The current issue and full text archive of this journal is available at
**www.emeraldinsight.com/0951-3558.htm**



# The effect of the regulatory framework on the competitiveness of the dairy sector in Tanzania

Goodluck Charles Urassa
*Business School, University of Dar es Salaam, Dar es Salaam, Tanzania*

## Abstract

**Purpose** – The purpose of this paper is to assess the effect of the regulatory framework on the competitiveness of the dairy sector of Tanzania. More precisely, it attempts to identify the main regulations governing the dairy industry and examines areas in which they overlap. The paper explores the effect of the regulatory framework on the business enterprises operating in the sector and highlights ongoing initiatives for harmonisation of the regulations affecting the dairy sector.

**Design/methodology/approach** – The study that culminated in the paper was qualitative in nature, being based on case studies of two enterprises operating in the dairy industry, secondary data, in-depth discussions with industry stakeholders through personal interviews and focus group discussions. The paper also draws on observations made of the advocacy project that is going on to review regulations in the dairy sector.

**Findings** – The dairy sector in Tanzania is facing significant regulatory challenges, leading to the high cost of doing business. The main regulatory burdens facing the sector are: multiple inspections of premises, multiple testing of products, multiplicity of licences for premises and products, and the use of regulations as a source of revenue. Bureaucratic roadblocks add costs to businesses and reduce the competitiveness of products and services, as well as the potential for business expansion and job creation. While the private sector appears to succeed in creating awareness of the issue, it has not yet succeeded in pressurising the government to take action to bring about policy change.

**Practical implications** – The findings of the paper will inform policy makers and the private sector on how the regulations affect the competitiveness of the dairy industry. The paper will also aid advocacy initiatives by private sector organisations by providing empirical evidence concerning the damaging effect of the regulatory framework and will contribute some ideas on how to carry forward the ongoing dialogue between the private and public sector.

**Originality/value** – The paper fills the gap resulting from the lack of empirical evidence regarding the impact of the regulatory framework on the competitiveness of the private sector in the context of a developing economy. It demonstrates how systematic research on advocacy issues raised by the private sector could be used to generate evidence that informs and motivates policy change. The paper also applies the theory of regulation to a specific industry to show how regulatory reforms could be attained.

**Keywords** Competitiveness, Regulations, Dairy sector, Policy change

**Paper type** Research paper

## Introduction

An effective regulatory regime for promoting development of the private sector is vital, especially in developing economies (World Bank, 2004). In many instances, the World Bank has highlighted the importance of reforming the regulatory framework in developing countries for unleashing a private sector response that leads to dynamic growth, and ultimately employment and income generation. There is a lot of encouragement to increase private-public dialogue and private sector advocacy in the belief that this will assist in improving the enabling environment (Irwin, 2008). The Doing Business reports by the World Bank highlight that enterprises in poor countries face much greater regulatory burdens than those in rich countries. For

International Journal of Public Sector Management
Vol. 27 No. 4, 2014
pp. 296-305
© Emerald Group Publishing Limited
0951-3558
DOI 10.1108/IJPSM-08-2011-0100

instance, there is growing evidence that the regulatory environment in Tanzania is unfriendly to private enterprises relative to other countries. Tanzania's ranking on the aggregate Ease of Doing Business Index has always been low, varying from 124 to 131 out of 183 countries.

One sector that is highly regulated in Tanzania is the dairy sector. As a result, there has been a serious concern by private sector organisations about the effect of the regulatory burden on competitiveness of the dairy sector (Tanzania Milk Processors' Association (TAMPA), 2010). Although there are many factors that may account for the deterioration of the dairy sector, business associations argue that "inappropriate" regulation in the sector leads to excessive compliance requirements and low competitiveness of the sector. However, the issue of food safety and hygiene increases pressure on government agencies to be more prescriptive and proactive in their regulation of the food industry (Antle, 1996). The usual question that one would ask when examining a regulation is whether the benefits of the regulation outweigh its costs? Yet, there has been little evaluation of the effectiveness of the regulatory process in the dairy sector in Tanzania, let alone of the economic results and social effects. Thus, research focusing on the effect of regulation is particularly important in understanding the role played by regulation in relation to the competitiveness of firms. It is also interesting to examine the extent to which business associations advocating a reduction in the regulatory burdens in the dairy sector are succeeding. The techniques that are used by private sector organisations to influence policy change are worth investigating so as to assess their effectiveness.

This paper aims to explore the effect of the regulatory framework on the competitiveness of the dairy sector in Tanzania and to examine the strategies applied by business associations to influence policy change. More precisely, the paper seeks: to identify the main regulations affecting the dairy industry in Tanzania; to establish areas in which regulations governing the dairy sector overlap; to explore the effect of the regulatory framework on the competitiveness of the businesses operating in the dairy sector in Tanzania; and to assess the techniques and approaches used by business associations to influence policy change.

## Methodology

The study that culminated in this paper was qualitative in nature, based mainly on case studies of two enterprises operating in the dairy sector, the collection of secondary data, in-depth personal interviews with regulators and representatives of the Tanzania Milk Processors' Association (TAMPA) as well as the collection of data from a stakeholders' workshop. The study began with an intensive literature review and analysis of the legislation governing the dairy sector in Tanzania. At least 25 laws governing the dairy industry were analysed. In total, eight respondents from one small enterprise and one medium-scale company were personally interviewed. Both companies were considered representative of the targeted enterprises for two main reasons. First, with the exception of five major dairy companies in Tanzania, all the dairy-processing enterprises are small and medium-sized firms. Second, small enterprises are more severely affected by red tape and incur higher regulatory costs than large companies (Chittenden *et al.*, 2002).

The findings generated from the literature and interviews were discussed and validated at a stakeholder workshop which brought together 17 regulators and six representatives of dairy-processing enterprises. The researcher presented the study findings and participants were asked to express their views on the issues presented.

Their responses were captured and structured into themes reflecting the research objectives. Participants were also asked to generate ideas on possible actions that might improve the regulatory regime in the sector. This approach assisted in providing detailed information covering the direct and indirect costs of the regulations as well as the impact of duplication of regulation on the performance of dairy enterprises. The analysis of the findings entailed integrating the information drawn from the legal documents, enterprises and stakeholder workshops. The information presented in this paper focuses mainly on the issues that relate to the regulations and their effects on businesses operating in the dairy sector.

## Economic theory and food regulations

This section presents a review of the literature on social regulations with emphasis on both the general economic theory of regulation and food safety regulations. The economic theory of social regulation covers areas such as the environment, labour conditions, consumer protection, safety in workplaces and prohibition of certain goods (Den Hertog, 2010). The food regulation literature draws attention to benefits and costs of food safety regulation in the food processing industry and dairy sector in particular.

Regarding social regulations, economic theories have developed along two schools of thought. The first school proceeds from the "public interest theories of regulation" which assume that an economic regulation is premised on the existence of significant market failures to protect public interests (Jalilian *et al.*, 2007). The second school looks at regulations from the private interest perspective (Den Hertog, 2010). These theories suggest that a lot of regulations will create economic inefficiency. They argue that regulation always leads to socially sub-optimal outcomes because of "inefficient bargaining between interest groups over potential utility rents" (Newbery, 1998). The theory of comprehensive rationality posits that political decision makers are self-interested utility maximisers who hold stable preferences and make strategic decisions to maximise the personal benefits of a given choice (Jones *et al.*, 2006). In the Chicago tradition of regulatory capture (Stigler, 1971), regulators are presumed to favour producer interests because of the concentration of regulatory benefits and diffusion of regulatory costs, which enhances the power of lobbying groups as rent seekers.

Opponents of regulations (e.g. Chittenden *et al.*, 2002; Sanjay and Dennis, 2009) argue that regulations restrict business start-up and contribute to business failure. The "problem" of regulations for business owners involves the diversion of scarce resources away from profit-generating activities towards the discovery and understanding of, and compliance with, regulations. Regulation distorts markets, reduces business rewards and disincentivises business growth all of which lead to a sub-optimal level of economic activity from which businesses, workers and consumers suffer. On the other hand, supporters of regulation argue that although regulations involve some costs for business enterprises, they confer benefits on business owners (Vickers *et al.*, 2003). Regulations are needed to correct market failures, promote fairness, ensure public safety and protect the environment (Blackburn and Hart, 2004).

With respect to the food industry, regulatory stringency has been the dominant instrument for achieving food safety and hygiene. For instance, as the dairy sector develops, the government needs to take special interest in the industry to ensure that milk is handled in a hygienic manner. However, according to Antle (1996) regulations add costs in the food industry, and this affects productivity and competitiveness of the industry. In line with Antle's view, this paper considers regulations to have an effect on

the competitiveness of the dairy industry. This suggests that ineffective regulations will make the business environment dramatically worse and will impede the ability of firms to compete. Therefore, there is a need to disentangle the impact of regulation from the many other factors shaping business performance, such as competitive pressures arising from the markets, relations at the workplace, the availability and cost of technology and owner-managers' knowledge and skills. This paper is an attempt to provide the basis for further exploration on the impact of regulations on business performance especially in the context of developing economy.

## Findings

### *Regulations governing the dairy sector in Tanzania*

One of the objectives of this paper is to identify the main regulations affecting the dairy sector in Tanzania. The analysis shows that there is a plethora of regulations geared to business registration, licensing, permits and inspections, labour issues and the environment. For example, the Dairy Industry Act requires milk processors to register with the Tanzania Dairy Board (TDB) and pay an annual fee. The Business Regulation Act provides for the procedures for issuing a Certificate of Registration to manufacturers, including milk processors, upon payment of a registration fee. The Business Activities Registration and Trade Licence Act established the Business Registration and Licensing Authority, mandated with the registration of all businesses including milk processors. The Tanzania Food, Drugs and Cosmetics Act provides for the mandatory registration of premises dealing with the manufacture of any product regulated by it. The Public Heath Act requires food manufacturers to register with the licensing authority. In total, the registration requirements force a milk processor to deal with 11 regulators, all of which are mandated to inspect premises and machines.

The Standards Act mandates the Bureau of Standards to grant a standard mark to manufacturers. The National Environmental Management Council (NEMC) is mandated to inspect milk processors to check their compliance with environmental standards. The Local Government Authorities (LGAs), the Occupational Safety and Health Authority (OSHA) and the Tanzania Food, Drugs and Cosmetics Authority (TFDA) are empowered to inspect the health status of workers. Transport of milk requires permits from the Ministry of Livestock and Fisheries Development (MLFD), LGAs and Ministry of Health, all of which are granted after inspection of vehicles. All inspections require the payment of a fee and require enterprises to spend time dealing with the regulators. So, milk processors in Tanzania are inspected by at least eight inspectors, who check different aspects of compliance. Discussions with dairy companies suggest that enterprises recognise the value of regulations in maintaining an orderly and hygienic environment. Nevertheless, they are concerned about the multiplicity of regulatory authorities, the duplication of regulations and the high cost of compliance. There is a feeling that most regulators are motivated by revenue collection rather than facilitating enterprises to comply with the regulations. Additional costs incurred by enterprises to comply with the regulations include the cost of familiarising themselves with the regulations, the cost of paying experts to facilitate compliance and the cost of meeting the reporting requirements.

### *Ma-milk Enterprise*

Ma-Milk Enterprise started operating in the mid-1990s in Dar es Salaam City. Ma-Milk, a medium-scale family business started as a milk kiosk selling hot milk. In 1996, Ma-Milk

secured a 1,000 litre milk-cooling tank from one of the dairy projects operating in Tanga by agreeing to become an agent and distributor of Tanga milk producers. In 1998, Ma-Milk set up a batch pasteuriser using biomass energy (sawdust) and packed milk in plastic pouches using Pronto type manual milk sealers. Ma-Milk then managed to handle up to 3,000 litres per day. When Ma-Milk ventured into processing milk, it became visible to the regulatory authorities. As capacity increased to 5,000 litres per day, Ma-Milk started to source milk from neighbouring regions. Currently, Ma-Milk processes 8,000 litres of milk per day sourced from 13 milk-collection centres. Ma-Milk is regulated by 15 regulatory bodies with overlapping roles and functions. The fees charged by regulators range from US$130 to as high as $1,300 for most certificates and licences. Un-receipted payments (graft) are in the range of US$200 per service/item. The most tedious are the permits needed for transporting milk, which are issued at a fee of US$15 by the MLFD, the Ministry of Health and all district authorities. For Ma-Milk to transport milk through three districts requires three permits. If one permit is not there, the vehicle is detained. Securing a licence and the follow-up involved takes from seven days to over one month. The company raised a concern about higher production costs due to the changes in production, transport or marketing processes required by the regulations. "The increased cost of regulations also leads to the increased cost of our products and to delays in the introduction of new products due to the need for producers to meet the product-testing requirement of the regulations", argued the owner of the company.

"*Chuchu Milk Ltd*"

Chuchu Milk Ltd is a small milk-processing company located in Dar es Salaam, with the capacity to process 6,000 litres per day. It is a family enterprise which started ten years ago. To legalise the business, the owner had to obtain 11 licences and permits from government agencies at a total cost of US$3,000, besides the cost of inspection and the fees for experts to facilitate the company's registration. Most of these licences/permits have to be renewed every year at a total cost of US$ 4,500. Before registering the company and starting operations, the owner had to meet the following regulatory requirements: site inspection and obtaining a building permit from the LGA; inspection of premises by the health officer; inspection of processing plant by the TFDA; inspection of the factory and testing of products by the Tanzania Bureau of Standards; inspection by the NEMC to check environmental compliance; inspection and registration of the factory by the Ministry of Labour; inspection by the OSHA; testing of products by the TFDA to ensure the safety and quality of the products; business incorporation/registration and trade licence; inspection of weights and measures; testing of each product by the TBS to ensure that they meet minimum standards; obtaining a tax identification number from the revenue authority; and registration with the National Social Security Fund. Completion of the registration and formalisation of the company took at least a year. Over the last six years, the company's milk trucks have always been stopped for inspection by district officials. These daily inspections are quite unpredictable and, since the trucks pass through six districts, the delays frequently cause whole consignments of milk to be spoilt. Each spoilage causes a loss of US$800 as the trucks are stopped in the middle of nowhere and the "inspectors" have no equipment or competence to conduct a proper inspection. "For a fee they would happily let the vehicle pass without inspection" said the owner. The cost involved in bribes is over US$3,000 adding a burden to the company. Although the trucks already have permits for transporting milk from the TFDA, the company has to pay for six more permits from the LGA's on a regular basis.

A further analysis of the regulatory costs to enterprises involved computing the actual costs of compliance, the time taken to complete the compliance process and the agencies involved in each stage of regulation. Since there is no unified official database from which the cost of compliance for the entire industry could be extracted on a systematic basis, this paper relies on case studies of individual milk processors and on the costs stipulated in the regulations. Compliance costs in US dollars for a

small milk-processing enterprise with the daily capacity of 6,000 litres and the agencies involved are shown in Table I. The analysis takes into account one-off and recurring costs as well as other costs incurred due to over regulation. The value of the time taken to comply is estimated, based on the labour costs of the enterprise. These calculations reflect more or less the official rates without the associated follow-up expenses.

Based on the data obtained from the enterprise records and from the regulations, the cost of compliance by a small milk-processing plant during the start-up phase was US$4,500. Recurrent compliance costs exceeded US$32,000 per year. The time taken in waiting for the necessary permits and licences during start-up was estimated to be 220 person-days, though in practice it could be less because some activities are done simultaneously. In the operational phase, compliance takes 367 person-days to follow-up on regulatory issues. Because of the cumbersome process involved in dealing with the regulators, both enterprises had full-time staff to handle compliance matters. The minimum cost of paying the staff engaged is US$4,800 per annum.

Observations made at the stakeholders' workshop indicate that regulations are generally acceptable and the business sector cannot operate without regulations. Regulations protect health and safety of customers, help businesses to improve quality and ensure that there are fair business practices. However, a number of factors contribute to over regulation in the dairy sector. First, it was noted that multiple uncoordinated inspections of premises contribute to regulatory complexity. Second, multiple uncoordinated testing of dairy products adds to the costs. Third, the multiplicity of licences for premises and products imposes a further cost, as an average milk-processing business is required to have licences for its premises, vehicles and products, most of which have to be renewed annually. Fourth, the legal framework does not provide for co-ordination of responsibilities between inspecting authorities, resulting in duplication of efforts. Fifth, the bureaucracy involved in the regulatory process and the use of regulation as a source of revenue motivate rent-seeking behaviour rather than facilitating enterprises to comply.

*Approaches used by private sector organisations to influence policy change*

TAMPA with the supported by the advocacy component of Business Environment Strengthening for Tanzania (BEST-AC), has attempted to spearhead initiatives to advocate policy change on the issue of regulations in the dairy sector. TAMPA adopted the five-stage approach commonly used by BEST-AC to influence the government to review the regulations. The approach entails five steps, namely, indentify the issue, understand the issue, develop responses and policy proposals, influence policy makers and follow-up. Although there are other private sector organisations addressing the issue in the dairy sector, the TAMPA initiative is used as a case study.

*Advocacy initiative by TAMPA*

TAMPA is a member-based organisation, whose mission is to promote the business interests of milk processors. The association is implementing an advocacy project that focuses on reducing regulatory burden in the dairy sector. With the support of BEST-AC, TAMPA commissioned a study in 2007/2008 on the extent and impact of regulation in the dairy industry. The study found, among other things, that the overlapping of regulatory functions was a major challenge in the sector. After understanding the issues, TAMPA commissioned a consultant to develop a policy proposal in 2009/2010. The proposal highlighted the need and strategy for harmonising regulatory functions in the sector. The main argument was for

| Regulation | Cost (US$) | Days to complete the process | Agencies involved |
|---|---|---|---|
| *Starting the business* | | | |
| Formulation of MEMAT | 267 | 10 | BRELA |
| Site inspection | 80 | 28 | LGAs, NEMC, OSHA |
| Building permit | 200 | 30 | LGAs |
| Premises inspection | 233 | 28 | LGAs, TFDA, TDB, OSHA, TBS |
| Business registration/licensing | 2,227 | 20 | BRELA, OSHA, LGAs, TFDA, TDB |
| Registration of machinery | 30 | 5 | Weights and Measures Authority (WMA) |
| Installation inspection | 133 | 27 | OSHA, TFDA, TBS, TDB |
| Depot registration | 23 | 2 | TFDA, TDB |
| Vehicle inspection/registration | 23 | 5 | TFDA, TDB |
| Environmental impact assessment | 1,000 | 60 | NEMC |
| Provisional tax/TIN | 333 | 5 | TRA |
| Sub-total | 4,549 | 220 | |
| *Operating the business* | | | |
| Premises inspection | 233 | 28 | LGAs, TFDA, TDB, OSHA, TBS |
| Vehicles inspection | 167 | 100 | MLFD, TDB, TFDA, LGA |
| Equipment inspection (milk cans, etc.) | 13 | 12 | TDB, WMA |
| Fire inspection | 133 | 1 | Ministry of Home Affairs (MHAs) |
| Installation inspection | 133 | 27 | OSHA, TTFDA, TBS, TDB |
| Weights and measures inspection | 333 | 2 | WMA |
| Workers' health inspection | 267 | 10 | OSHA, TFDA, TBS, TDB |
| Manufacturer licence (annual) | 83 | 5 | TFDA |
| Product testing & registration (four products) | 40 | 20 | TFDA, TBS |
| Evaluation of product promotional materials (four products) | 80 | 5 | TFDA |
| Annual license/permits | 193 | 1 | TFA |
| Laboratory sample analysis (four products for five years) | 123 | 7 | TFDA |
| Product quality standard testing | 288 | 100 | TBS |
| Product standard certification (annual) | 591 | 30 | TBS |
| Fire inspection fee | 133 | 5 | MHAs |
| Social security (20 workers) | 4,800 | 2 | National Social Security Fund |
| Local government levies | 200 | 2 | LGA |
| Company return | 10 | 5 | BRELA |
| VAT | 3,097 | 1 | TRA |
| Income tax | 1,793 | 1 | TRA |
| Special development levy | 2,718 | 1 | TRA |
| Property tax | 100 | 1 | TRA |
| Vehicle tax (six vehicles) | 600 | 1 | TRA |
| Estimated costs of labour for compliance (one person) | 4,800 | | |
| Revenue lost from down time during inspections | 12,000 | | |
| Sub-total | 32,928 | 367 | |
| Total | 37,477 | 587 | |

**Table I.**
Compliance cost of a small milk processor

**Source:** Costs compiled from the case study enterprises

the TDB to play the co-ordination role of regulation as a primary regulator of the sector. TAMPA shared the proposal with the main regulators in the sector and organised a stakeholders' workshop to deliberate on the issue. The stakeholders' workshop was attended by the major regulators, including TDB, TBS, key government ministries, TFDA, OSHA and LGAs. The main observation made was that each regulator claimed to exist legally and was mandated to regulate the industry. Implicitly, each regulator defended the fees charged to carry out the regulatory functions and none of the regulators was ready to give up any of its functions.

Following the TAMPA initiative, TDB picked up the issue and formed a committee comprising the major regulators in the sector. The main task of the committee was to explore the regulatory overlaps and propose a strategy for harmonising the regulatory framework. Although the task of the committee was similar to the advocacy project of TAMPA, the argument was that its members were from the regulators and could therefore give a second opinion. The committee reviewed various documents and interviewed various people in the regulatory authorities. TDB organised another stakeholder workshop to share a policy proposal prepared by the committee. As in the case of TAMPA, the main proposal from the committee was to harmonise the regulatory functions and TDB to play the primary role of regulating the sector. Unsurprisingly, the reaction of the regulatory authorities was similar to that at the TAMPA workshop. The main concern was loss of revenue and significance of the authority. Although the regulators did not agree on the strategy to harmonise regulations, they acknowledged that the sector was over regulated. Both TAMPA and the Dairy Board have since prepared a policy brief to influence policy change. The main strategy that is being used is to direct efforts to the people with decision-making power and, ideally, to the people who influence the decision makers such as parliamentarians and the media. TAMPA has published a policy brief, fact sheets and several newspaper articles to share the policy proposal with the public.

Although TAMPA has been somewhat successful in communicating its policy proposal to regulators, harmonisation of the regulatory functions is yet to be realised. Nevertheless, the fact that the TDB decided to work with TAMPA on the issue shows the potential for public-private dialogue and is a good example of a policy coalition. The main challenge facing both TAMPA and TDB, though, is how to influence the government to take actions. The follow-up of the progress suggests that, although the government claims to share the concern of the private sector, it is not taking serious actions to address the issue. This situation is not unusual, since it has also been reported in other African countries (Agboli and Ukaegbu, 2006) that most proposals made by the private sector are on the laundry list of what the government should or should not do. Therefore, building the political will to act on the problem and its solution is the centrepiece of advocacy. The techniques that have been used by TAMPA include coalition building, negotiation with decision makers and awareness building through mass media. Importantly, even with TDB support, TAMPA needs to form coalitions with other key stakeholders.

## Conclusion and implications

This paper shows that regulatory and associated costs paid by firms in the dairy sector increase the burden on business and therefore affect their ability to compete. So, rationalisation of the regulatory framework in the sector is a sensible solution. In view of the evidence presented in the paper, there is a need to review the current regulatory system to comply with international best practices. This entails: the removal of unnecessary controls on business activities; simplifying the process to reduce the compliance costs; separating the competing functions of regulation and

revenue generation; and inter-agency co-ordination to improve consistency and efficiency in administration. Another key aspect is whether the stakeholders advocating the review of regulations will succeed. In this case, it is important to note that advocacy initiative is effective when the change is actually implemented or an effort is made to implement it, as actual implementation may also depend on decisions by others who were not reached by the advocacy effort. Drawing on the experience of TAMPA, besides creating awareness of the issue, the desired policy change has not happened, partly because regulators are striving to keep their functions. Using a limited range of advocacy techniques (particularly coalition and awareness building) might have affected the success of TAMPA. Arguably, the association should engage with other relevant stakeholders which have a special role in reviewing the regulation including the Prime Ministers' Office. Using a wider range of advocacy techniques is likely to increase the chance of success. Since achieving policy change through advocacy is most likely to be a gradual process, the effort to bring change should be a continuous process. There is a need, therefore, for private sector organisations to evaluate their effort and monitor progress so as to take adequate measures to speed-up the process. But, above all, private sector organisations need to recognise change may take some time and so they need to be persistent. They also need to develop the required expertise in turning research into policy positions, understanding how policy process works in government and forming coalitions.

## References

Agboli, M. and Ukaegbu, C.C. (2006), "Business environment and entrepreneurial activity in Nigeria: implications for industrial development", *Journal of Modern African Studies*, Vol. 44 No. 1, pp. 1-30.

Antle, J.M. (1996), "Efficient food safety regulation in the food manufacturing sector", *American Journal of Agricultural Economics*, Vol. 78 No. 5, pp. 1242-1247.

Blackburn, R. and Hart, M. (2004), "The burden of employment regulation in small firms: hyperbole or reality?", paper presented at the ISBA/ACCA Regulation Day Conference, 23 January, London.

Chittenden, F., Kauser, S. and Poutzouris, P. (2002), "Regulatory burdens of small business: a literature review", available at: www.sbs.gov.uk/content/analytical/research/Regulation-Report.pdf (accessed March 2011).

Den Hertog, J. (2010), "Review of economic theories of regulations", Discussion Paper Series No. 10-18, Utrecht School of Economics, Utrecht, available at: www.uu.nl/rebo/economie/discussionpapers (accessed March 2011).

Irwin, D. (2008), "Can the private sector successfully advocate change in public policy in Africa?", paper presented at the Annual Conference of the Institute for Small Business & Entrepreneurship, Belfast, available at: http://irwingrayson.com/dloads/isbe08psaAfrica.pdf (accessed March 2011).

Jalilian, H., Kirkpatrick, C. and Parker, D. (2007), "The impact of regulation in economic performance in developing countries: a cross country analysis", *World Development*, Vol. 35 No. 1, pp. 87-103.

Jones, B., Boushey, G. and Workman, S. (2006), "Behavioral rationality and the policy processes: toward a new model of organizational information processing", in Peters, B. and Pierre, J. (Eds), *Handbook of Public Policy*, SAGE Publications Ltd, London, pp. 49-75.

Newbery, D.M. (1998), "Rate-of-return regulation vs price regulation of public utilities", in Newman, P. (Ed.,) *The New Palgrave Dictionary of Economics and the Law*, Macmillan, London, pp. 205-210.

Sanjay, B.V. and Dennis, H.T. (2009), "Cost of state regulations on California small businesses study", working paper, California State University, Sacramento, CA.

Stigler, G.J. (1971), "The theory of economic regulation", *Bell Journal of Economics and Management Science*, Vol. 2 No. 1, pp. 3-21.

Tanzania Milk Processors' Association (TAMPA) (2010), "Improving competitiveness of the diary sector: a policy research paper", presented to the Dairy Industry Stakeholders Workshop, Dar es Salaam, 25 March.

Vickers, I., Baldock, R., Smallbone, D., James, P. and Ekanem, I. (2003), "Cultural influences on health and safety attitudes and behaviour in small businesses", *Research Report No.150, Health and Safety Executive, Norwich*.

World Bank (2004), *World Development Report 2005: A Better Investment Climate for Everyone*, IBRD/World Bank, Washington, DC.

**Further reading**

Palmer, K., Oates, W.E. and Portney, P.R. (1995), "Tightening environmental standards: the benefit cost or the no-cost paradigm?", *Journal of Economic Perspectives*, Vol. 9 No. 4, pp. 119-132.

Minogue, M. (2005), "Apples and oranges – comparing international experiences in regulatory reform", *Occasional Lecture 13, Centre for the Study of Regulated Industries, University of Bath, Bath*.

World Bank (2011), *Doing Business 2012: Doing Business in a More Transparent World*, World Bank & IFC, Washington, DC.

**Corresponding author**

Dr Goodluck Charles Urassa can be contacted at: goodluck@udbs.udsm.ac.tz

To purchase reprints of this article please e-mail: **reprints@emeraldinsight.com**
Or visit our web site for further details: **www.emeraldinsight.com/reprints**

**This article has been cited by:**

1. Irwin David. 2014. Features of business association advocates in Africa. *International Journal of Public Sector Management* **27**:4, 306-316. [Abstract] [Full Text] [PDF]