



EAST AFRICAN COMMUNITY

IN THE EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)

The Official Report of the Proceedings of the East African Legislative Assembly 99TH SITTING - THIRD ASSEMBLY: SIXTH MEETING – THIRD SESSION

Wednesday, 20 May 2015

*The East African Legislative Assembly met at 2:32 p.m. in the EALA Chambers, EAC
Headquarters, Arusha, Tanzania.*

PRAYER

(The Speaker, Mr. Daniel .F. Kidega, in the Chair.)

(The Assembly was called to order)

COMMUNICATION FROM THE CHAIR

The Speaker: Honourable members, it is not usual that we start ten minutes late from 2.30 p.m. We have had a series of engagements which relate to this very sitting and the welfare of the Assembly and the Community. We had a Commission meeting and we have covered good grounds with the Chair, Council of Ministers to make this debate more helpful. I thank you.

LAYING OF PAPERS

Mr. Christophe Bazivamo (Rwanda): Mr Speaker and honourable members, I beg to lay the report of the ... East African Community Petroleum Conference and exhibition held in Kigali from 4-6 March 2015 with the theme, 'East African proven destination for investment in petroleum resources for regional sufficiency and lasting socio-economic development.' I beg to lay.

CONSIDERATION OF THE BUDGET OF THE EAST AFRICAN COMMUNITY FOR THE FINANCIAL YEAR 2015/2016

(Resumption of debate interrupted on Tuesday, 19 May 2015)

The Speaker: Honourable members, you will remember that last evening after the very able presentation of the Committee on General Purpose report by the chairperson, it was only the honourable Secretary General who debated the report and we had to adjourn. Debate is now open.

Mr. Martin Ngoga (Rwanda): Thank you very much, Mr Speaker for the opportunity. First of all I want to thank the Chair, Council for a very eloquent and detailed speech and also the General Purpose Committee for the job well done. Thank you, hon. Odette for the quality leadership you provided to the committee.

Mr Speaker, I would like to make a general observation that in future arrangements, it would be a good idea if members have no time to go through the report of the committee before the substantive debate commences. These are our representatives who interact in more details and with more time with those who prepare the Budget so it is just logical that we have more time to read their report and internalise the content before we go into the details during the debate.

Mr Speaker, I have a few observations and one is about the East African Court of Justice. This court has just been given an extended jurisdiction which covers the area that is likely to attract a lot of litigation which is a good sign. In the profession of law, we do not treat flooding of litigation as a bad sign because what it means is more trust into the judicial process where all the commitments you make in our integration process are secured. So I think this court should expect a lot of litigation.

I have done a bit of research to see the trend of the budget of the court and I have noted that for four years running, the budget has been stagnant at \$ 4 million plus. Therefore the difference between this year and last year is very minimal which means either last year they were over funded or this year they are underfunded because clearly the task is not going to be the same.

I think this is something that needs to be addressed because this court has to be efficient. The jurisdiction it has just been given is going to cover issues to do with business and trade. These are the kinds of cases that need quick solutions by their nature otherwise it is going to be the court that delays decisions and that would not be good for its mandate.

Another point Mr Speaker is something that does not feature in the Budget but which we might need to consider for future arrangements. It is a trend in regional groupings that their courts of justice are located away from their Secretariats. The court for the European Union is in Luxembourg. The COMESA court has just been relocated to Sudan. It gives the appearance of more independence and provides an environment of freedom and independence that these judges and other judicial personnel need.

I have note din the speech by the Chair, Council that processes are on-going to construct the headquarters of the Inter University Council in Kampala, I think. We have the Lake Victoria Basin Commission in Kisumu so it is along the same reasoning that we must think about relocating the Court of Justice away from the headquarters; from where the Secretariat is most especially because the Secretary General is going to appear before the court as many times as possible ad that is a good sign. There is no problem with that.

Mr Speaker, I also want to comment about the chain of accountability. This budget that we get through a very difficult process needs to be secured and properly spent. When I look at the chronology of events, you do not see anything beyond the audit and beyond the debate in the House on the Audit report. So what happens to those who have been found to have misappropriated the Budget? Those who engage in embezzlement? What jurisdiction can handle them because what we have heard from the Secretariat is that money gets recovered but I do not think recovery alone is enough when the matter is criminal in nature.

In the same way, we have the Audit Commission which is constituted by Auditors General from Partner States, we can also have the Directors of Public Prosecutions forming a body that

can take over matters that are criminal in nature and pursue them in courts of law so that we complete the chain of accountability and we do not leave any gap that may provide a loophole for those who engage in misappropriation of our resources to go with impunity.

Mr Speaker, with those few comments I thank you once again for the opportunity.

The Speaker: Thank you, hon. Martin Ngoga.

Mr. Yves Nsabimana (Burundi): Thank you, Mr Speaker for giving me the floor and the opportunity to comment to this Budget. I start by congratulating the Chairperson of the Council of Ministers for the rich speech he delivered. Thank you, hon. Odette and your committee for the deepest report you have given to the House.

Mr Speaker, a budget is an estimate which shows how the management implements the mission, the vision and the objectives of the Community. With this august House, we are going to see if it is the case in this Budget presented to us.

According to the statement by the Secretary General, the mission and the vision for the EAC is on page one and I quote, “The vision for EAC is to attain a prosperous, competitive, secure and politically united East Africa while the mission is to widen and deepen the economic, political, social and cultural integration in order to improve the quality of the lives of the people of East Africa through increased competitiveness, value added production, trade and investment.”

Regarding the objectives of the Community, the Treaty stipulates that the Community shall among others assure the attainment of sustainable growth and development of the Partner States, strengthening and consolidation of cooperation in agreed fields, promotion of sustainable utilisation of natural resources based in the region and strengthening and consolidation of the long standing political, economic, social, cultural and traditional ties between the people of East Africa.

The priority programs for the year 2015/2016 can be found on page four on the same statement and I would like the House to focus on projects and programs on points (e), (f), (j) and (g). Why I say this is if I analyse the budget proposed to us, I find that the amount allocated to the projects and programs represent 9 per cent of the total budget. There is 3.4 per cent for cross border infrastructure, 5.1 per cent for food security and climate change, 0.4 per cent for the industrialisation policy.

That is to say that 90 per cent of the total budget is allocated to pay personal emoluments and administrative costs. Mr Speaker, what is interesting for our citizens is omitted in this budget. It is a budget for those who are working for the Community and not a budget for the development and welfare of our citizens.

This budget will not achieve the mission and the vision of the EAC and will not implement the priority programs expressed in the statement by the Secretary General.

Another comment I would like to raise is that because this august House has many times said that our budget depends on donor funding, the management has abandoned some programs and projects founded by development partners toacerbate the budget. It would have been good if they had maintained that funding and found a mechanism to finance programs and projects by internal resources by Partner States. That would have been a good solution or the Community.

I will give an example. Imagine Mr Speaker that the Community decided to invest a half dollar by each citizen and each Partner State decides to pay for the *wananchi*, every year we would have every year more than \$ 70 million to be invested in programs and projects for the welfare of our citizens.

We would have enough money to invest in infrastructure, in energy, in agriculture, in our environment, in health, in research, in education and so on and they would curb the unemployment we have in the region. I believe that it is possible to reach this objective. All we need is political will from our Partner States and this can be a mission given to the Council of Ministers.

I believe it is possible to reach this objective, we only need political will from our Partner States because this amount represents less than 3 per cent of the amount collected by our respective revenue authorities. Remember Mr Speaker that these revenue authorities have been benefitted by the implementation of the Customs Union and the Common Market Protocol because trade has been increased by the implementation of those protocols and it can be very legitimate for the Community to have a benefit from that increase of trade.

Finally Mr Speaker, I was waiting to see in this budget the commitment by the Council of Ministers to implement decisions made by the Summit and the recommendation given to the Council of Ministers by this Assembly was that if we go through the budget, you do not find any budget line to implement those decisions and recommendations and I can give some examples.

There is implementation of institutional review, we do not have any budget line on it. We have recommended to have value for money audits, we do not have any budget line on this as well. We have raised the problem of the maintenance of these headquarters but we do not have any line for it. We have raised a recommendation on VAT collections, we do not have any revenue coming from the collection of VAT. That is why I recommend to this House if we can come with a big and string recommendation to ask the Council of Ministers to show how they can implement our recommendations and how they can implement the decisions from the Summit.

With those few remarks, I support the budget.

Ms Maryam Ussi Yahya (Tanzania): Thank you very much, Mr Speaker for giving me the floor. Let me also take this opportunity to congratulate the Chair, Council for his eloquent report of the Budget speech and also for our Chairperson of the General Purpose Committee for the job well done. We have been working with her for the previous two weeks analysing the budget.

Mr Speaker, I must declare that I am a member of the General Purpose Committee and this budget we have with us, we have been analysing it as I said for two weeks.

Mr Speaker, my concern in this budget is non-utilisation of funds that are allocated to some projects. I remember last year that some departments came to us and asked us for more money that they do not have money for their projects but we were wondering that this time when we were looking at the budget utilisation, some projects have zero utilisation. This means that funds were available but they were not used. We put questions on why and we were told that the problem was institutional review caused some projects not to be finalised due to problems of human resource.

Therefore, I am urging the Council of Ministers because I remember last year that the Chair, Council stood here and told us that institutional review would be finalised yet we had the same

problem. When we asked about non utilisation we were told that because the institutional review has not been finalised, that is why we are having this problem. So I am really wondering if we really want this institutional review to be finalised because it has already taken a lot of funds yet nothing has been done.

Mr Speaker, institutional review also caused problems on our staff because we have staff who are on short term contracts, we have staff who do not enjoy the fruits of their labour. Most of our staff here are young people with their young families very dependent with their extended families but they cannot even enjoy full contracts of their work because the institutional review has not been finalised.

Mr Speaker, this plenary we are enjoying doing our meeting properly since we arrived here is because of this very staff. They are making sure we arrive safely, we stay safely wherever we stay, we attend plenary here, we go home safely yet their issue has not been taken care of.

I am urging the Council and the Secretariat to look into this institutional review but more importantly, to look at the welfare of our staff.

Secondly Mr Speaker, we have realised that the social sector has not been poorly funded. I will give the example on page 52. The Chair, Council in his budget speech has stated that child policy is one of the priorities but if you look into the details, the EAC Child Rights Conference has requested \$98,700 only just for convening their meeting in regard to the child policy. How much money has been allocated? Zero for the FY 2015/2016.

I was wondering because this has been put on the priority list yet there is no money. We have urged the Council of Ministers, we have tried to reallocate the funds to give them this \$ 98,700 that we have proposed in the committee.

Lastly I will talk about sensitisation. I have been singing this song every time when I stand here and I have said before that we have talked to the Council of Ministers about this and most of the time they are saying that most of the sensitisation needs to be done from the Community funding yet we have seen the sensitisation of university, the money allocated was zero.

Mr Speaker, we have also been informed that the donors are starting to be hesitant to fund sensitisation which I would understand. It is like you want to paint your house and then you go to the neighbour asking for the money for the paint. We need to sensitise our people ourselves. Donors are starting to get tired on issues of sensitisation.

If you see the budget, so many things have been achieved but most of our people do not know that this has been achieved. It is only the technocrats who have this information so we need to sensitise our people at least to let them know that the Community is working for them and there is some progress. Thank you, Mr Speaker. I am supporting our report of the General Purpose Committee on the budget.

The Speaker: Thank you, hon. Ussi.

Mr. Frederic Ngenzebuhoro (Rwanda): Thank you, Mr Speaker. Allow me first to thank the General Purpose Committee for the well done and instructive report and in a special manner, its chairperson hon. Dr Odette Nyiramilimo.

I wish to take this opportunity to also thank the Council for the tangible commitments that have transpired in the Budget Speech done on 14 May 2015. I have no doubt that all those commitments will be reached and achieved.

If we go through the speech, we see that the priority programs for the implementation of the Financial Year 2014/2015 and the key achievements for that period- we see that we are on a good trend to a very real integration of the Community and that is very encouraging.

Mr Speaker, in the Budget Speech, the Chairperson of the Council elaborated on the issue of agriculture and food security and insisted on the Malaba declaration which addresses agricultural transformation and food security agenda in the decade 2015 where we are now to 2025. That declaration includes the commitment to ending hunger in Africa by 2025; in 10 years.

As the minister said, ‘These commitments are pertinent to and are of great relevance to our integration process.’ I totally agree with him. ‘EAC is further committed to implement projects and programs that will contribute towards fulfilling commitments in the Malaba declaration.’

Under chapter 18 of the Treaty about the issue of agriculture and food security especially in Article 105(a), Partner States agreed to have a common agricultural policy and also to reach food sufficiency within the Community. In my point of view, to reach food sufficiency, one of the ways used over the world is to expend agricultural land through irrigation and water catchment programs.

Fortunately, our Treaty in its Article 109 clearly says, ‘Partner States agree to cooperate in developing and preserving traditional irrigation systems, improve water catchment management including rain water harvesting and adopt and promote the use of environmentally safe methods of land use.’

In our region unfortunately, rain water harvesting is not there and sometimes, rain water is a source of catastrophe. In other regions for example in Western Africa, when they have water, that water is kept and used for agriculture. In some countries like Burkina Faso, they can even export agricultural products thanks to that rain water. Here, people are suffering from that. My last example is what we saw in Dar es Salaam, Tanzania with the floods. I take this opportunity to sympathise with those who have been victims of that catastrophe.

I wish to know whether there is a strategy to implement the provisions of Article 109 if you consider what I have said. I would like to know how this budget addresses the issue of food security through tangible and concrete projects and what those projects are. I would like to know when we can expect to have a common agricultural policy in the region.

Lastly, this region is blessed with a lot of water. Please, let us put in place programs which can curb hunger through irrigation programs. Thank you and I totally support the report.

Ms Nancy Abisai (Kenya): Thank you, Mr Speaker. To start with, I want to say that I am a member of this committee and I stand to support this report. I would like to start by congratulating the minister for the very able presentation of the Budget speech in the way that it was presented.

Secondly, I also want congratulate the Chair for presiding over this very important Budget session of the committee.

Because I was a member of this committee, a lot of issues that we raise in the committee and Mr Speaker, you ruled very well yesterday when you gave members an opportunity to be able to go through the documents. Most of the issues; the questions and the way they were responded to and the tabulations of those responses that we raised as a committee are within the report of the committee so I am sure members had the opportunity to read.

I will not belabour on those. I would just like to mention three things very briefly. One, important to note in as much as we know that there are no processes which are perfect, it is important that in the coming Budget making process, we put more emphasis on concentrating on the broad development objectives and the key priority areas and the activities that are proposed are in tandem in achieving those broad development objectives.

I think that was the anomaly that we wanted to know, that you find a very good broad development objective but the activity that is earmarked towards achieving that objective then may not be able to realise what we thought we would do.

That is a key area and that was something that across the board we said that is maybe something that can be improved on and like we said, processes are not perfect but with time, we can try to look at the activities and ensure that those activities are in tandem with the broad development objectives or as clearly and very eloquently stated by the minister in the Budget speech, can also answer to those priorities.

Having said that, I also want to mention one thing. Yesterday the Secretary General did respond to the committee's proposal of having a travel policy. The Secretary General, in his remarks, said that it is not possible to have a travel policy because travel cannot have policy.

I want it to be on the record of this House that as a committee, we were not objecting to travels at all. It is important for the Secretary General to travel and the Executive staff to travel. That is not what we were saying but we were saying that in some instances, it could be subject to abuse or maybe how long a person can stay out of the office.

We know that his travel has achieved results and there is no doubt about that and we know the input of the technical staff. So we are not opposed to the travel and that should go on the record but we are saying that we should be able to know the manner in which this travel is done so that it is not subject to abuse.

Secondly, we wanted to also say that we proposed to have a consultancy policy. You find in some instances that there are some consultants who were even being paid \$ 4000 per day for 12 days. You find some people being paid \$2000 and some are being paid less.

I know there is import in terms of the kind of activity; financial sector cannot be the same as infrastructure or social sectors and we know that but I think it is important if we could have a way in which this is regulated so that there is a uniformed manner of dealing with issues of consultancy. That is what we were saying in short.

Lastly Mr Speaker, I would like to emphasise on the need of – We have said it but I find it important for us to raise it again on the floor of the House. With the current changing weather patterns, we hope that funding to the meteorology department will be increased in the next budget. They have always been under funded, it is a department that has been underfunded. I know that we even proposed that it be moved but of course technically we were informed because the meteorology deals with various aspects, maybe it may not be moved but we think that it should be considered for additional funding so that it can be able to undertake the various activities affecting the Community.

Lastly, I would like to propose an amendment to our report. I said I am a member of this committee but this is a slight amendment. The amendment that I would like to propose is that the analysis of the EAC Budget drivers by Organs and institutes, analysis of the EAC Budget major drivers by projects and fund source be included to be part of the report as annex four. Thank you, Mr Speaker.

Dr. James Ndahiro (Rwanda): Thank you, Mr Speaker. Honourable members, I would like to assure you that the Budget we want to pass is nothing more than a recurrent budget purely and that was emphasised by both the Secretary General and the Council of Ministers when they told this House that the mandate of the Secretariat is coordination and coordination of activities requires meetings and travelling. That is why when you look at the table hon. Nancy was annexing to the report, it will show you that travelling alone; air tickets in a sector like EALA takes 9 per cent, Secretariat 27 per cent, Lake Victoria Basin Commissions 15 or 16 per cent – really this is just a recurrent budget.

Now even wasting time to look at these estimates is to follow delayed processes and procedures but there is nothing much of value we are adding. We have done this for several years and it is difficult to pass a budget and you are well aware that more than 80 per cent will be money for meetings, consultancies and travels.

I told the Chair, Council during our interactions that probably the leaders of this Community should sit down and re-think and give strategic direction that will lead us to sit and plan how to make this region competitive and to make our people realise the benefits of integration.

We have even failed to agree that we start with three sectors, maybe education to the Centre. Let those sectors be managed as East African projects. Eventually we can keep on adding and the benefits will be seen and realised by people.

Mr Speaker and members, if we are passing a budget that will bring more files, more reports as a result of consultancies, very soon we shall be short of answers to our people. The Treaty has pronounced itself that this is a people centred integration. This is a private sector led integration. I am wondering the F&A committee when interrogating this committee, how they dare even imagining that they can slash the commitment made by our leaders. I will give you a simple example.

The Summit has pronounced itself on issues of e-passport and we were told that by November 2015, we shall have operationalized the East African e-passport. Honourable members, go to annex 2. Check. All meetings of immigration officers, all activities related to the internationalisation and operationalization of the e-passport there is zero funding. Who does that? Who takes such a decision?

We had a Summit directive and you have an F&A which just cuts. I was going to say blindly but I will be abusing blind people. They just cut- I do not know who authorises them.

Mr Speaker, again – (*Interruption*)

Mr Bageine: Thank you very much, Mr Speaker and thank you very much my brother, hon. Ndahiro. The issue of operationalization of the East African pass port was concluded and the Partner States have budgeted for the production and issuance of passports. The meetings which deliberated on this issue concluded and Partner States are now in the process of procurement of passport and this issue will be launched in the next Summit in November this year.

It is hoped that by 1 January 2016, people travelling outside East Africa will be using the East African passports rather than the national passports. I thank you.

Dr Ndahiro: Thank you, hon. Bageine. Members, there is a problem. Check annex 2. We are told that all meetings were conducted and we are just awaiting the issuance of passports. The technical people feel that before such an exercise, there are other activities that are not. Do we believe the technical people or the Council?

Let me now believe the Council and go along with that commitment. This brings me to another problem. Mr Speaker, I think it is necessary to again sit and think whether we need to use the MTEF as a budgeting tool under these circumstances and under the set-up of our integration procedures.

The MTEF presupposes that activity-based budgeting is not an issue of one's decision or people getting up and saying this is a priority over this one. It presupposes that you have agreed on a series of activities and you have agreed on priority areas and how you are going to achieve them.

What we are realising is that we have a five-year development plan, five-year development goal but honourable members, even the 2006-2011 development plan was not achieved. If you do the analysis you will find that out of all the listed priorities and activities in that development plan, not more than 30 per cent was achieved.

We started on the 2011-2016 development plan and out of that, because again our role of coordination we just use those goals as blankets to cover ourselves, what we do and what we have achieved, if you measure it, not even 30 per cent of the development plan. Are we going to continue using the development plan just to plan for meetings and travelling? When shall we ever achieve the goals and activities in the strategic plan?

In the report we have talked about resources financial and human. Hon. Ussi mentioned an issue that is of importance to all of us. If you ask the human resource department to give you a list of able, well trained East Africans who have left this Community and gone elsewhere to pursue better terms and yet we are claiming that we do not have skilled people or enough people, there is a contradiction.

I would like to request this august House to take a position. It is not proper to have employees working for the Community for nine or ten years without a single salary increment and when they – the 3 per cent salary increment. Honourable members, you know the cost of living outside here. What will 3 per cent salary increment mean? Nothing. Why don't we put our foot down and say, Council and Secretary General, go and get resources so that we at least give 10 per cent salary increment to all the staff? That will translate, if necessary, in less travels I am telling you. We can tell them where to get the money from.

If for instance you go to the air tickets or travel budgets and say, I want an equivalent of 10 per cent of this to go and improve the welfare of the staff, they will be fighting to use these video conferences like hell but without that motivation, they will make it even difficult.

So I am appealing to this august House to ask the Council of Ministers to give a 10 per cent salary increment to the staff.

Secondly, there are issues in the report that require clarification. We were told here yesterday and even during the interaction with the Council that issues of reserve funds is a difficult topic that cannot be discussed. Who is entitled to have such information and who takes the decision? I thought the Council is on top of everything.

Regarding utilisation of reserves, if need be, let the Council bring us the policy here because normally reserve funds are not an expenditure line. If we do not have a clear policy then we better develop it. We were even shocked to hear that even interest on our gratuity funds the Community. That is illegal. If I have worked and my gratuity I know is 25 per cent of my salary and then at the end of the year all the interest is channelled to the Budget, I am funding the Community. If this is not addressed immediately, we shall resort to court. Who drafted that policy? Can we have a copy of that policy? It is not proper.

I would like to investigate even whether the members of staff who leave this Community whether they are given, on top of their gratuity, the interest accrued. If not, they should come back and claim for it.

Mr Speaker, annex 2 again shows us a list of activities in productive sectors that are not funded again slashed by F&A but if the Treaty says this is a private sector led integration and you know, we have been having meetings that bring together private sector players who actually come up with ideas that form part of our Bills, private sector people have been meeting for the last three or four years. They have helped us to identify non-tariff barriers, they have helped us to bring two important Bills in this House on improvement or making this region more competitive and you give no money to that forum?

I think they were confused by the name of the forum. Because it is called the SG forum, they thought probably that it is a political forum but this is a private sector forum. If you have been meeting and you have agreed with the private sector players in the region that this is an annual activity, they are there planning for that conference to bring ideas and you say there is no money, I think the Council should reconsider.

On the issue of funding this Community, budgeting requires sharing meagre resources and – I do not know in other people's language but in my own language, we say that when you are sharing meagre resources, you call each other greedy and you are always fighting. It is time for us to agree that we need alternative sources of funding. If the Council and the Summit cannot agree on the proposal, we have many other proposals and I would like to give one.

They have failed to agree on levies put on import to our Community or to our Partner States. There is another simple source that they can agree on. I want us to dedicate at least 10 per cent of capital gain in our Community to fund Community activities. Let me explain. Capital gains are monies given or paid by our people; the consumers to investors whether domestic or foreign. I do not know a single country in East Africa that has proper management of capital gains tax. That is the tax they use for attracting investors saying, whatever you earn in this region we shall charge you only 5 per cent. Those are dividends.

If you calculate how much money this region pays per year, Kenya alone pays out more than \$ 30 billion per year in capital gains and these are the donors or development partners. So the money comes, goes back there and then they choose to fund some specific sectors they want to. That is another alternative they can think about because it is not painful to anybody. Any transaction or capital gains in this region, any dividend paid, management fees – If we can levy only 10 per cent, or even 5 per cent, that money is enough to fund the activities of our integration.

So let us not limit ourselves on customs duties and other things. There are wider areas we can think together and get the budget to fund this Community. Thank you, Mr Speaker.

Mr. Jeremie Ngendakumana (Burundi): Thank you, Mr Speaker. Let me first of all congratulate the Chair, Council of Ministers for the vibrant Budget speech we have got from him. Let me also thank the Committee on General Purpose through the Chair for the work well done and for the strong recommendations that they have raised.

Mr Speaker, when you read the very first pages of this Budget, you find that previously we recommended that Partner States make efforts to fund its Budget more. On the very first stages you can see that from the Partner States, in 2014/2015, the Partner States funded the Budget of the Community at about 41 per cent while the development partners funded at about 59 per

cent. For this 2015/2016, it appears that we have made an effort because we are supposed to fund about 47 per cent as funds from Partner States and 53 per cent as funds from development partners.

However, this is not the reality because there is a decrease from Partner States. That is why our budget which was \$ 124,069,627 is now \$ 110,660,098 for this Financial Year 2015/2016. The Partner States have reduced their contribution from \$ 73,180,446 to \$ 58,555,635. It means that the funds from development partners have decreased and the contributions from Partner States went from \$ 50,889,180 in 2014/2015 and now it is \$ 52,105,463 for the budget FY 2015/2016. This means it is just an increase of \$ 1,215,283 which represented about 200 per cent increment.

The decrease from donors is related to some important sectors. The fiscal and monetary affairs which was funded to about \$ 30,698,000 last year is now reduced and comes to \$ 4,849,684. This means that this sector of fiscal and monetary affairs, which was funded partly by the African Development Bank – now the funds are reduced in this sector.

The World Bank also which funded at about \$ 7,038,020 now is going to fund to \$ 4,312,970. This means that the funds from donors have been reduced.

There is also the IUCEA which was funded at about \$ 3,428,214 by the Swedish International development Agency. Now they will not fund the IUCEA. I would like to say that the activities funded on this by SIDA in IUCEA is related to programs, linkages, exchange, partnership, human resources and administration so can we say that those activities are not necessary for IUCEA since SIDA which was funding those activities has withdrawn?

Mr Speaker, there is also the sector of environment and natural resources which was funded by USAID and from \$ 3,994,200 they have come to \$ 961,625. It is an important sector that needs to be funded more so now USAID that was funding this has reduced its funds – (*Interruption*)

Ms Nyirahabineza: Thank you very much, Mr Speaker for giving me the opportunity and I thank my brother hon. Jeremie for giving me way. The information I wanted to give to my honourable colleagues in this House is that contrary to what hon. Jeremie said that the contribution from our Partner States has decreased and that the contribution from development partners is supposed to increase, I think he did not capture the figures well because according to the figures we have in the MTEF, the approved budget for 2014/2015, last year Partner States had contributed \$ 50,889,180 but this year, they are ready to contribute \$ 52,104,463 and this gives us an increase of 2 per cent compared to what they did last year.

Compared also to last year, development partners were supposed to disburse \$ 73,180,446 but this year they are going to give us \$ 58,555,635. This means that there is a decrease of 20 per cent. That is the information I wanted to give before he moves further. I thank you.

The Speaker: I can see hon. Kessy rising on information also. Hon. Jeremie is the floor holder. Will you concede for that?

Mr Ngendakumana: First of all I would like to respond to the information given by hon. Valerie. That is exactly what I said. I am accountant, I read well the figures and it is written here. I am reading so –

The Speaker: Okay, just take it as a top up.

Mr Ngendakumana: Exactly.

Dr. Nderakindo: Thank you, Mr Speaker. This is just information. It is so sad to see that these documents that we have been given are misleading us. It is not true that the Partner States contributions are \$ 52,104,463. That is not correct although that is what is shown in the budget summary. In the diagram pie, it shows the red which is the development partners and the blue which is the Partner States.

There is a mistake that they combine the contribution of the partner States and what is called other revenues and lump it together to make it the contribution of the Partner States. So there is a mistake in the documents. The Partner States are contributing \$ 47,566,973 and not \$ 52,104,463. I will elaborate later when I have my chance to contribute. Thank you.

The Speaker: Thank you, hon. Kessy. Hon. Jeremie, the floor is yours.

Mr Ngendakumana: Thank you, Mr Speaker. I was saying that the decrease from the funds from IUCEA which were supposed to fund the programs, linkages, exchanges, partnerships, human resources and administration- I was wondering if those activities are not yet necessary from IUCEA so that they are not funded by SIDA, which was funding them before.

Mr Speaker, in the EAC Budget summary, we have some activities like the consolidation of the single customs territory, implementation of the EAC Monetary Union, development of cross border infrastructure, implementation of EAC food security action plan, and climate change master strategy and also the constitution making process for the EAC Political federation. Those sectors are left to the good will of the donors and I think that those are some important sectors in which the Partner States must contribute properly to make sure that we are moving forward.

When we have overall EAC Budget by category, we have development. In this area, in 2014/2015, the Partner States had contributed about \$ 7,046,141 and now for 2015/2016, the Partner States are supposed to contribute \$ 5,996,086. This means that in the sector of development, we have reduced our contribution.

Also the development partners contributed about \$ 57,943,858 and now they promise to contribute about \$ 42,087,706. This also means that the development partners have reduced their contribution.

I would like to say that if the development partners reduce their contribution, on the other side the Partner States should increase and not do the same if we want to build our Community.

Further on, there is a budget line called 'other charges'. This one is a kind of envelope. When we have many charges that we cannot know and that have been allocated so much money. In the Secretariat we have \$ 11,529,012 which is called 'other charges'. What are those other charges? In the EACJ, other charges are \$ 1,880,360. What are those other charges that we cannot know the exact nature? East African Legislative Assembly \$ 8,131,308 other charges. About half of the whole budget allocated to EALA. We have \$ 15,865,646 is the total budget of EALA and among this, \$ 8 million, about half of the whole budget are 'other charges'. What are those charges that you cannot break down and let us know exactly those kinds of charges? Lake Victoria Basin Commission \$ 2,130,926 are other charges. What are those charges?

It is the same in UCEA. Fortunately for IUCEA, those charges were funded by – Yes they were partly funded by development partners and from \$ 3 million last year, we are at \$ 600- Maybe they have changed the way they manage their budget.

In Lake Victoria Fisheries Organisation, the other charges have also reduced from \$ 2 million to \$ 778,000. So I would like to say that we need a break down of these charges because the amount allocated to those other charges are too huge that we must know what they are exactly.

Another issue is that the new institutions of the Community and I mean the East African Science and Technology Commission, East African Kiswahili Commission, East African Health research Commission, East African Competition Authority. I congratulate the Council of Ministers and also the Committee on General Purpose because those institutions are now funded by the Partner States. It is important that we take charge of our institutions. I congratulate them once again.

However, there is an issue – (*Interruption*) -

The Speaker: Tend towards summarising. Honourable members, every person who takes the floor should take five minutes maximum.

Mr Ngendakumana: There is an issue about CASSOA. I have been informed that the budget of CASSOA does not appear here although we have the mission to go in our audit, in the review of financial statements, CASSOA is part of the institutions that we access. So how can we be allowed to know how you are dealing with the budget without knowing the ... of your budget? I think that the budget of CASSOA should also be here knowing that in case they need an increment, we do the advocacy for them but it is somehow abnormal that we have to access the utilisation of budgets although we have not been informed about the source of this budget.

In conclusion there is an issue of the internal audit unit. We have been talking about it but now in this budget the funds allocated to the internal audit unit has been reduced. We have said that it is important that the internal audit unit be staffed enough and equipped enough so this cannot be done without the appropriate funds. I thank you, Mr Speaker.

The Speaker: Honourable members, just before you take the floor, I would like to, in a very special way and a unique way which we do not do, recognise the presence in the gallery of the deputy Secretary General in charge of Finance and Administration who has just joined the Community on 27 April, Mr Liberal Nfumuketo. (*Applause*)

We welcome you to the Community as an Assembly and we look forward to working with you. Thank you so much.

Dr. Kessy Nderakindo (Tanzania): Thank you, Mr Speaker. I know the debate on Budget, the way it goes and predominantly it covers the money but we are here as politicians but when we were young we did not start as politicians but as students and each one of us has their own profession and this is either for five years or for ten years.

I came here as a teacher and I will go back to teach East Africans. A teacher is always a teacher and my contribution will come from the point of view as a teacher.

Mr Speaker, when I received the documents in the nice bag, inside I found that there were nine documents. Before I start allocating my time, I had to see what I was supposed to do. I calculated and found that I was given 836 pages either to read or to look at. I started with the Budget speech. I already heard about the Budget speech but how am I going to contribute on it? The first thing to do is to compare it with last year's Budget speech.

We are talking about the first millennium development goal which is talking about eradicating poverty. Why was it made the first one? Because we are talking about human dignity.

Therefore, all the work that we are doing is at least to bring the level of dignity of the people of East Africa to the actual one which has been endowed by the almighty God. Therefore, this is for improvement of the welfare of our people.

As I said the last time I got a chance to contribute – (*Interruption*)

Ms Nakawuki: Thank you, Mr Speaker. I just seek to be guided- Now that the Chair, Council is back maybe we can proceed because I was wondering who we were talking to when the Chair, Council is not here.

The Speaker: Honourable colleagues, what hon. Nakawuki has raised is a very serious matter. I have been turning a blind eye along that line where the ministers sit alongside the Chair, Council of Ministers. I have consistently noticed that he has been having good company of hon. Shem Bageine and the previous day I think there was hon. Leontine. It is the concern of this Assembly that this is the Budget process and we would have expected the Ministers of East African Community Affairs to be in the company of the Chair.

I do not doubt the capacity of Chair, Council of Ministers but I would like this concern to be taken by you. Thank you. Proceed, hon. Kessy.

Dr. Nderakindo: Thank you, Mr Speaker. Maybe in my contribution, maybe that might also be clear.

Mr Speaker, as I said, I remember our beloved, one of the founders of this Community Mwalimu Nyerere saying, “For development, while the North is walking, the South should be running but now we have the East that is coming running so we have to be sprinting.”

I went back and quickly compared the Budget speech of last year and this year. Being a teacher, what would have been the assignment to my students comparing what is new in this year’s Budget speech? As usual I would direct my students to go and look at the outline. What is the theme, what are the different chapters or parts as called in this Budget and tell me what is new quickly?

Mr Speaker, I know this is a new Community, the Secretariat is still young and therefore, there must be some weaknesses but that does not make me fail to point out the weaknesses. Looking into last year’s speech and this speech, they do have the same theme and therefore, I expected the Budget speech for this year to have given us a reason why the theme has not changed.

Not only that, when we got the report from the General Purpose Committee, which I totally support and agree with, the theme was changed. In the Budget speech for two consecutive years, it was ‘Consolidating the East African Community Common Market and implementing of the Monetary Union Protocol’ but in the speech, it was talking about commencing the implementation of the Monetary Union Protocol. There is a big difference.

Mr Speaker and colleagues, we received a note that tomorrow morning we are going to meet with TWaweza. I have been part of giving information to TWaweza, I have been reading it, I am an educationist and it is very sad to know what is happening in our region. More than 43 per cent of the children under the age of five are malnourished and mentally stunted. Therefore, we know what kinds of children we are sending to school.

I am and I believe many of us are products of our education systems. I am a product of the Tanzanian education system. Mr Speaker, if we have students of standard 7, almost 25 per cent

of them do not have the skills or ability to do the work of a student of standard 2 all over the five Partner States, you will hear more of it from the TWaweza.

We have students from form 4 finishing secondary school who can hardly read English or write an application letter of three sentences correctly. We being a product of our education systems, it is important for these documents to be simple and clear.

Many times I have talked about the word 'KISS'. It is a very nice word. I pick it up from the European Parliament. It says, 'keep it simple and short'. Having all these documents brings confusion. It was pointed out what the information hon. Jeremie was giving and the information hon. Valerie was giving. Both of the information came from the documents.

Mr Speaker, I would say that when I went to this year's speech, I found in summary that they had six parts but one had two paragraphs, part two had four, part three has three, part four has 163 paragraphs, part five has seven and part six has three paragraphs. Therefore, it was important for me to concentrate on part four.

What does part four entail? Part four, the heading in capital letters says, 'Review of EAC program performance for the financial year-

The Speaker: Hon. Kessy, you are now a student of keeping it short. You have taken close to nine minutes and we had talked of five. I give you leeway because you have good information.

Dr Nderakindo: Thank you, Mr Speaker. I appreciate that. Mr Speaker, part four says, "Review of East Africa's program performance for the Financial Year 2013/2014." It is the largest part. More than 50 per cent of the speech was on that so I expected to see the performance of the programs of EAC for that particular year but unfortunately, that starts on page five. Just as you flip and go to page six, it is talking about the key achievements during the Financial Year 2014/2015.

The achievements of the FY 2014/2015 are under the program performance for the Financial Year 2012/2013. I can tell you as a teacher where they got that but I am not going to go into details.

We are now talking about human dignity. We cannot talk about democracy or equality unless we talk about the basic needs and one of them is water. Under the achievements of FY 2014/2015, we have the one stop border posts of which I appreciate the Secretariat giving us the statistics for the completion of the work but I am sad to say that in many of those posts on the Tanzanian side there is no water.

In particular, that one stop border post in Rusumo has no water and no electricity. At Mutukula, I am sorry to say that they do not even have provisions for toilets for the passengers. Where is the human dignity?

Mr Speaker, I know my time is up-

The Speaker: It is actually up. You are operating on a bonus.

Dr Nderakindo: Thank you, Mr Speaker but you did allow me to do that.

The Speaker: Summarise now.

Dr Nderakindo: Yes I am summarising. Before I finish, I know that I owe congratulations to the Chair, Council of Ministers for his hard work and the good work he did in reading us the

speech. I congratulate the Secretariat. I have been following their work and it is improving in quality although the M&A department still needs some more staff.

Before I finish, I owe great gratitude and congratulations to my friend, the Chairperson of General Purpose Committee, Dr Odette Nyiramilimo.

Last but not the least, the document from the General Purpose Committee was very clear. It was not necessarily short but it really went to the point and I owe congratulations to the Clerk of GP. With that I support the report.

Ms Susan Nakawuki (Uganda): Thank you very much, Mr Speaker for the opportunity for me to contribute towards this very important debate. I would like to congratulate the Chair, Council for this very good Budget speech. I would say it looks appetising and I also wish what is entailed in this Budget speech is what is entailed in the MTEF.

I would also like to congratulate the Committee on General Purpose where I am a proud member for the job well done. Actually we had to burn the overnight candle to go through this entire budget. The members were so dedicated only that we were punished along the way for falling sick and what not. But we worked generously that some of us were even sleeping at 4 o'clock as if we were going for national exams but we did it without complaining.

Mr Speaker, I want to also appreciate the members of the Secretariat who gave us the time and tried to provide answers to the questions that we had much as not all the answers were provided. We also requested for several documents, we were lucky to get a few and others we did not get but we still went ahead and did what we were supposed to do.

Mr Speaker, I really appreciate the Budget speech but nonetheless, I have a few concerns, most of which have been talked about by my other colleagues and I will try to be brief and try to skip what has already been discussed.

Mr Speaker, all along even from the previous years and the previous assemblies like the second Assembly, they have been decrying the under budgeting of the productive and social sector directorate. All the time it is talked about but no action is taken.

When you look at this directorate, when you go into the MTEF, it is the least funded of all. The allocation in this directorate is so miserable that even the members of staff who came to interface with us were equally concerned. We had questions that they could not answer and the unfortunate thing was we were not able to meet with the DSG Social and Productive Sectors because she was away.

Mr Speaker, I have been so concerned especially about agriculture and food security. In all the documents which were provided starting from the Budget speech, the explanatory notes to this Budget of Financial Year 2015/2016, we are talking so much about agriculture and food security but when you open the MTEF, it says the opposite. I just wonder whether we just cram texts or we get people to help us formulate these speeches to make it all appear rosy but when you do not have it at heart.

When you look at page 7 paragraph (h) in the explanatory notes to this Budget, one of the priorities for this financial year is ensuring food security in the region. Even when you look at page 37 of the Budget speech, the minister put it very clearly that it is one of the focus areas for this financial year but when you look at the monies allocated to this sector, the money is not there. Even the mandatory meetings, which are supposed to be carried out for example

convening the sectoral Council on Agriculture and Food Security, there is no budget allocation whatsoever.

This makes me wonder why we are doing things like this because this is a sector that touches the lives of East Africans directly. Just \$ 10,000 was requested to convene these meetings of the sectoral council but I do not know whether to say notorious F&A just slashed everything. I am wondering whether these sectoral council meetings are not going to take place.

I would beg the Chair, Council, the way he has done in the previous years to look for money and put it under this docket.

There was also money which was requested for assessment of food security action plan and formulation of phase two 2016-2050. \$ 149,000 was requested and the allocation to that vote is zero.

We realise that implementation of the current food security action plan is coming to an end and now there is need to review performance and what not but no money has been dedicated to the sector. It is my humble plea that you do something about this.

Still on the issue of food security, the directorate had planned for meetings of EAC Partner States on control and prevention of maize lethal necrotic disease which is pausing a threat in the region because many East Africans depend on maize for livelihood but still, even the \$ 39,000 which was requested was entirely erased by this powerful F&A and Council just watched as this is being done. To me this is detrimental to the Community. Please find funds for this particular activity.

My second issue, when you look at the explanatory notes and specifically the priority areas on page seven paragraph (i), it says that among the priorities we are going to conclude the negotiations of the tripartite free trade area agreement encompassing EAC, COMESA and SADC. This is something that has also been talked about on page 8 paragraph (h) of the Budget speech.

Mr Speaker, I should say I am worried. We are overstretching without thinking. We are opening up our doors to COMESA and SADC but are our local industries going to be able to survive in this completion? We have domestic industries which are still at the infant stage. We are just establishing ourselves in terms of industrialisation and now we say, let COMESA come on board.

We are so proud that we are going to sign in July 2015 but COMESA and SADC are being subsidised by governments which our governments cannot afford right now. When you compare the electricity tariff within East African Community, it is 20 times more than what is in SADC and COMESA. Now we are going to open up and I think there is no need for us to rush into this. We need to first get ourselves ready, we have to be prepared and we have to be ready for this big task otherwise we are going to suffocate our people, we are going to crush our economies as the other people are going to flourish. I beg Council to please postpone. Go to the ground, talk to the manufacturers and take their advice otherwise we are headed for doom.

My third issue is about energy. Energy is among the priority areas which have been identified in this financial year and I am glad because even in the Budget speech, the Chair, Council talked about it with high esteem. That is on page 29, paragraph 65 but when you go to the summarised MTEF on page 75, there is an activity there called, 'Undertaking a feasibility study for Kigali, Bujumbura oil pipeline.'

The donors have been able to provide sufficient funding for this very activity of the feasibility study. African Development Bank has provided funding to this effect. They gave us a grant but there was supposed to be counterpart funding of about \$ 67,000. In the Budget speech the minister is very proud that we have this funding but they are not talking about this counterpart funding that is supposed to come along with it. Even in the MTEF there is nothing to that effect.

So if we cannot fulfil our part of the bargain, small as it is- These people have provided \$ 600,000 but our 10 per cent we are not able to do this. That means the activity will not be completed because of this lack of funding. I request the minister to try all possible means to find that funding to cater for the counterpart funding that is required.

Still under energy, there had been a directive by the Summit which was issued in order for a special meeting on oil and gas to be carried out and that was supposed to be carried out in March 2015. This meeting was supposed to comprise of Ministers of Energy, Finance, Attorneys Generals, and heads of Revenue and heads of National Oil Companies. At the time it was supposed to take place, there were several other meetings which were going on so the meeting never took place, it ever kicked off for lack of quorum because people were busy with other things.

If it never took place for lack of quorum, that means you cannot just overlook it and say after all, we once provided the funding, it did not take place so it can never take place. I expect this funding to be in this Budget for this financial year because this is crucial. Our Partner States have discovered oil and gas, we cannot shy away from this and this is big revenue in our countries so I request Council to also endeavour and find funding for this sector.

My second last issue is on the docket of tourism. Mr Speaker, when you look at page 39 of the Budget speech, the minister has really talked about tourism and he has recognised the fact that it is one of the top revenue earners for the East African Community but when you look at pages 82, 83 and 84 of the summarised MTEF, it reflects something opposite to what the minister was telling us in the Budget speech.

It is so alarming that the five Partner States were only able to allocate \$ 1800 to this entire docket of tourism implying that every Partner State is contributing \$ 360. It is very shameful. I was shocked to see that even activities like promotional materials for the EAC are funded by donors. So our Partner States could not afford \$ 9800 to make these promotional materials but waited for the donors to do it for us.

All the activities which are not donor funded do not have any funding. Even statutory meetings in this docket are not funded whatsoever because the donors did not express interest in funding it so where are our priorities? How do we set our priorities?

The fifth sectoral Council on Tourism had made a directive that meetings are conducted on the EAC assessors' workshop and this entails a lot. Unfortunately, Council was not able to find money for this docket because the F&A committee did not see it important for us to finance the tourism sector. I think Council should reverse this and find funding for that workshop because it is going to train trainers of trainers on issues of accommodation, hotels in the region and restaurants and also operationalize the EAC Quality Assurance Committees.

Finally there is an issue of gender and the issue of refugees. My colleagues have talked about emergencies. This financial year alone, we have elections in three different Partner States and I have been trying to get answers to my questions even in the committee which I have not been able to get. Right now there is an influx of refugees from Burundi to the neighbouring countries

like Tanzania and Rwanda but to my surprise, despite such a situation, all activities to do with refugee management have no funding. They cut everything to zero. We are going to have elections in Uganda in February, you never know anything can happen.

There are going to be elections in Tanzania. God forbid anything can happen. We have two elections in Burundi this very year, things are already boiling but all issues to do with refugee management zero. The directorate had planned for a meeting for chiefs of refugee management which required \$ 33,000 but that was never availed. It also requested for money for two meetings of refugee management experts and still, no budget was allocated.

You know what comes with refugees. Usually if there is an outbreak of an epidemic, Partner States are usually not prepared for some of these things and even when they try to be prepared, they do not have sufficient funding because you cannot predict how many people you are going to have in your boundaries. So it is high time that we have a contingency fund in place to cater for such happenings.

Finally Mr Speaker on issues to do with gender, when I looked at the MTEF, all activities to do with gender, out of 32 activities which had been planned, only six were funded. I said what is the issue with EAC and gender? Is this how we are going to streamline gender issues in EAC? Everything is slashed. Youth have zero, women zero, children conference zero, SG's forum zero. What is happening?

Mr Speaker, I will tell you that I am not going to be party to this Budget when the majority of East Africans who include youth, children and women are not catered for in this Budget. I do not find any reference unless I am assured that money is going to be found yesterday to cater for this.

The Speaker: Summarise now.

Ms Nakawuki: Mr Speaker, I would like to support the committee report but to say I am not happy and I will not be party to passing this Budget unless I am given assurance. I thank you.

The Speaker: Thank you. Honourable members, we have some more visitors who paid a courtesy call to my office. These are our visitors from fraternal institutions: Mr Ali Hasiv, Director at the Society for International Development. You know Society for international Development very well, we have been interacting with them.

We have Mr Ezra Mbogori, who is the Executive Director of Acuba Huhaki. You know what they do in the integration process, they are quite robust on the ground.

We have Ms Maureen Bwisa from Society for international Development and Benny Kanyange, a researcher from TMEA attached to Kenyan chapter. We recognise and welcome you to the gallery of the Assembly.

Honourable members, we are going to give everybody chance. I am not going to hurry this Budget process like it happened previously because this is our working Budget. I recognise hon. Bazivamo.

Mr. Christophe Bazivamo (Rwanda): Thank you, Mr Speaker. Let me also thank the Chairperson of the Council of Ministers for the eloquent Budget speech and the General Purpose Committee for the report well done and well presented.

Mr Speaker, in each Budget there is a cry of underfunding especially lack of enough resources from Partner States. On the other hand, we know that our region is rich in minerals ranging from gem stones, precious metals, base metals and industrial minerals. This is official and known worldwide.

These minerals are a potential for revenues to improve the livelihood of our East African Community citizens. In my understanding, neglecting this mining sector is a very big mistake.

Mr Speaker, in 2012 this House recommended to the Council of Ministers to establish a regional forum on minerals where stakeholders in the mining sector could meet and debate on opportunities and challenges towards appropriate solutions for better mining sector development in the region.

We also remember well that there was also a recommendation to establish a prototype information system at the level of East Africa to make sure that we work adequately in this mining sector and to plan accordingly.

It was also recommended to build capacity of officers in this mining sector so that we can benefit adequately from this sector and yet Mr Speaker, in this Budget I have gone through, looked at each page and found nowhere where the mining sector is catered for. This is a big mistake and means there is no consideration of what we have recommended to the Council of Minister sand to the Secretariat.

I wish, if it is agreeable, to propose a further recommendation to the Chairperson of the Committee on General Purpose to consider. It reads, “The Council of Ministers should pay more attention to the mining sector and avail funds in the Budget to promote its development for the betterment of East Africans.” I will pass the recommendation to the Chairperson of the General Purpose Committee.

Mr Speaker, I also request the Chair, Council of Ministers to try to see how to match, when it comes to agriculture and food security sector, what is highlighted in the Budget speech and the Budget which is presented. Here I actually highlight the fact that the Maputo declaration when it comes to the agriculture sector is not respected and we wish at our level to see it because it is from a commitment from our Partner States to allocate at least 10 per cent of our Budgets to the agricultural sector. When it comes to the level of the east African Community, we should lead by example.

Mr Speaker, I wish to recommend that it is respected so and I support the report. Thank you.

Ms Nusura Tiperu (Uganda): Thank you very much, Mr Speaker for giving me this opportunity. Allow me to add my voice in support of the Budget that was ably articulated by the hon. Abdallah Saadalla before us and also allow me to thank the Chairperson of the Committee of General Purpose for reading the response from the committee on behalf of members here.

Mr Speaker, on that note, let me also thank the Summit for the unwavering support that they have continuously given this integration process. The continuation of financing from our Partner States is as a result of this very commitment.

Mr Speaker, I wish to thank you as the head of Organ of this honourable Assembly and in particular the manner in which you handled the members of Parliament from Burundi, your comforting them and the fact that you gave leadership by ensuring that there is a good will mission going to Burundi. I feel proud as a colleague and I commend you for that.

Mr Speaker, it is clear that the EAC has a vision and a mission and as part of its mission we are looking at issues of prosperity, we want to ensure that the people are ensure, we are looking at a politically united East Africa and we are also looking at widening and deepening the integration process. Therefore, the purpose for this integration process is clear.. we aim at improving the quality of life of the people of East Africa, we want to make them more competitive, we want to add value to t heir production and we want to increase investment.

When we look at investment, let me hinge on a small issue. The investments promotion department within the EAC is highly underfunded. It will not deliver us to achieve the mission and objectives of the East African Community. I pray that the Cahir, Council being present takes note of that. It is a concern of all East Africans. You have the investment authorities from all the Partner States but this investment promotion department is crucial for purposes of coordination of the investment opportunities in our Partner States and linking our investors to see how best they can come in, bring in investments and increase the employment opportunities in our region.

Mr Speaker, our forefathers thought about the East African Community and our members of Summit ensured that they themselves appended their signatures to establish this Community. In it there were good ideas, they constituted Organs and institutions and thought that those who will have the opportunity to lead these institutions will have time to build them to the level that they hoped they would be.

When you look at the presentations from all the members of Summit who have visited us, you see hope. When you look at the last presentation from President Kikwete while in Burundi, he said Parliament was key in the integration process. He said we were supposed to play a pivotal role. When President Museveni, my own President from Uganda met Parliament, he said we should be prophets of the integration process.

That therefore means that as Parliament we have a role to nurture the Organs, to grow them, to build their capacity, to look at the staffing solutions, put them in positions ready to tackle the demands of the global trends. It is our time to do something, a time to take decisions that will change the Community. The Community was not established to remain stagnant.

The population wants to hear the Council act. The population is pressured with the day to day challenges. The time is now. We must inspire our countries. People are waiting for us to act. We need visibility, we need to engage ourselves and interest ourselves with the regional issues affecting our people.

I am saying all this because I want Council to know that they have a responsibility to build the Organs and institutions. They have a responsibility to grow them from where they are. This Parliament has lasted for more than a decade but still there are no mechanisms put in place to ensure that we perform to our best and deliver what east Africans expect us to deliver.

I have looked at the Budget and key things; basics like a car for members of Parliament is missing. I hope that this Parliament is given its rightful position. I am glad that among us we have members who once served in the parliaments of their Partner States. We have the Secretary General, a former Minister for Health and I do remember during the time when he was minister, I think he delivered a number of ambulances in all the health centres of Rwanda and that has boosted the health performance indicators in that country.

We are talking about political integration, we are talking about moving towards looking at issues of making the Constitution. How do we achieve that without making members of

parliament mobile? I hope the Council of ministers will think about this matter because it is a matter of facilitation to achieve the priorities that you have already articulated in the Budget.

In the modern times we need a parliament that has got a pyramidal structure with the Speaker and staff facilitating the work of MPs. How do I sit and get information from Rwanda or Burundi and speak on behalf of people when the mechanisms to work are not considered?

Hon. Abdallah, during the time of your predecessor, something happened. I remember that session was in Burundi and in view of the fact that you are an action minister, I believe you will say something on that note.

Parliament needs wisdom in view of the fact that we have challenges in our region, in view of the fact that we have ever experienced genocide, Parliament in its wisdom decided to pronounce itself on the issue of genocide. We all know the factors that influenced genocide; issues like hate speeches, discrimination, denial, tribalism, exclusionism and you all know that there are still tendencies within the region of some of these things happening.

So Parliament in its bid to pronounce itself and say enough is enough, it is time to make declarations and ask our people that never again should such an occurrence occur and they decided to pass a resolution. A resolution of this House was not respected. The House demanded that a select committee be constituted so that work continues but the Budget was silent on a resolution of Parliament that was critical. I pray that hon. Abdallah considers that with his colleagues.

Mr Speaker, allow me to focus on key issues and these issues are what could take us to the future. The demands are many. We have shortfalls. We have sectors that really need critical financing but we need to think about the financing option. It is time for the Council to take its rightful place. There are issues that require their decisions that are not decisions of somebody else to determine.

The alternative financing option has taken over ten years. It is time to do something. Even just 0.5 per cent of our Partner States revenues could be good enough to make this integration process sustainable. I know we could have issues from some of the countries having fear that they may end up financing more but those are the issues that are taken into negotiation.

Mr Speaker, as an expert of negotiation I know you understand that. If there are countries that are financing more, that is the time when the Council of Ministers could look at modalities on how to cater for those countries that will be putting in more compared to the other countries.

Allow me to talk about the issue of the institutional review hoping that by July, the Chair, Council would have already come up with mechanisms for alternative financing then you need to put up foot soldiers to do the job. A lot still needs to be done.

When you interface with the different departments in the Secretariat, you really see our people exhausted, stressed, over worked. A department like Finance and research catering for the 27 different areas of cooperation that we agreed to in the Treaty having a one-man department. It is absurd. It is time for us to answer to the call of our forefathers so that we take the Community to a better stage.

The Speaker: Honourable, tend towards summary.

Ms Tiperu: Mr Speaker, allow me to summarise by tackling the issue of the term limits of professional staff. This is among the few Organs south of the Sahara where you have term limits for professional staff. When you look at the operations among the AU or SADC, there are no term limits for professional staff.

It is sad that we are going to lose a very big number of staff. As you know, the Secretary General whom we so cherish is about to leave. He is a good man who has made remarkable progress. He has changed the Community and we are proud of him. At least I can speak for myself. His term is about to expire and yet you have over 30 staff leaving in the year 2017. You have 20 staff leaving in the year 2018. We will have a new Secretary General with literally nobody so it is time that the Council considers the issue of reviewing term limits because it is demotivating and it is affecting the output of our work in the region.

In conclusion, I just wish that the Council pronounces itself on the following areas: the financing option, the institutional review, the term limits of professional staff, the car grant for EALA members and the genocide budget for the select committee. *Asanteni sana.*

The Speaker: Honourable members, I had pointed the order of speech. After that I will point another one. All members will have a chance to speak. We are not going to gloss over this Budget process.

Ms Agnes Mumbi (Kenya): Thank you, Mr Speaker. I will take less than five minutes. One is to appreciate the speech by the Chair, Council. I felt like it was a ritual. I felt like he had a duty to do and I can tell you that he did it very well.

From his speech, he made assumptions and I am going to talk about an assumption on page 78 numbered 174. It talked about continued political support for the East African integration. It also talked about political stability and good governance.

On page 82 on interventions, he talked about food security action plan and climate change. I hope it as not a ritual. Page 84 numbered 177(c) he talked about increased employment opportunities to increase household incomes on food security and improved standards especially on losses after harvest. After interrogating his Budget allocations with the good assumptions and interventions, there were no allocations.

Our Treaty talks about people centred and private sector integration. Chair, Council is very particular and more inclined into the private sector integration. What will happen about the people centred integration?

I picked it from the report of the Committee on General Purpose. Thank you to the chair, hon. Odette because she brought up the issue of this House driving the people centred integration as a representative of the people. If I were Chair, Council, I would read the General Purpose report with some magnifying glasses.

It talked about issues that have also been raised by the Accounts Committee through the Audit Commission. In Bujumbura, Chair, Council emeritus, on the floor of the House, thrashed or kind of with disdain, thrashed the Audit Commission's report and the report that the Accounts Committee presented to the House. How comes that the General Purpose Committee picks on

the same issues like travel, unqualified staff members attending meetings and raise it in the same report? They are not the same members.

I would be concerned if I sat in the Council of Ministers to go deeper into those issues and get some policy statements about it. If there are issues that need to be taken head on, you should do it so that the integration process that all of us are talking about can be taken to a different level and higher level.

I picked from hon. Tipuru where she talked about deepening and widening. We have a new one in this Assembly. We want to tighten by making sure that the breathers that you have of wastage are not there when Budgets are done. That is by tightening the areas of misuse and not being serious about some of the things that are happening in the Community.

I take great exception because sometimes as members we get carried away and speak very well of Organs like we do not want to ruffle feathers, like we are trying to massage the Council's ego so that you can do things for us. I do not belong to that school of thought. I want to tell it to you that there is a lot to be done.

The Speaker: Hon. Mumbi, members do not get carried away. They express themselves deeply.

Ms Mumbi: I concur with you, Mr Speaker but the feeling is the same that in as much as we want to work together, we have to tell it to you as it is. There are areas in some Organs that really need to be looked, to be rubbed, to step on people's toes. Do not allow yourselves to be a part of the bottleneck that His Excellency Museveni talks about all the time. He talks about administrative bottlenecks. In his address to the Community in Bujumbura and even in Kampala, he raises the bottleneck of administrative bottlenecks that you say as a Council we only sit for probably two times or three times, we do not have this policy in place- You look for those to make sure that you cover yourselves.

I want to tell you that the Council of Ministers should rise above such bottlenecks. Step on people's toes if you have to and let things to be done.

I was kind of taken aback yesterday when the Secretary General gave his address with sentiments. He forgot and remembered later on that we do not have a policy on car grants. I was worried because the policy make us... anything you need can be done in this House and what we cannot do, you can also guide in your meetings through the Summit. You know what *maneno matamu hutoa nyoka pangoni*. For those who do not understand Kiswahili unfortunately – (*Interruption*) -

The Speaker: Hon. Mumbi, it is not a matter of understanding. It is a requirement of our Treaty and Rules of Procedure that we speak in English so you must translate.

Ms Mumbi: I will take the guidance but for sure those who understand Kiswahili say, especially those from Tanzania and the coast of Kenya. It means that you talk sweet words, even to those difficult situations you can bring the concern up so that people walk with you. So we are trying to tell you in many words that this Budget is not up to date. It should not be passed but because you are one of us, we appreciate that you have done a job. I wish you get into hon. Odette's report and the General Purpose Committee, marry the two, pick the concerns

and come up with a report that everybody in the East African Community will appreciate. Thank you, Mr Speaker.

Mr. Celestin Rwigema (Rwanda): Thank you, Mr Speaker for giving me the floor. I want to congratulate the Chair, Council for his vibrant and eloquent speech. These reflect a very strong commitment. Thank you.

Mr Speaker, I want to thank the General Purpose committee, mainly the Chair, Dr Odette Nyiramilimo for the well elaborated and presented Budget. It is not easy to get such an understandable Budget.

Coming back to the budget, I do not want to go into the details because I will not get enough time but I have some points. You know the Budget of the Community is a mirror that reflects how our commitment is, where we want to go and how we want to arrive there. I have seen, going through this Budget that this Budget is an operative Budget which means it is mainly focusing on emoluments and some other expenses but not having a very strong part on development.

Some of my colleagues have focused on this kind of problem and I can remember when hon. Ngoga was intervening saying when you see one year to another and you see one institution or an Organ, it has the same allocation of the Budget over one, two, three years. That means we are not promoting development. This is something we have to see how to change.

I congratulate my colleagues, hon. Yves and hon. Ndahiro. I follow their intervention when they were mainly focusing on alternative methods to find the Budget because when hon. Yves was taking the floor, he said \$ 1.5 by each citizen of East Africa. I can even say more. I can even take \$ 1 from each citizen and they will get almost \$ 140 million that can be allocated to the development side because our countries like for example Burundi for \$ 10 million or Rwanda \$ 12 million or Tanzania \$ 48 million or Uganda \$ 34 million or Kenya \$ 56 million per year is not really a very big amount because our Community is people centred and we have to elaborate what our priorities are.

I think that the first priority of the Community is for its people. The people of East Africa must be educated but they must also have very good health. They have to follow what is happening in this new world; technology.

Secondly, I appreciate that my colleague hon. Bazivamo was talking about agriculture and agriculture is our main focus because what our people have is land and agriculture goes with water and food security. If we do not know our priorities, we cannot budget our budget correctly.

Mr Speaker and honourable members, we can ask ourselves some questions. Do the resources allocated reflect value for money? Are the resources allocated built on identified priorities for the year? Do the resources allocated contribute sufficiently to integration? Then you seek that some resources made poor or little return from resources allocated for the previous years. They can even make some obstacle to the integration process and then after the year, we get what we have and it is called a general reserve.

Mr Speaker, we are not voting this Budget forgetting the general reserve at the end of the year. We are voting this Budget to get the Budget to rise after the year. For general reserves, I cannot

understand that even if we have money left at the end of the year, the Secretariat can authorise itself to use the money. It must come back again to the Parliament for its allocation. If it was not the practice then we have to do so.

Mr Speaker, we are now voting the budget. My colleague hon. Susan Nakawuki was talking about some important events. Currently we have to expect some elections and we have now a flow of refugees from Burundi and there is nothing in this Budget. How can we do this? I do not think this Community is people centred. We have to allocate something to save this situation. It is our responsibility because we have to do what has to be done and it has to have good will from our leaders and from our Partner States.

Mr Speaker, I will not take longer. I follow my colleague, hon. Ndahiro on alternative funding. There are many- (*Interruption*)

Ms Byamukama: Thank you, hon. Rwigema for giving me this opportunity and Mr Speaker. I just wanted to give information that when you look at Article 123 of the Treaty, there is provision for management of refugees and it provides specifically that we should evolve a common policy in the East African Community for management of refugees and it is very important that we use this particular article to be able to develop the idea that he has referred to and other members have referred to.

So the Regional Affairs Committee is actually seized with this matter and therefore I would like to support you and particularly this time and also in preparation for disaster management which is also provided for under the same article. This is the information I want to give. Thank you.

The Speaker: Thank you, hon. Dora. Chair, Regional Affairs must have taken note.

Mr Rwigema: Thank you very much, hon. Dora for supporting my idea. I want to come on the idea that has been raised by one of my colleagues, I do not remember the name; the one who was talking about membership on multiple regional organisations like COMESA, SADC and EAC. It is true when we intended to open our Community to different multiple organisations, we are losing it. This is ... not really contributing to our solidarity and development.

I remember in Bunge la Afrika Mashariki, this recent newspaper I put an article on this and it is true. We have to be focused on our Community and not open very quickly to different multiple organisations because it cannot contribute to any kind of development.

Mr Speaker, I support the Budget and I thank you.

Mr. Abubakar Ogle (Kenya): Thank you, Mr Speaker. I am a member of the Committee of general purpose and I need not debate my own report because I have given my views during the consultation of this report. But I want to immediately seek to make a raft of amendments; three. On page 37 of the report of the General Purpose committee, I am suggesting my amendments based on priorities.

The first amendment I want to suggest is on page 37. This is related to the funding of the car grant for EALA members. The amendment I want to suggest is that the mathematics shown there appears to be catering for only 45 members of Parliament. I want that extended to include the Council of Ministers who are members of this House. It is strategic by the way. (*Laughter*)

The Speaker: Honourable members, let us listen to hon. Ogle in silence.

Mr Ogle: This is a very serious amendment by the way. I want that mathematics expanded to include members of the Council of Ministers as they are members of this House.

The Speaker: Hon. Ogle, you may wish to know that the ex-officios are not limited to only the Council of Ministers. There is the Counsel to the Community and the Secretary General. Is your amendment extending that far?

Mr Ogle: Yes, it is covering the Secretary General and the Counsel to the Community as well. *(Laughter)*

Amendment number two that I am suggesting and I said in the order of priority is on page 32 of the committee's report. This is on point 4.2.5; office of the deputy to the general Political Federation. The committee recommends according to the report here- I want that word 'recommends' substituted to direction because we are dealing with a provision in the Treaty. It goes on to age 33 where we are saying, 'The committee recommends that the progress report of the Council on the development of a common foreign and security policy be tabled before the Assembly ...'

That is a clear Treaty provision. That is in accordance to Article 59(3) (c) of the Treaty so there is no negotiation or compromise on this and there should be no recommendation. So there should be a direction to the Council that this happens. That is the amendment I also wanted to make if the House accepts.

Another amendment I want to suggest is on page 36 on the support for the EALA select committee on genocide. Mr Speaker and honourable members, you will remember that this matter has been in abeyance for the last two years and it was a motion and a resolution of this House so I also seek an amendment to the committee's report there that instead of recommending to the council, it also directs that the Council immediately undertakes this and provides a budget line to ensure that this takes off the ground.

Coming back to my brief contribution to the report, my understanding of Budget was shaped by my first day in the Economics class and my then teacher the late Frederick Esugurya ... who taught me when I was in high school. I was doing Economics as a minor subject by the way. I was not good in those things. I was a student of history and politics.

My then teacher, may his soul rest in peace, taught me that the whole idea of Budget means a period of belt tightening, frugalities and curtail on luxuries. That should be defining what all budgets mean. Year in, year out when members consider the budget of the East African Community, you see a lot of areas that do not encompass the ideas of frugality, the ideas of cutting down on luxuries, the idea of bull fighting. It appears to be just spending without anything to show for any concrete aspect for the whole idea of integration.

I want to recall some two aspects particularly which have been repeatedly hammered out in this Assembly by members. This is in relation to consultancy. On consultancy alone, the Secretariat spends about \$ 10 million that is about 15 per cent of their total budget. That is one area.

Secondly on travel costs, I know we have talked about it several times. In the Budget analysis, a copy of which is available for members for their digestion at some other time, in travel costs alone the Secretariat alone spends about \$ 7.3 million which covers about 10.4 per cent of the total budget available to the Secretariat which we pass every other year. This is very serious.

Are we saying the whole idea of consultancy and travel is so much? Much as they are important, are they really the core function of integration of the Community? This should be looked at critically.

A clear case in point is this: when we are considering the detailed MTEF, we came across a situation where the Secretariat sent out two staff some Partner State with the mission of negotiating hotel rates. Two staff are sent in advance of some meeting by some directors, maybe some DSGs or some bureaucrats meeting somewhere. Two staffers are sent with a mission of fuelling at this day and age when you could just pick a phone or you could even go on line and negotiate with the hotel. Must you send some two members of staff to go and negotiate hotel rates on behalf of – It is terrible. It is disgusting, that should not be allowed to happen.

A third point is a matter related to the funding or the car grant and the proposals therein made by the General purpose Committee on getting money from the general reserves. According to the SG yesterday, we cannot go any lower than what we have so far. My understanding of general reserves are that whenever this Budget which is going on in the Partner States happens, that money will be replenished so we will not have gone lower than what the SG was alluding to. I think that point ought to be considered.

Secondly, regarding matters of the interest rates on the gratuity, which we all said we have to contribute money to the car grant of members plus the Council plus the SG that is part of our money. For 13 years that EALA has been existence, the gratuity of members has been contributing that interest. There was no time ever when we have benefitted from that interest. When it comes to policy again – Thank you, hon. Dora for reminding me about this. Who else would be better policy developers than this House? In any case –

The Speaker: Hon. Ogle, hon. Dora is not on the floor and has not reminded you on record so proceed.

Mr Ogle: In any case if it is a matter of policy, I thought the very fact that the Council on the floor of this House made a statement saying they agreed with this matter in principle was policy in itself and alone. Thank you, Mr Speaker.

Mr. Bernard Mulengani (Uganda): Thank you very much, Mr Speaker. When members are raising serious issues they tend to laugh. In other words they want a friendly engagement in order to attain what we are putting before the Council.

Mr Speaker, ordinarily if a Budget is faced with challenges like omissions, challenges like non-disclosure, challenges like unrealistic budgets, challenges like computation errors and unpredictability, ordinarily that budget is supposed to be deferred for further scrutiny.

The MTEF we are considering right now has got all these attributes I have mentioned. They may not be big but there is nothing small in budgeting. Mr Speaker, as evidenced in our

responses on page 12 and 13 of annex 1, just to give an example, it shows some of those attributes I have highlighted.

Mr Speaker, I am a member of the committee but I thought that it is important because we wanted to keep our report very small but I thought it is important to keep on putting on some flesh in certain areas that were mentioned by the committee.

I specifically want to refer to page 19 of the committee report where the committee is observing the lack of harmonisation in budget systems and the committee is citing rates in transfers, transport hire, daily subsistence allowances, quarter per diems, conference packages, mention them.

Mr Speaker, the committee just mentioned the issue of Inter University Council but when you open the big MTEF, it cuts across all the Organs and institutions of the Community. There is lack of harmonisation of rates and this is a very serious issue. Everybody decides to put what they want where. This means there is no direction in budgeting. It is a very serious matter that was raised by the committee, the responses are not clear as members will read in annex one and we still maintained as a committee that it is not clear but we shall take it as that. In the spirit of integration we are proposing to pass the budget.

Mr Speaker, this thing disturbs me a lot more so that we are vested with authority and mandate to harmonise and ensure that member states harmonise policies, harmonise education systems. Everything is the responsibility of the Community but within the Organs and institutions of the Community, you will find different rates. I think it is high time Council wakes up and comes up with a guideline to guide these respective Organs and institutions on some of these rates.

Mr Speaker, I request members to turn to page 23. One of my colleagues has mentioned the issue of sensitisation. Really this Council keeps on telling us that they will implement Council directives. Where do they take Council directives from? Is it only during the Summit sitting or even when Summit is addressing the Assembly? When Summit is addressing the Assembly they equally take such orders, it would be good if this Budget we are faced with today can ably take the wisdom of His Excellency Paul Kagame of Rwanda; push, push, push, the advice of His excellency Jakaya Mrisho Kikwete of it being our responsibility and that was recently in Bujumbura, the advice of His Excellency Yoweri Kaguta as mentioned by hon. Tiperu of we are prophets ad what do prophets do? Prophets and disciples do not sit in their chambers. They go out to meet the followers of God and the tools to do that should be budgeted for.

Mr Speaker, for us to be able to be people centred, there is no way we can avoid going out as politicians to really do the sensitisation. I want to thank the Council, there is something in the making and we are yet to listen to him in his response.

Mr Speaker, again on that page, members have said that people are retiring but the Community is being left without proper- No, it is about service provision. Yesterday the Secretary General – It is unfortunate he is not around and I do not want, in any way to be seen like I am mentioning certain words because he is away. I would have mentioned them even in his presence.

The Secretary General referred to situations where one, they have blacklisted suppliers. Two, they are investigating others. He did not substantiate in this House. We do not deal with issues that do not have facts. We want information of which suppliers these are because there are some suppliers, as mentioned by some colleagues, in the area of insurance of cars. We are not

happy that one executive arm is looking at another executive arm leader suffering with a very big car yet he is entitled to a Benz because some insurance company has failed to abide by the contract. This is an issue that Council should address very urgently.

Mr Speaker, I want to refer to page 25; improvement of salaries. I want to agree with the committee report but how has the Secretariat gone around to better this by resort to use of short term staff. They are using consultancies who are actually employed because they are getting daily subsistence allowance at times for almost a full year and others.

So this thing is being abused. The whole arrangement of short term staff, the whole arrangement of consultancies- They have moved out of paying fees for consultants and they have decided to prepare daily subsistence allowances for consultants. What is this we are going into? Can't Council sit down, as we wait for institutional review, to streamline the issue of recruitment?

We have requested for pay lists and staff lists in these categories and you will not find those ones. They are deep down in the sea. I do not know why. That creates fear within us. As hon. Mumbi said, the Audit Commission raised this, the Budget Committee is raising this. It is not by design that because I sit on Accounts and General Purpose that this thing come. My colleagues saw this particular issue.

It is saddening that we keep on mentioning things – (*Interruption*) -

The Speaker: Hon. Mulengani, sorry for the interruption. I think this is a very serious matter that I have bothered to intervene on the debate of the member. Chair, Council of Ministers, the Committee of Accounts has raised to this Assembly that they are denied lists and documents when they demand for them. It is now coming again on the floor that the committee scrutinising the Budget asks for lists of temporal staff or people consulting with the Community and they are denied. If the Assembly can be denied, who will have access? I think this is a serious matter that you must address yourself to within this Budget process. Hon. Mulengani, proceed.

Mr Mulengani: This area is prone to abuse because there are no streamlined guidelines and we are moving away from what consultants used to have; fees and we are now going to consultants who are getting daily subsistence allowance. This is very pathetic.

Mr Speaker, I now call the attention of members to look at page 27 of our report. On page 27 we are saying that government officials who come in several sectors – Again this is not new. It has been raised several times but the problem we have is that we keep on complaining as the East African Community for non-implementation of our programs and decisions of Council. So how do you expect them to be implemented? If there is one person with a file of the Community attending virtually all meetings, where is the feedback back home? How are they structured to deliver what they pick and how do you follow up as the Executive that what we discussed, so and so went with it and actually, it arrived to the line ministry that is concerned?

You find a person attending technical meetings of agriculture, health, finance, Lake Victoria Basin, mention it. All the agreed areas that sectoral councils sit, there are common factors and they call them the common denominator. It is very disappointing and if we are going to leave this to stay like this, results oriented meetings are far-fetched. We shall continue saying that it is Partner States to implement and they are not implementing. Consider the people you invite to meetings. It is very serious and we actually also request that you start developing a 360

reporting mechanism. When somebody comes, he should bring back information in the next meeting on what that person has done and not just to sit in meetings to carry away a few coins here and there back home.

Mr Speaker, again on page 27 under the office of the Secretary General, I think we need to be very candid on this one. Yesterday the Secretary General was here and he actually said if we have a Secretary General who is going to sit here then he will be an inefficient Secretary General. I want to agree with him but in as much as I have to agree with him, is it in the wisdom of Council that we should budget for 414 days for the Secretary General? Is it realistic?

We have 360 days. However, there are 220 working days in a year. Is it the wisdom of Council that you want us to pass a budget that is contained for the Secretary General for 414 days? Will that budget be realistic? I want anybody to challenge me.

The Speaker: Honourable members, if you want to raise clarification, rise.

Mr Mulengani: Mr Speaker, I can substantiate what I am raising. I requested for this information from the Executive but it was not availed. So I decided to sit down in my hotel to go and look at the DSAs wherever they belonged because the structure of DSA in this Community is known. It is the head of organs who take 450 so when you look at 450 wherever it is, you will find the Secretary General is planned to travel 414 days. I think this is not realistic much as the Secretary General should travel as a face of the Community. For us to pass such a budget it will be far-fetched.

These are figures I wanted to bring to you, Mr Speaker but for purposes of the record –
(*Interruption*)

The Speaker: There is information from hon. Odette.

Dr. Nyiramilimo: Thank you, Mr Speaker and thank you, hon. Mulengani for giving me way for information. There are also some people in the Community who are given 450 as DSA and these are judges of EACJ so maybe this might have misled hon. Mulengani when he calculated the days because we cannot have more than 365 days in a year. Thank you.

Dr. Ndahiro: Thank you, hon. Mulengani. Mr Speaker, it is true that even from the previous budgets that we have seen people earning two or three per diems per day. He goes to Nairobi for a meeting, from Nairobi that evening he goes to Kampala and that evening he goes to Bujumbura. So those are three in one day. Thank you.

Mr Mulengani: Thank you, Mr Speaker and I want to thank my colleagues for the information but specifically to thank hon. Odette for the information so that I can send clarity on what I am saying.

Mr Speaker, when I was looking at this particular area, there are cost centres. Under the Secretary General's office and I will go even to the DSGs if they want. Under the Secretary General's office, he is budgeted to travel 307 days. In other departments like Political Federation, Productive and Social Sector, Planning and Investment, they have also planned for the Secretary General amounting to 117 days. The total is 414 days.

I had to specifically pick out the head of the institution who is the chief executive as he said as an example because the fish rots from the head.

I have raised this matter several times during the audit, during Budget and now we are budgeting. I can substantiate – (*Interruption*)

Ms Hajabakiga: Mr Speaker, the clarification which I would want to seek from my honourable colleague and probably from the Chair, Council is, what you are telling us is that since there is no possibility for somebody to travel even beyond the number of days of a year, we can pick that money and use it for something else and only keep what is relevant. That is what I understand because we now it is impossible to travel more than the number of days in a year so if there is a surplus on that budget area then that money can be committed to some other places.

The Speaker: Hon. Patricia, even the Speaker is at a loss because I do not know whether there is a new scientist with a new calendar but I would also love to understand more from the person holding the floor.

Ms Byamukama: Mr Speaker, I do believe what hon. Mulengani is saying because he is a statistician but I also want to say very clearly that having heard from him and all the other comments made, the Assembly has instruments it can use. Why don't we recommend for a forensic audit or recommend for a select committee into these issues because I think we cannot keep on talking. I think we need to act.

So for me I am looking at that as a proposal that can be taken on very seriously otherwise if we keep on passing the Budget, we shall also be condoning what we know is not right and we can be held accountable and posterity will judge us harshly.

Mr Ogle: In view of the criminal nature- the fact that somebody is travelling for days that are beyond what is reasonable and logical, it immediately implies criminality. So I would suggest that the relevant departments of prosecution and CID should be brought into this matter.

The Speaker: Honourable members, before hon. Mulengai takes on the floor, there is budgeting and then there is the actual travels. In our debate, let us put a distinction of the budgetary errors and then the actual travels of any officers of the Community and then see where the issues are. Thank you. Proceed, that was just to guide.

Mr Mulengani: Thank you, Mr Speaker and thank you colleagues for the various clarifications. One point that I want to make clear to you is that this is a budgeting process and this is what has been provided for. Now we are questioning ourselves, is it a realistic budget? No, because the number of days available are 220. If we want as a House we can decide to say let us approve for him to travel 220 days because that will then suffice the days available for work.

Mr Speaker, I was moving to allay the fears of my committee chair that under –

The Speaker: Hon. Mulengani, still I would like to guide on this. You know how this Community operates. There are times when we also travel and we are on duty over the weekends and we still access SDAs so put those into consideration as you proceed with your mathematics. Thank you.

Mr Mulengani: Mr Speaker, with your guidance I put this question to the technical people. It is up to them to substantiate the number of days I have calculated under the Secretary General's office. It is called office 0110000: office of the Secretary General. It totals to 307 days. The other 107, for the record, when you go in the big MTEF, page 155, you will find four days for the Secretary General. Page 241, you will find 18 days for the Secretary General. Page 236 you will find four days for the Secretary General. Page 218 you will find 19 days. Page 244 you will find three days. Page 256 you will find six days. Page 584 you will find four days. Page 559 you will find 12 three times and that is 36 days. Page 594 you find nine days. Page 595 you find four days.

Mr Speaker, those days amount to 107 days and this is the basis of my puzzle that we can decide to let Council bring such an MTEF on this House that they are agreeing that we plan for the Secretary General to be away for that time. The budget is unrealistic.

Mr Speaker, we have been handling these things in the Audit Commission. The Audit Commission recently raised this matter and this was in Lake Victoria Basin Commission. I will come to that as well.

Mr Speaker, I want to caution this House that if we pass the budget as is and if the Audit Commission raises concerns, we should not complain because this is the time we are supposed to see whether it is true that the Secretary General travels to that extent or not.

I am again raising an example of the SG's office not necessary that it is the SG alone who travels. Even other executives are travelling.

Mr Speaker, I want to turn to page 40. The report says, "The committee is however concerned about clear efforts at concealing excessive travel within the budget to the point that there is no official travel budget for the executive secretary."

When you look under the executive secretary of Lake Victoria Basin Commission, the structure of their DSAs is that he gets \$ 400 when he travels. If it is wrong I stand guided. However when you look under the budget of his office, the travels indicated there are at \$ 350 implying that he is not going to travel but somebody else is travelling on his behalf. I wonder whether this is true. I actually ask myself what he will be leading if somebody else is travelling in his behalf.

When we get responses that they are pooled, it creates confusion in my head. I am seeing a challenge of non-disclosure of the general practice in Lake Victoria Basin Commission which is a very dangerous thing for budgeting. It is hiding figures, lack of clarity which is very dangerous for us as an Assembly.

When the auditors come and start auditing this maybe next year, they will not find in the Budget what they planned and then they will say you see, we were picking all over. So for us as an Assembly I think on this one Council must come out clearly before we pass this Budget; on how many days are planned for the executive secretary of Lake Victoria Basin Commission.

However, I went ahead and calculated how many days the 350 in his office would amount to in terms of days. Mr Speaker, the executive secretary, if he is the one going to get the \$ 350, is planned to travel for 200 days.

Mr Speaker, if you turn this figure into his \$ 400, that is multiplying 200 and then the 350 and then divide by the 400 he is entitled to, you will get 175 days. It is again this House to decide on how many days the Council is bringing here so that when the Audit Commission raises queries of the travels of the executives and of the heads of Organs and institutions, none of us raises a finger or a question as to why the auditors have raised it. We shall know yes, we granted this permission during the Budget process.

Last is the recognition of the coming up of issues to do with lump sums. We had done away with these things; activity lump sum, unity lump sum. I think that is an area of abuse and then the terminology of pooling. There is some area where I was requesting or clarification. They used the word pooling. There we use a budget of pooling. I do not know what they pool but they do so.

Mr Speaker, there is an issue on security. I was looking through the security budget and it is quite big. However notably, what I want to raise is the procurement of a CCTV and biometric equipment for the Secretary General's office alone. This is a very selective and segregative manner of doing things because we have three heads of Organs in this building namely the Speaker and the Judge President who should equally be considered.

Whichever benefit that the Secretary General's office gets, even the heads of these Organs – There is no Organ that is superior to the other in the Community. We all complement each other in duties.

Mr Speaker, lastly on the issue of interest on gratuity and then the General reserve, I do not know where East African Community is picking their policies. I happen to have worked for a multi-national company one time for seven years. My pension accrued interest and on retirement going into politics, I was paid my pension with interest. It is only in the Community that the Executive has decided to suppress its staff and members that you can go away with your gratuity without the interest.

Mr Speaker, on that note – (*Hon. Tiperu rose*) - they had given me limited time, Mr Speaker. Maybe I take the information from-

Ms Tiperu: Mr Speaker, just to add on to what hon. Mulengani is saying, this Parliament is a two term Parliament and it is absurd to find that we have no pension plan for the members of Parliament, the staff and even the staff of the Secretariat. So I just wanted to say that this issue is very critical and has to be handled. Thank you.

Mr Mulengani: Thank you very much. Mr Speaker, on the general reserve, all these Organs contribute to the general reserve but when you look into the Budget, it looks like it is a privilege of the Secretariat to use these accounts. The source of funding where you find general reserves and interest on gratuity is in the Secretariat and not anywhere.

What does our Treaty say in terms of equitable distribution and handling of funds? So to this Mr Speaker, I want to interest the Council. We are moving to demand some portion from those areas to finance the car grant.

Mr Speaker, with those few remarks, I want to support the report of the committee but also to acknowledge the Budget speech of Chair, Council. Thank you very much.

The Speaker: Thank you. I had earlier appointed the order of speech but hon. Valerie has declined. I will come to hon. Shy-Rose.

Ms Shy-Rose Bhanji (Tanzania): Thank you, Mr Speaker for giving me this opportunity. Before I contribute to the Budget speech, please allow me to express my appreciation for nominating me to represent you and the Assembly at the funeral ceremony of John Nyerere who is a brother of our colleague, hon. Makongoro Nyerere. Both of them are also sons of our founding father Mwalimu Julius Kambarage Nyerere. It was a great honour, Mr Speaker.

Mr Speaker, I wish to inform you that Mama Maria and the entire family were very appreciative.

Mr Speaker, let me now dwell on the Budget issues. Allow me to also thank the Chair, Council for his convincing speech but unfortunately which does not tally with the MTEF.

Hon. Odette, the Chair of General Purpose Committee, many congratulations to you and the entire committee for a very well job done. The report was very thorough and with very good recommendations.

Mr Speaker, my contribution today will be generally on the EAC Budget. As we all know, our Budget has always been persistent on donor funding contributions. Over dependency of our Budget has always been increasing but this year, I appreciate the fact that the donor funding has decreased because some of the projects are almost coming to an end. It is at this point that I think it is high time that the governments of our Partner States allocated and dedicated more funding on the integration issues.

It is sad to note that our Partner States contributions will remain the same but I was at a loss because at one point we are told the contribution will remain the same. Hon. Valerie pointed out that there was an increase of 2 per cent and I think hon. Kessy also came up with very good observations and hon. Jeremie was saying that the contributions decreased. So I am at a loss as to what is what. The contributions will remain the same, it will be over 2 per cent or it will decrease. It will be good to get that clarification.

I am saying that if we look at the explanatory notes to the EAC Budget for the Financial Year 2015/2016 page 12, I read, "It is worth to note that while the development partners support to the Budget is expected to go down, the Partner States contributions to the Budget for the Financial year will remain the same as the current year." This is a bit confusing.

Mr Speaker, I am taking this opportunity to ask the governments of our Partner States to increase the efforts in support of this Community. We have reached here through the support of donors and development partners so it is high time that our governments also increased their funding. 15 years on, we have more demands and therefore local funding is extremely important.

Mr Speaker, I agree that it is not possible for our governments to do everything and some of my colleges came up with an idea of an alternate funding which I fully support. Let us look for ways where the private sector can be asked to chip in. Some of the corporate organisations and companies can contribute some of their profits in the EAC budget.

Why am I saying this, Mr Speaker? It is because the beneficiaries of integration include the private sector. The private sector is the engine of this integration process. Already EAC is doing a lot to promote trade and we know that trade is key to integration. We have seen interstate trade being promoted, road blocks being removed, free movement of people, NTBs etc. so let us consult and embrace the private sector.

Mr Speaker, the second point I wish to highlight is on sensitisation. I wish to thank the Council for sparing some money for this sensitisation strategy but I am yet to be convinced if monitoring and evaluation strategy can confirm that broader awareness amongst our citizens both in rural and urban areas know the use of the integration fruits to this level.

Mr Speaker, currently there is an emerging population of the youth who are educated and uneducated but if there is enough sensitisation, our youth can also benefit a lot to employ themselves and reap the fruits of integration. Currently we have over 140 million East Africans and majority of our people are poor so let us make sure that sensitisation gets priority in this Community.

Mr Speaker, I think I have taken a lot of time but let me also join my other colleagues to speak about the need for EALA MPs to get car grant. Currently we do not have vehicles but if we do get vehicles, EALA members can also play a bigger role in sensitisation.

Mr Speaker, at the moment we are grounded by lack of facilities like vehicles. After we finish EALA Bunge session, we go back to our respective homes and we do not contribute as much as we are supposed to because we lack transport. At times I am forced to use *boda boda*. It is true. At times I am forced to use *boda boda* between my assignments from my home to the airport and this is embarrassing and undiplomatic.

The Speaker: I would like to confirm that I have seen the picture of hon. Shy-Rose on social media on a *boda boda* riding to the airport. Honourable, proceed.

Ms Bhanji: So Mr Speaker, this issue of EALA members getting vehicles is very important.

Lastly Mr Speaker, I have seen on the priority list that education is one of them but when you prioritise something, obviously you allocate money as well but we have seen in this big document of EAC MTEF budget for the financial year, there is no allocation for education. Harmonisation of education is very key in East Africa. Many youth and students ask me what is going on with the harmonisation of education.

Chair, Council, when we were in Dar es Salaam, you spoke very well about the plans on harmonisation but only to find out that there is no budget for harmonisation. This is very sad, Mr Speaker. What are we going to tell our youth?

Having said that, I support the budget but members have given very good and valid contributions. I call upon the Chair, Council and the Council of Ministers to please take into consideration all the contributions made by the members so that we can make a difference and so that East Africa can become people centred and people driven integration. *Asanteni*.

Mr. Celestin Kabahizi (Rwanda): Thank you, Mr Speaker. First of all I need to thank the General Purpose Committee for the work well done and also to thank and commend the Council

of Ministers through the Chairperson for the Budget speech which I found comprehensive and holistic.

Mr Speaker, my comments are general. All of us are aware that resources are limited every time and everywhere and through the Budget speech and the report from the General Purpose Committee we have seen where the funds are coming from and who are going to contribute and how much.

Mr Speaker, as a House here we are. We are asked to approve the Budget and again EALA is the Organ which has the responsibility for financial accountability to the Community so we must approve the Budget which is aligned with our priorities if I come back to the priority for EALA mainly.

We have seen many comments from my colleagues here saying what they want and how they want it to be done. Mine is just again, as hon. Shy-Rose has said, to urge the Council of Ministers and the Secretariat to take into account our recommendations because this is what we want and this is how we need to achieve our mandate with other Organs so they need to take our considerations into account rather than taking the decisions which have been proposed by others. It would not be fair just to approve a Budget which we are not comfortable with.

With those remarks, again I need to urge the Council of Ministers to take account of our considerations and I support the report and the Budget.

The Speaker: Thank you so much, hon. Celestin. Hon. Patricia will be the last person to speak among the people who have caught my eyes but I have hon. Valerie, hon. Sarah and hon. Leonce. They will be the only three people to speak tomorrow before we move to the Chair to respond. I will add the fourth, hon. Mwinyi to speak tomorrow and then we move to the Chair and then we proceed. Hon. Patricia.

Ms Patricia Hajabakiga: Thank you, Mr Speaker. On the onset I wish to congratulate the Council of Ministers, the Secretariat under the leadership of the Secretary General, the committee of General Purpose under the able leadership of our sister, hon. Odette for bringing this budget. I mean both because if it was not a collective action, we would not be having a budget today.

However Mr Speaker, I will only say a few things. I have listened to members from 2.30 and I am made to understand that there are a lot of gaps in this Budget which need to be looked into. Some of them have been highlighted in the committee report and some are being raised on the floor of the House.

Mr Speaker, let me give you just a small section based on hon. Mulengani's submission. With his submission I got interested and I looked at some of the figures. If you go to page nine of the MTEF, the biggest one where they talk about the implementation of at least 100 per cent of EALA decisions, resolutions and recommendations, if by implementing those resolutions by 100 per cent, if they could not even implement one of our resolutions since 2013, if we can count them, what does that mean in this Budget? 100 per cent and there is a total amount of \$ 591,800 under the SG's office. What does that mean? I do not understand. I need to be supported to understand such areas so that we can pass the Budget when we are all comfortable.
(Interruption)

Mr Mulengani: Thank you. I just want to give information. When you look at the detailed MTEF – First of all let me say that the description of the activity implementation is wrong and I raised this in the committee because what they are intending to achieve is for the Secretary General, the CTC to attend EALA plenary meetings. You cannot achieve implementation of our decision by attending EALA. It is a wrong description first of all.

The other thing I would like to guide you on is when you look at the bigger MTEF which breaks down the \$ 158,000, it will give you how much goes to which head that is mentioned here.

Ms Hajabakiga: Thank you, hon. Mulengani for that information. At the same time I still have queries. Mr Speaker, this House took a decision that two plenaries will take place in Arusha and both the Secretary General and the Counsel to the Community are residents. Why should they be budgeting for six plenaries and not four?

Secondly, as we have observed, how many times has the Secretary General actually stayed for all the days of plenary. If the Secretary General...and that is where I think there is a discrepancy on the presentation of hon. Mulengani's submission, because each budgets in their corners; one under the Deputy Secretary General, another under SG and another under EALA. At the end of the day when you total those days, they amount to more than 400 but it is not realistic so we need to re-look into this section when there is a problem and reallocate these funds to some other areas where they are gaps. That is my proposal.

Mr Speaker, the other area which I am really concerned and it is because of my background, is in the area of the deputy Secretary General on Productive and Social sector. It is not on money so do not even bother. It is under the climate change section.

Mr Speaker, if you look at the amount of money which is under that sector, it is a lot and it is from development partners. If you look at the content of the things which they want to do, it leaves us in something which I do not understand under the present situation in which we are in with the effects of climate change.

There is one area on page 76 under the climate change coordination unit established by June 2016. Under one of the items, they want to send the technical staff to UK, USA, and South Africa to learn how to access climate change funds and so on. I thought when we employ in EAC, we employ technocrats who already know what they have come to do. We cannot be sending them to train where they consume a lot of money. I would have wished to see, under climate change, a technical team to study the floods in Dar es Salaam which we paid tribute in this House as we were beginning our session or send them to all Partner States to see how we can mitigate and adapt to those floods in Dar es Salaam, Bujumbura, Kigali and other places in our countries.

I would have wished to see such things but not to have people moving from one place to the other going to get trained when we thought we recruited experts in the region on climate change matters. What are they going to be trained for when they have not even started working?

Mr Speaker, there are so many examples of this nature in this Budget. While I support the Budget and I would have wished that this Budget goes through, I wish we asked the technocrats to look at all these areas in collaboration so that we can amend this Budget before it is passed tomorrow otherwise it does not make any sense, it does not give us credit that we can spend

money on things which are not critical when there are areas, which are so critical and which need to be funded. Thank you, Mr Speaker.

The Speaker: Thank you so much, hon. Patricia.

Mr Nsabimana: I see for clarification, Mr Speaker.

The Speaker: Hon. Yves, you are late for the clarification. There is nobody holding the floor.

Mr Nsabimana: It is important, Mr Speaker.

The Speaker: Honourable, my hands are tied. You will find an avenue tomorrow to raise this clarification because there is nobody on the floor. Honourable members, thank you so much for the good debate. Now I would like to adjourn the House to tomorrow 2.30 p.m. House stands adjourned.

(The House rose at 6.20 p.m. and adjourned until 2.30 p.m. on Thursday, 21 May 2015)