Regulatory guidelines on insurance research developed and implemented	Guidelines developed and issued	By June 2026	TIRA
		% Level of implementation	By June 2030	TIRA	
	Establish an incentive mechanism for insurance-related research.	Incentive mechanism for insurance-related research established	Established incentive mechanisms	By June 2030	TIRA
	Create a dedicated fund to support academic and applied research on	Dedicated fund to support academic and applied research on innovative insurance models created	Dedicated research fund for research	By June 2026	TIRA and stakeholders

**TABLE 4.1: MATRIX ON STRATEGIC OBJECTIVES, INITIATIVES, TARGET DESCRIPTIONS AND KEY PERFORMANCE INDICATORS**

Strategic Objective	Key Initiatives	Target Description	Key Performance Indicators (KPIs)	Timeline	Responsible
	academic and applied research on innovative insurance models.	on innovative insurance models created	Number of research supported	By June 2030	TIRA and stakeholders
	Implement a Centralized and Standardized Motor Vehicle Valuation Framework	A Centralized valuation system developed and operationalized	i. Developed and launched centralized vehicle valuation system ii. % of insurers integrated with system iii. Number of valuation-related disputes reported iv. % compliance with the standardized valuation method.	By June 2030	TIRA and Industry Associations
	Implement capacity building programs on insurance research.	Capacity building programs on insurance research implemented	Number of capacity building programs	By June 2030	TIRA and stakeholders
			% level of implementation	By June 2030	TIRA and stakeholders
	Collaborate with Academic and Research Institutions.	Academic and Research Institutions collaboration established.	Number researchers trained	By June 2030	TIRA and stakeholders
			i. Number of collaborations MoUs signed ii. % level of implementation	By June 2030	TIRA/Insurers
			i. Number of joint research and innovation studies conducted ii. % level of usage of the research findings	By June 2030	TIRA/Insurers
			Number of innovative insurance solutions	By June 2030	Insurers/Research Institutions
			Number of research publications	By June 2030	TIRA and stakeholders

**TABLE 4.1: MATRIX ON STRATEGIC OBJECTIVES, INITIATIVES, TARGET DESCRIPTIONS AND KEY PERFORMANCE INDICATORS**

Strategic Objective	Key Initiatives	Target Description	Key Performance Indicators (KPIs)	Timeline	Responsible
4. Data management systems for the insurance industry integrated and enhanced	Establish a comprehensive insurance data base for underwriting, claims and fraud management.	Comprehensive insurance data management systems established	Number of data bases for underwriting, claims and fraud established	By June 2030	Industry Associations
			% of data bases integrated	Annually by June 2030	Industry Associations
	Integrate insurance industry data management systems with other related systems.	Insurance industry data management systems with other related systems integrated	Number of systems integrated	Annually by June 2030	Industry Associations
	Enhance Data Privacy Compliance Across the Insurance industry	Cyber security and Data Privacy Compliance Across the Insurance industry enhanced	i. % of insurers updated internal policies ii. Number of stakeholders trained iii. % of insurers with a designated Data Protection Officer	Annually by June 2030	Industry Associations
	Establish insurance data and Knowledge Hub (resource center).	Insurance data and knowledge hub established	Number of insurance data and knowledge hubs established.	Annually by June 2030	TIRA and Industry Associations
			% of operationalized insurance data and knowledge hubs	Annually by June 2030	TIRA and Industry Associations
		Insurance data and knowledge hub uses increased	Number of users	Annually by June 2030	TIRA and Industry Associations
	Make use of AI-Driven Risk data analytics	Legal and regulatory frameworks on AI Risk data analytics developed and implemented	Regulatory framework on AI	By June 2027	TIRA and Industry Associations
			Guidelines issued	By December 2027	TIRA
			% level of implementation	Annually by June 2030	TIRA
		Capacity building and awareness on AI driven risk data analytics promoted	Number of capacity building programs conducted	By June 2027	Associations

**TABLE 4.1: MATRIX ON STRATEGIC OBJECTIVES, INITIATIVES, TARGET DESCRIPTIONS AND KEY PERFORMANCE INDICATORS**

Strategic Objective	Key Initiatives	Target Description	Key Performance Indicators (KPIs)	Timeline	Responsible
		AI driven Risk data analytics mechanisms established	Number of AI risk data analytics mechanism developed	By June 2027	ATI
5. Customer-centric and inclusive insurance products developed	Develop bundled products that combine insurance with essential services	Bundled products that combine insurance with essential services developed	i. Number of bundled products ii. Number of policies sold	Annually by June 2030	Insurers and brokers
	Design tailored insurance products that address the specific risks and needs of consumers	Insurance products that address the specific risks and needs of consumers developed	i. Number of new products ii. Number of policies sold	By June 2027	Insurers and brokers
	New <del>microinsurance</del> and inclusive products developed (Including low income, Rural and informal sector)	New <del>microinsurance</del> and inclusive products developed	i. Number of new <del>microinsurance</del> and inclusive product developed ii. Number of products targeting women, youth, SMEs and special groups developed and implemented	Annually by June 2030	Insurers and brokers
			iii. Number of policies sold		
6. Strategic partnerships on accessing insurance solutions improved.	Develop a legal and regulatory framework for Cooperatives and other similar institutions (VICOBA, MVIWATA, FBOs, and CBOs) to provide insurance intermediation services.	Legal and regulatory framework for Cooperatives and other similar institutions to provide insurance intermediation services developed and implemented	Regulations to provide for participation of Cooperatives in insurance business developed	By June 2027	TIRA
			Number of cooperatives engaged in insurance services	Annually by June 2030	TIRA
		Guidelines on Cooperatives agents developed and implemented	Guidelines on cooperatives issued	By December 2027	TIRA
		% level of implementation	Annually by June 2030	TIRA and relevant stakeholders	
Establish partnerships with cooperatives, producer associations (such as AMCOS), and informal sector networks for	Partnerships with cooperatives, producer associations, and informal sector networks for insurance intermediation established	i. Number of partnerships ii. Number of partnership MoU signed iii. % level of implementation	Annually by June 2030	Industry Associations	

**TABLE 4.1: MATRIX ON STRATEGIC OBJECTIVES, INITIATIVES, TARGET DESCRIPTIONS AND KEY PERFORMANCE INDICATORS**

Strategic Objective	Key Initiatives	Target Description	Key Performance Indicators (KPIs)	Timeline	Responsible
	insurance intermediation.				
	Leverage on the professional bodies such as NBAA, TLS, ZLS, ERB and CRB for insurance intermediation services.	Regulatory framework for Professional bodies for insurance intermediation services developed	Regulations to provide for participation of professional bodies in insurance intermediation services developed	By June 2027	TIRA
			Number of professional bodies engaged in insurance services	Annually by June 2030	TIRA
			Guidelines on professional bodies issued	By December 2027	TIRA
			% level of implementation	Annually by June 2030	TIRA and relevant stakeholders
	Create partnerships with Mobile Network Operators (MNOs), InsurTechs, HealthTech, FinTechs etc.	partnerships with Mobile Network Operators (MNOs), InsurTechs, HealthTech, FinTechs etc. enhanced	i. Number of partnerships ii. Number of partnership MoU signed	Annually by June 2030	Industry Associations
	HealthTech, FinTechs etc.		iii. % level of implementation		
7. Consumer protection mechanisms enhanced.	Develop and implement a regulatory framework for Insurance Market Conduct.	Regulatory framework on market conduct developed and implemented	Regulations on Market Conduct developed	By June 2027	TIRA
			Guidelines on Insurance Market Conduct issued	By December 2027	TIRA
			% level of implementation	Annually by June 2030	TIRA and relevant stakeholders
	Develop and implement a regulatory framework for insurance consumer protection.	Regulatory framework consumer protection developed and implemented	Regulations on consumer protection developed	By June 2027	TIRA
			Guidelines on consumer protection issued	By December 2027	TIRA
			% level of implementation	Annually by June 2030	TIRA and relevant stakeholders
	Develop and enforce a professional code of conduct and ethics for	Professional code of conduct and ethics for insurance practitioners developed and implemented	Insurance professional code of conduct guideline developed	By June 2028	TIRA and Associations

**TABLE 4.1: MATRIX ON STRATEGIC OBJECTIVES, INITIATIVES, TARGET DESCRIPTIONS AND KEY PERFORMANCE INDICATORS**

Strategic Objective	Key Initiatives	Target Description	Key Performance Indicators (KPIs)	Timeline	Responsible	
	insurance practitioners		% of insurance practitioners trained on the code	Annually by June 2030	TIRA and Associations	
			% level of compliance with Code of Conduct	Annually by June 2030	TIRA and Associations	
	Enhance and digitize consumer Complaints and Dispute Resolution mechanisms	Consumer Complaints and Dispute Resolution mechanisms enhanced and digitized	i. Number of complaint handling mechanisms digitized	Annually by June 2030	TIRA and other stakeholders	
			ii. % of complaints resolved digitally			
	Enhance Consumer/Customer Engagement on Claims	Consumer/Customer Engagement on Claims enhanced	i. Dispute Resolution mechanism digitized	Annually by June 2030	TIRA and other stakeholders	
			ii. % of dispute resolved digitally			
		Simplify, Standardize and customize insurance policy wording	Insurance policy language simplified, standardized and customized	i. Number of training programs	Annually by June 2030	Association industries
ii. % of trained front-office staff (Customer service)						
			iii. Training reports			
8. Insurance consumer literacy and awareness improved	Develop and implement insurance curriculum for various education levels.	Insurance curriculum for various education levels developed	% of insurance classes with standardized and simplified policies	Annually by June 2030	Insurers	
			% of insurance classes with customized policies	Annually by June 2030	Insurers	
			Number of policies issued	Annually by June 2030	Insurers	
	Implement targeted public awareness and education initiatives.	Public awareness and education initiatives implemented	Insurance education curricular developed	By June 2029	TIRA and education institutes	
			Insurance education extra-curriculum programs developed	By June 2027	TIRA and industry associations	
			% level of implementation	Annually by June 2030	TIRA and relevant stakeholders	
	Design and implement community-based training and peer education models.	Community-based training and peer education models designed and implemented	Number of public awareness programs conducted	Annually by June 2030	TIRA and other stakeholders	
			Number of community-based training conducted	Annually by June 2030	TIRA and other stakeholders	
				Number of peer (ToTs) education model designed	Annually by June 2030	TIRA and other stakeholders
				% level of implementation	Annually by June 2030	TIRA and other stakeholders

## 4.1.2 INSTITUTIONAL ARRANGEMENTS

The implementation of the Research, Innovation and Development Strategy (RIDES) 2025/26–2029/30 is guided by a clearly defined and collaborative institutional framework designed to ensure effective governance, coordination, and accountability.

This structure comprises the Thematic Working Group (TWG) for the insurance sub-sector which provide strategic and operational oversight, respectively.

At the operational level, implementation is led by the National Insurance Research, Innovation and Development Committee (NIRIDC) and its Secretariat, which are responsible for delivering technical inputs and coordinating day-to-day execution of the strategy.

## 4.1.3 ROLES AND RESPONSIBILITIES

The implementation of the RIDES is supported by a structured governance system with clearly defined roles and responsibilities across its coordinating bodies. These entities ensure strategic leadership, operational effectiveness, and alignment with national development objectives.

The key committees and their respective functions are outlined below:

## 4.1.3.1 THEMATIC WORKING GROUP

The TWG provides strategic oversight and sectoral leadership throughout the implementation of the Strategy. Its responsibilities include:

The key responsibilities of TWG include -

- i. Providing strategic direction, guidance, and oversight for the effective implementation of the strategy;
- ii. Providing advice to the Government of the United Republic of Tanzania and on insurance education initiatives;
- iii. Facilitating stakeholder engagement and fostering collaboration across sectors;
- iv. Monitoring and Evaluation: Oversee the progress of insurance-related initiatives, monitor performance indicators, and evaluate the impact of programs to ensure objectives are met effectively; and
- v. Approving RIDES implementation report for onward submission to other structures of the financial sector.

#### 4.1.3.2 THE TECHNICAL COMMITTEE

The Technical Committee functions as the operational and advisory arm of the National Insurance Research, Innovation and Development Committee (NIRIDC). Its core roles include:

- i. Reviewing and approving annual work plans and implementation roadmaps;
- ii. Designing and reviewing frameworks for insurance education and capacity-building initiatives;
- iii. Overseeing the implementation of nationwide public awareness campaigns.
- iv. Providing technical input to the Secretariat for program monitoring and evaluation; and
- v. Reviewing the impact of RIDES initiatives and recommending improvements.

#### 4.1.3.3 THE SECRETARIAT

The Secretariat is responsible for the day-to-day coordination and administrative management of the Strategy. Its roles are:

- i. Organizing, coordinating and documenting meetings, workshops, and events.
- ii. Preparing progress reports on strategy implementation and impact.

iii. Facilitating communication among stakeholders and providing administrative support.

iv. Monitoring and evaluating the effectiveness of RIDeS initiatives, ensuring timely reporting to the NIRIDC

#### 4.2 DUTIES AND ROLES OF KEY STAKEHOLDERS

The RIDES requires coordinated efforts from multiple stakeholders to ensure effective execution.

Table 4.2 below outlines their respective roles and responsibilities: -

**Table 4.2: Duties and Roles of Key Stakeholders**

Stakeholder	Responsibilities
Tanzania Insurance Regulatory Authority	Oversees strategy implementation, sets regulatory guidelines, conducts stakeholder training, and ensures regulatory compliance.
Ministry of Information, Communication and Technology	Co-lead digital-policy alignment; support national data-exchange standards, cybersecurity capacity building, AI/blockchain skills programs and convene periodic consultative sessions with TIRA and industry.
Insurance Companies	Develop innovative products, invest in advanced technology, invest in customer education, and engage in capacity building.
Insurers and Financial Institutions	Facilitate access to funding for InsurTech startups and digital transformation projects and support insurers in developing tailored financial solutions.
Technology Providers	Develop and integrate digital insurance platforms, AI-driven underwriting solutions, and blockchain applications for fraud prevention.
Consumer Advocacy Groups	Raise public awareness, promote financial literacy, collect customer feedback, and advocate for policyholder protection and rights.

## 4.2.1 RIDES IMPLEMENTATION RESOURCES REQUIREMENT

Successful implementation of the RIDES requires adequate and well-coordinated resources, including financial, human, technological, and institutional capacities. These resources must be mobilized and strategically allocated to support the execution of key initiatives across the strategy's thematic areas.

### **Key resource requirements include:**

**i. Financial Resources:** Funding is needed to support research activities, capacity-building programs, pilot projects, digital infrastructure development, regulatory sandbox operations, and public awareness campaigns. Resource mobilization will involve government budget allocations, development partner contributions, and private sector investments.

**ii. Human Capital:** Skilled personnel are critical to drive innovation, manage digital platforms, conduct research, and oversee regulatory functions. The strategy will promote continuous professional development, cross-sectoral secondments, and recruitment of technical experts in data analytics, actuarial science, and InsurTech.

**iii. Technology and Infrastructure:** Investment in modern ICT infrastructure, integrated data systems, and secure digital platforms is essential for achieving interoperability and operational

efficiency. Resources will also support the establishment of innovation hubs, regulatory sandboxes, and industry knowledge centers.

**iv. Institutional Capacity and Coordination:** Strengthening the capacity of coordinating institutions—particularly TIRA, the Secretariat, and relevant committees—is necessary to ensure smooth implementation.

This includes administrative support, monitoring and evaluation systems, and stakeholder engagement mechanisms.

The effective mobilization and deployment of these resources will be guided by annual implementation plans and a performance-based budgeting approach.

Partnerships with donors, research institutions, and the private sector will be leveraged to fill resource gaps and enhance impact.

# CHAPTER FIVE: MONITORING, EVALUATION, LEARNING AND REPORTING

Effective Monitoring, Evaluation, and Learning (MEL) is critical for tracking the progress, assessing the impact, and ensuring the continuous improvement of the Research, innovation, and Development Strategy (RIDEs).

This chapter outlines the framework for MEL, focusing on performance measurement, data collection, evaluation processes, and knowledge sharing mechanisms.

## 5.1 OBJECTIVES OF MONITORING AND EVALUATION

The primary objectives of the MEL framework are to:

- i. **Assess Progress:** Monitor the implementation of the RIDEs against set objectives, targets and timelines;
- ii. **Evaluate Impact:** Measure the effectiveness of the strategy in transforming the insurance market and improving consumer engagement; and
- iii. **Facilitate Learning:** Identify challenges, best practices, and lessons learned to inform future policy adjustments and strategic direction.

## 5.2 THE MEL REPORTING STRUCTURE

Each responsible organ has a reliable internal monitoring system and ensures capacity is available to assess their organizational efficiency and effectiveness in relation to RIDEs for effective monitoring and evaluation.

The overall responsibility for the monitoring and evaluation of the strategy implementation lies with the TWG. The figure below demonstrates reporting structure

Figure 2:



The Thematic Working Group (TWG) has the overall oversight of the strategic direction of RIDeS.

At the operational level, the structure incorporates the National Insurance Research, Innovation and Development Committee (NIRIDC) and its Secretariat, responsible for delivering technical inputs and coordinating the strategy's implementation. NIRIDC may establish its subcommittees as deemed necessary.

- ii. Set targets and standards for strategy implementation.
- iii. Provide Capacity building guidelines for M&E.
- iv. Adopt new and current innovative control systems to increase efficiency and effectiveness.
- v. Control use of resources during implementation.

The MEL below provides a framework for tracking RIDeS progress towards its strategic objectives. By collecting and analyzing data, RIDeS can measure its impact, identify areas for improvement, and ensure it is effectively achieving set targets.

### 5.3 THE MONITORING AND EVALUATION FRAMEWORK

The M & E framework will:

- i. Establish performance indicators for strategies and measurements.

#### MEL table to track performance of objectives against targets

Objective	Indicator	Targets 2026	Targets 2030	Baseline (2025)	Data Collection Methods

This continuous process will allow the RIDeS team to assess the following:

- i. How the interventions evolve (Monitoring);
- ii. How effectively the strategy was carried out and implemented using the data generated by the strategy implementation outcome;
- iii. Identify gaps between planned and achieved results, capture lessons, and adapt the approach as needed;
- iv. Evaluate outcomes and longer-term impact;
- v. Track overall strategy performance against agreed KPIs; and
- vi. Assessing the Expected Outcomes.

**Time Frame:** The time frame for the RIDeS is five years (2025/26 to 2029/30). The performance Indicators will be closely tracked over the strategy period using the following MEL tools:

- i. Mid-term review in 2025/2026; and
- ii. End of strategy review in 2029/2030.

**Purpose:** To provide real-time, decision-making information on implementation so the RIDeS team can confirm activities are on plan, resources are used efficiently, and targets and objectives are being met, to track KPIs, and to adjust KPIs and activities in line with Mid-Term Review findings and recommendations.

**Focus:** The focus will be on tracking inputs, activities, and outputs to identify any deviations from the planned course. This will ensure that the Strategy is on track and allow for timely adjustments and corrective measures, if necessary.

**Method:** This will involve regular data collection, observation, interviews and progress reports, site visits, and other mechanisms to gather relevant information

**Learning Mechanisms:** Creating a culture of learning is essential for ongoing improvement of RIDeS. The following approaches will be applied for industry feedback.

**Table 5.1: Implementation Approach**

Learning Mechanism	Implementation Approach	Coordination Responsibility
<b>Continuous Feedback Loops</b>	Establish real-time feedback channels for insurers, regulators, and consumers to report challenges and share insights.	Secretariat
<b>Stakeholder Learning Workshops</b>	Organize semi-annual workshops to review MEL findings, discuss emerging trends, and refine strategy execution.	NIRIDC
<b>Knowledge Sharing Platforms</b>	Develop online repositories for research reports, case studies, and best practices to facilitate industry-wide learning.	Secretariat
<b>Industry Benchmarking &amp; Peer Reviews</b>	Conduct comparative assessments with regional and global markets to ensure alignment with international best practices.	Secretariat

By integrating learning into the implementation process, the insurance industry can adapt quickly to market shifts, leverage new opportunities, and continuously improve service delivery.

# CHAPTER SIX: RIDES RISK MANAGEMENT

## 6.1 RIDES PRELIMINARY RISK ASSESSMENT

To ensure success operationalization of RIDeS, a proactive risk assessment shall be conducted to identify potential barriers to RIDeS implementation, some of focal risk areas including:

Technological adoption delays, low digital uptake by industry player including the use of AI, blockchain technology, IoT, IDPs might affect negatively the implementation of RIDeS. Technological adoption delays are associated with high cost for adopting and upgrading existing systems and skills gap in managing advanced technologies.

Without AI-driven underwriting or blockchain-based smart contracts, insurers may struggle with inefficiencies due to higher operational costs, hence inability of competitive advantage.

Slow Regulatory Approval for Innovations: Delays in approving innovative insurance products could adversely affect RIDeS progress. Regulatory frameworks often lag in technological advancements, causing lengthy approval processes.

The Authority should establishing fast-track pathways, regulatory sandboxes for testing, and public-private dialogues to align

policies with market needs.

Limited Consumer Awareness. Low awareness and trust insurance usage and benefits, particularly microinsurance or agro-index based insurance products. could limit RIDeS implementation. Underserved population in rural areas, misunderstand insurance benefits or fear data exploitation with IoT/AI tools.

To combat this, nationwide financial literacy campaigns, simplified mobile/USSD interfaces, and transparent pricing disclosures are critical.

Building trust through NGO partnerships and community-based agents can also drive adoption among underserved groups

Cybersecurity Risks: The rise of cybersecurity threats and data privacy breaches poses a major risk to digital insurance expansion.

As insurers collect more customer data via IoT, AI, and online platforms, they become targets for cyber-attacks, fraud, and regulatory penalties.

Mitigation requires mandatory cybersecurity audits, staff training on data protection, and real-time monitoring systems.

## 6.2 RISK MITIGATION MEASURES

Name of the Risk	Mitigation Measures
Low Digital Adoption by Insurers	Provide subsidies for insurers adopting AI, blockchain, IoT, and mobile digital platforms
	Allow insurers to test innovations in a controlled environment with relaxed regulations.
	Benchmarking the minimum digital adoption targets
Slow Regulatory Approval for Innovations	Accelerating approvals for innovative products
Limited Consumer Awareness	Launch simplified, awareness programs via radio, social media platforms and community workshops
	Mandate clear disclosure of policy terms, pricing, and claims processes.
Cybersecurity Risks	Enforce adherence to Tanzania's Personal Data Protection Act and global standards such as ISO

## 6.3 RISK MONITORING AND REPORTING

The RIDEs Implementation Matrix provides a structured roadmap detailing the key objectives, implementation strategies, responsible parties, timelines, and performance indicators.

## 6.3 RISK MONITORING AND REPORTING

Key Objective	Implementation Strategy	Responsible	Timeline	Performance Indicator
Enhance product innovation to meet evolving customer needs	Conduct market research, develop customizable products, launch pilot programs, and establish feedback mechanisms.	TIRA, Insurance Companies	Year 1 - Year 2	Number of new products launched customer satisfaction scores.
Leverage emerging technologies for operational efficiency	Assess technology needs, implement AI and automation, develop digital platforms, and provide staff training.	Insurance Companies, Technology Providers	Year 2 - Year 3	Reduced turnaround time, increased digital engagement metrics.
Strengthen risk management through advanced analytics	Improve data collection, utilize predictive analytics, develop a risk assessment framework, and collaborate with experts.	TIRA, Insurance Companies	Year 2 - Year 4	Accuracy of risk assessments, number of risks mitigated.
Foster collaboration among regulators,	Organize stakeholder forums, establish a regulatory sandbox, create	TIRA, Insurance Companies,	Year 1 - Year 5	Number of collaborative projects-initiated

## 6.4 MONITORING AND REPORTING STRUCTURE

A structured monitoring and reporting system will be established to ensure transparency and accountability throughout RIDES implementation.

Monitoring Tool	Purpose	Frequency
<b>Quarterly Progress Reports</b>	Track milestones, highlight challenges, and recommend corrective actions.	Every 3 months
<b>Annual Impact Assessments</b>	Measure the RIDeS' effectiveness in enhancing innovation, digital transformation, and inclusion.	Yearly
<b>Stakeholder Consultations</b>	Gather insights from insurers, regulators, and technology providers on emerging challenges and solutions.	Bi-Annual
<b>Public Consumer Surveys</b>	Assess awareness levels, service satisfaction, and adoption of new insurance products.	Yearly

## 6.5 RISK MITIGATION AND ADAPTIVE PLANNING

To address potential implementation barriers, a risk mitigation framework will be integrated into the strategy execution process.

Risk Area	Mitigation Strategy
<b>Low Digital Adoption by Insurers</b>	Provide financial incentives and regulatory support to accelerate technology integration.
<b>Limited Consumer Awareness</b>	Scale public education campaigns and financial literacy programs.

<b>Slow Approval Innovations</b>	<b>Regulatory for</b>	Establish fast-track approval mechanisms for InsurTech solutions.
<b>Cybersecurity Risks</b>		Implement strict data protection regulations and enhance cybersecurity resilience.

## 6.6 LONG-TERM VISION AND SUSTAINABILITY STRATEGY

By 2030, the successful implementation of the Research, Innovation and Development Strategy (RiDeS) is expected to position Tanzania’s insurance industry as a regional leader in digital transformation and financial inclusion.

- i. Increase insurance penetration to at least 5 percent of GDP.
- ii. Ensure 90% of Tanzanians have access to insurance awareness programs.
- iii. Achieve full integration of AI, blockchain, and mobile-based microinsurance models.
- iv. Create a regulatory environment that promotes continuous innovation and competition.

Through proactive collaboration, regulatory modernization, and investment in digital capabilities, Tanzania’s insurance market will achieve sustainable growth, enhanced consumer trust, and global competitiveness.

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# ANNEXURE 1: RIDES GOVERNANCE STRUCTURE COMPOSITION

## Main Committees:

Structure Name	Appointment Authority	Main Roles	Composition
Thematic Working Group (TWG)	As provided in the FSDMP (2020/21 – 2029/30)	Strategic and operational oversight for RIDEs Implementation	As provided in the FSDMP (2020/21 – 2029/30)
National Insurance Research, Innovation and Development Committee (NIRIDC)	TWG (by resolution)	<p>Reporting to TWG, NIRIDC shall –</p> <ul style="list-style-type: none"> <li>• Handle Technical Matters of RIDEs Implementation;</li> <li>• Coordinate RIDEs' Implementation;</li> <li>• Oversee delivery of its standing sub-committees namely – <ul style="list-style-type: none"> <li>○ <i>Insurance Research Sub-Committee (IRSC); and</i></li> <li>○ <i>Market Development &amp; Innovation Sub-Committee (MDISC)</i></li> </ul> </li> <li>• Oversee delivery of any ad-hoc task teams;</li> <li>• Perform any other related roles prescribed by TWG from time to time.</li> </ul>	<p>NIRIDC shall be composed of the following 19 members:</p> <ol style="list-style-type: none"> <li>i. Representative of TIRA (Chair);</li> <li>ii. Representative of ATI (Vice Chair);</li> <li>iii. Representative of MOF (Member);</li> <li>iv. Representative of MIT (Member);</li> <li>v. Representative of TIBA (Member);</li> <li>vi. Representative of IAAT (Member);</li> <li>vii. Representative of IDPs (Member);</li> <li>viii. Representative of Bancassurance Agents Association (Member);</li> <li>ix. Representative of BOT;</li> <li>x. Representative of CMSA;</li> <li>xi. Representative of TCDC;</li> <li>xii. Representative of NBS;</li> <li>xiii. Representative of COSTECH;</li> <li>xiv. Representative of Academia (Member);</li> <li>xv. Representative of Insurance Start-Ups;</li> <li>xvi. Representative of Insurance Innovators;</li> <li>xvii. Representative of Development Partners;</li> <li>xviii. Representative of Social Protection Institutions.</li> </ol>

## NIRIDC Standing Sub-Committees:

Sub-Committee Name	Appointment Authority	Main Roles	Composition
Insurance Research Sub-Committee (IRSC)	TWG (by resolution)	<p>Reporting to NIRIDC, the IRSC shall –</p> <ul style="list-style-type: none"> <li>• Identify priority research areas in the insurance subsector;</li> <li>• Align research priorities with RIDeS;</li> <li>• Develop annual and medium-term research plans;</li> <li>• Facilitate collaboration among all key stakeholders in conducting studies;</li> <li>• Oversee data quality, integrity, and accessibility for research purposes;</li> <li>• Develop framework to strengthen research capacity in the insurance subsector;</li> <li>• Track implementation of research recommendations adopted by NIRIC;</li> <li>• Provide periodic research reports and their contribution to sectoral development;</li> <li>• Support NIRIC in aligning national insurance research priorities with regional and global trends; and</li> <li>• Perform any other related roles prescribed by NIRIDC from time to time.</li> </ul>	<p>NIRIDC shall be composed of the following 9 members:</p> <ol style="list-style-type: none"> <li>i. Representative of NBS (Chair);</li> <li>ii. Representative of TIRA (Vice Chair);</li> <li>iii. 3 Representatives of insurance industry associations (Members);</li> <li>iv. 2 Representatives financial sector regulatory bodies;</li> <li>v. Representative of Academia (Member);</li> <li>vi. Representative of Development Partners.</li> </ol>



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