



EAST AFRICAN COMMUNITY

EAST AFRICAN LEGISLATIVE ASSEMBLY

Official Report of the Proceedings of the East African Legislative Assembly

24TH SITTING – THIRD ASSEMBLY: SIXTH MEETING - FIRST SESSION:

Tuesday, 04 June 2013

*The East African Legislative Assembly met at 2.30 p.m. in
Parliament House, Kampala, Uganda*

PRAYERS

(The Speaker, Ms. Margaret Nantongo Zziwa, in the Chair)

(The Assembly was called to order)

COMMUNICATION FROM THE CHAIR

The Speaker: Hon. Members, I wish to welcome you to today's sitting. I have a few issues to communicate on. First, I want to thank the members who participated in the visiting of the EAC Institutions namely the Inter University Council of East Africa (IUCEA). I would like to thank the Deputy Executive Secretary of IUCEA and the staff for the warm welcome and the brief they gave to us.

The Committee on General Purpose waits to receive the proposal on the IUCEA Amendment Act. This is very important specifically to the Chair of the Council of Ministers because we were told that the legal framework under which IUCEA is operating has to be comprehensive and sufficient to allow them efficiently deliver on their mandate.

Secondly, the Speaker with some Members of EALA attended the **Kasoa** Symposium at Entebbe and it was evident that they recognized the dynamics and challenges facing the Aviation Sector. There were many assurances and goodwill from all the stakeholders to the effect that the sector needs very serious attention.

On behalf of the members, I assured the **Kasoa** fraternity that EALA and EAC will work towards seeing to it that the sector is facilitated in order for it to become more efficient to support the integration agenda.

In the same breath, I want to welcome back the members from the activities they undertook over the weekend namely, the tree planting exercise, which took place at St. Lawrence's Schools and Colleges. I wish to thank the Chair of the Council of Ministers and hon. Mike Sebalu, for leading the members. I also would like to thank the Principal of St. Lawrence Schools and Colleges and the students for effectively participating in that activity. I also thank them for according this EALA activity the profile it deserved.

Let me also welcome back the members who participated in the prayers for the beatification of the late President Julius Nyerere, which took place at Namugongo. This activity was also joined with another tree-planting activity, which was undertaken by the Speaker of the Tanzanian Parliament, the Rt. hon. Anne Makinda and myself.

I welcome back all those members who participated in the Uganda Martyrs Celebrations at Namugongo. Yes, this is usually a public

holiday. EALA had to participate in these prayers because, as you may recall, we have so far taken one year since we were elected to the august House.

My thanks go to the Chair, Council of Ministers, for the great dinner to all members of EALA. That is a good gesture of welcome of the members to Uganda. Thank you very much.

The Commission sat this morning and amended the remaining programme for this Sixth Meeting. First, the sitting of Thursday will now take place in the morning of that day starting at 9.30am. The Committee on Agriculture will now sit in the afternoon of that very day. Kindly take note of that because that is a very important amendment on our programme.

This has been occasioned by the fact that Parliament of Uganda will be receiving the State of the Nation Address in the afternoon of that day. Due to the importance of both activities, it wouldn't be wise to have them take place at the same time. So, we shall sit in the morning to give chance to Parliament of Uganda to engage in its legislative activity.

The other activities will run as earlier on scheduled, but I request that you take special note that tomorrow's special sitting starts at 2 p.m. and we are going to be addressed by the

President of the Republic of Uganda, who also is the Chair of the Summit.

The Nanyuki Seminar is still scheduled for Friday 07 June and the reporting will be Thursday, 06 June while the venue remains Lake Victoria Serena Resort, Lweza.

The Commission meeting is now slated for Monday, 10 June 2013 starting at 9.30am in the morning. The Clerk will give you details in writing. I thank you.

THE EAST AFRICAN COMMUNITY APPROPRIATION BILL, 2013

FIRST READING BY WAY OF MOTION

The Chairman of the Council (Shem Bageine): Madam Speaker, I beg to move that the East African Community Appropriation Bill, 2013, be read for the first time.

The Speaker: Any Seconders? Okay, it is seconded by hon. Kaahwa and hon. Dr Sezibera.

Mr Bageine: Madam Speaker, having known that for the year 2013/2014, the East African Legislative Assembly needs to pass a

Bill for the appropriation and utility of funds for the benefit of East African and its organs.

This Appropriation Bill is testimony on how our Community is going to forward and utilise funds appropriately in accordance with the approval made by this Assembly as stipulated in the Treaty. Thank you.

The Speaker: The Bill is committed to the Committee on General Purpose for study and report to the House.

THE EAST COMMUNITY APPROPRIATION BILL, 2013 HAS BEEN READ FOR
THE FIRST TIME.

THE EAST AFRICAN COMMUNITY SUPPLEMENTARY APPROPRIATION BILL,
2013

FIRST READING

MOTION

The Speaker: Yes, Chair of the Council of Ministers.

The Chair, Council: Madam Speaker, I beg to move that the East African Community Supplementary Appropriation Bill, 2013, be read for the first time. I beg to move.

The Speaker: Okay, I notice that the Motion is seconded by hon. Dr Sezibera and hon. Kaahwa. This Bill is also forwarded to the Committee on General Purpose for study and reporting accordingly.

THE EAST AFRICAN COMMUNITY SUPPLEMENTARY APPROPRIATION BILL,

2013 HAS BEEN READ FOR THE FIRST TIME

CONSIDERATION OF THE BUDGET OF THE EAST AFRICAN COM UNITY FOR

THE FINANCIAL YEAR 2013/14

MOTION

DEBATE INTERRUPTED ON THURSDAY, 30 MAY 2013

The Chair, Council of Ministers: Madam Speaker, I beg to move the Motion that:

a) This Assembly do resolve itself into a Committee of Ways and Means to consider and approve the financial statement for the financial year 2013/14; and

b) A committee to consider and approve the revised estimates of expenditure for the financial year 2012/13 and the estimates of expenditure for the financial year 2013/14. I beg to move, Madam Speaker.

The Speaker: Any Seconders? Okay, I have seen hon. Dr Sezibera. Chair, Council, would like to speak to the motion?

The Chair, Council of Ministers: Madam Speaker, it was noted that on Thursday, the Chair of the Council of Ministers read a comprehensive speech on the Budget of the East African Community for the year 2013/14. This is a very important Budget Session for the benefit of the East African and the Community and its departments. So, I beg to move that the House the resolves itself into a committee to discuss the matter on the Table. Thank you.

The Speaker: Hon. Members, I notice that the motion is seconded by hon. Dr Sezibera. Okay, the Motion on the Floor is that the Assembly do resolve itself into a Committee of Supply to discuss the ways and means to consider and approve the financial statement for the year 2013/14 and to consider and approve the revised estimates of expenditure for the financial year 2012/13

and estimates of expenditure for financial year 2013/14. Debate is now open to the House.

I now call on the Chairperson of the Committee on General Purpose to present a report.

The Chairperson, Committee of General Purpose: Thank you so much, Madam Speaker. I would like to start by laying the report. I beg to lay.

The Speaker: Thank you very much, hon. Dr Nduwimana for presenting that report. The report is on Table and copies have been circulated. I now suggest that you proceed.

Dr Nduwimana: Thank you, Madam Speaker. Pursuant to the provisions of Article 49 and 132 of the Treaty and in accordance with rules 72 and 79 (5) (f) (3) of the Rules of Procedure of the Assembly, I beg to present to the House, for consideration and debate, the committee on the estimates of revenue and expenditure of the East African Community for the financial year 2013/14.

Madam Speaker, the estimates of revenue and expenditure of the East African Community for Financial Year 2013/14 were presented

to this august House by hon. Shem Bageine, the Chairperson of the Council of Ministers and Deputy Minister for the East African Community of the Republic of Uganda, on Thursday, 30 May 2013 and subsequently referred to the Committee on General Purpose.

The Council requests the approval of USD 130,429.394 for the Financial Year 2013/14 as compared to USD 140,686.620 that was approved for the Financial Year 2012/13.

The Committee was informed that a retrospective request for the approval of funds spent on the Kenya Election Observer Mission comprised the above-mentioned amount for the Financial Year 2012/13. Proposals for the same were presented to different stakeholders including Danida and the amount Danish Kroners equivalent to USD 655,250 were released.

The funding agreement was signed on 14 December 2012 but only partial expenditure was made. The Secretariat therefore, requests for a retrospect approval and appropriation by the Assembly. The funds requested are to help in the realisation of the broad objectives of this year's budget, the implementation of the common market to lay foundation for the monetary union.

The priority programmes for implementation during the Financial Year 2013/14 are in line with the EAC development charter. After the adoption of the estimates is presented by the Chair, Council of Minister, the overall budget for the East Africa Community for Financial Year 2013/14 is shown in table 1 below. That table also shows the expected sources of revenue for the same period. You will allow me not to get into the details of that table because that will take too long.

It is the above context that the priority programmes for the Financial Year 20-13/14 are in line with the development strategy of 2011/12 to 2015/16, the outcome of the free budget conference, as well as responses to the Summit's directives and the Council decisions.

The committee noted that the priority programmes planned for the implementation are as follows: attainment of single customs territory, the implementation of the common market including, particular, the operationalisation of the free movement of labour as well as the integration of the regional financial market; completion of the negotiations of the East African Monetary Union Protocol; the cooperation and development of cross boarder infrastructure; power generation; construction and

rehabilitation of the ports; and the establishment of the upper flight information region.

The others are the implementation of the DAS Broad Band infrastructure network; the implementation of the critical components of food security and climate change master plan; the implementation of water sanitation project for the 15 towns around Lake Victoria and its catchment area; the protection of the fragile Mount Elgon Ecosystem and the development of a harmonized framework for dealing with the water hyacinth.

The mandate of the East African Legislative Assembly and the Committee on General Purpose:

In accordance with the provisions of Article 49 (2) and 132 of the Treaty as well as rules 73, 74, 75 and 76 of the Rules of Procedure of the Assembly, the annual estimates of revenue and expenditure of the East African Community in form of budgetary proposals is presented to the Assembly for consideration and approval.

The Committee on General Purpose is mandated by the Assembly's Rules of Procedure through its budgetary function to analyse the proposal and make recommendations thereof to the Assembly especially, the mandate is premised on Rule 79 (g) as well as

paragraphs (c), (d), (e), (f) and Annex 5 (f) (2) of the Rules of Procedure.

Methodology:

The committee adopted the following methodology: first by analysing the provisions of the Treaty and the Rules of the Procedure of the Assembly. Secondly, the committee analysed the following documents, which are in Annex 2 (18). The committee also made reference to recommendations from the Committee Report on the EAC Budget estimates for financial year 2012/13.

The committee formed three groups and held meetings with the Secretary General of the EAC and the technical officers of the EAC. The committee finally held meetings with the Council of Ministers.

Acknowledgements:

The committee expresses its appreciation to the Rt. hon. Speaker of EALA for giving it time to consider the EAC Budget estimates for the Financial Year 2013/14. We also thank the Office of the Clerk including Ms Elizabeth Balinda and Ms Elizabeth Kitonga for facilitating the work of the work.

The committee further expresses appreciation to the Council of Ministers for accepting to interact with it on 30 May and 3 June

2013, the Secretary General and EAC and the technical officers of the EAC Secretariat, the organs and institutions of the Community for the insightful deliberations with the committee for the entire periods of considering the Budget Estimates.

On the achievements for the last Financial Year 2012/13, I would like to say that we have the budget performance for that period. We also have the budget assumptions for the Financial Year 2013/14.

Madam Speaker, the much achievements registered in the first half of the Financial Year 2012/13 are 16. They are shown below up at page 9. Kindly look at it.

At page 9 still, you will see that the committee was informed that the budget assumptions for the Financial Year 2013/14 are as follows: continued and consolidated political support for the EAC; availability of adequate financial resources and timely remittances; continued financial support from development partners; political stability and good governance; conducive macro-economic and business environment in the region; and global economic stability.

The committee took note of the above assumptions and of the fact that key challenges were also met, which were both global and regional in nature. These slowed down the process of implementing EAC Programmes, projects and activities.

Still at page 9, on second paragraph, it is reported that the committee was informed of strategies taken to mitigate the challenges. They are those six strategies.

At point four, we talk about the consideration of the budget estimates for the Financial Year 2013/14. The committee, during the period of 20th May 2013, considered and discussed the estimates of the departments and the organs and institutions of the EAC with the Chief of Finance and Administration and the technical officers of the EAC and made the following observations and recommendations: the question and respective explanations provided by the EAC Secretariat are herewith attached.

General Observations and Recommendations:

The committee commends the Council of Ministers for its dedicated and commendable effort on the journey towards the realisation of the integration agenda.

The EAC Secretariat is also commended for generally registering and showing improvement in the budgeting process and presentation of the respective documentation both in form of reports and annexure cited in part 1 (2) of this report;

The committee notes and commends the presentation for the EAC progress as well as budget performance reports for 2011/12 and from July 2012 to March 2013.

The committee considered the report and found out that this is the assessment of the performance levels and gives a reflection for where challenges exists thereby informing the budget analysis exercise.

Additionally the committee notes that the procurement plans and other documents still have errors and inconsistencies. While the officers explained that it is still work in progress, there is a mismatch of activities in the budget documents and some of the other annexure as will be shown under part IV of this report.

The committee finally appreciates the significant partnership that the EAC enjoys with the relevant states and their role in realising the achievements registered during last financial year as has been cited in this report. The committee has the following observations and recommendations:

- 1) The need to adhere to the provisions of the EAC Budget Act 2008, which regards to the tabling of the EAC Estimates;
- 2) The Council of Minister continues to table the EAC Budget before the Assembly in the Month of April, which is a break of the EAC Budget Act, 2008;
- 3) Further, the provisions of the Budget are not governed by MTEFF Principles;
- 4) The budget process should be aligned in relation to the Budget Act. Therefore, there is need for amendment to be carried out;
- 5) The committee urged the Council of Ministers to the effect that if this provides a difficulty, to consider tabling the amendments to the EAC Budget Act, 2008;
- 6) In its interaction with the Council of Ministers, the Chairperson of the Council undertook to ensure henceforth compliancy to the EAC Budget Act, 2008; and
- 7) The committee recommends that the Council of Ministers tables amendments within six months to this effect that provisions of the EAC Budget Act, 2008 are adhered to.

Budgeting for activities that don't benefit the people of East Africa in the form of many levels for meetings, conferences and workshops as well as commissioning studies whose outputs are not very clear.

In its interaction with the Department of Finance and Administration, the committee was informed that meetings as well as travels were inevitable and expected to continue. The committee however, continually wonders when implementation of the decisions takes place.

The two major aspects herein include the revision of excessive travels and harmonized salaries and other costs.

The committee recommends that meetings, conferences and consultancies and travels be rationalised and salaries be harmonised across board.

Continued gross neglect of social and productive sectors through the lack of budget provisions:

The committee would like to express dissatisfaction at the lack of significant funding to this sector, particularly among, others, labour, employment, emigration, agriculture and science development, the Swahili Commission and the development of the Swahili Language in general, gender, youth, the civil society and the people living with disabilities who have a zero budget provision.

The committee finds this state of affairs distressing particularly when the explanation for this is that during the rationalisation by F/A, the social sector is most effected.

To illustrate this point in the Secretary General's Statement, one of the achievements in the social sector is the approval, by the 26th Council of Ministers, of the support for the private sector and civil society participation in the EAC Integration.

This activity however, has no significant funding to facilitate its implementation. Other specific examples will be pointed under the specific sectors.

The committee directs that funds be sought from development partners to implement the sector's activities but that in the meantime we set specific conditions to the funding of the sectors cited above as will be shown at the end of this report.

Continued lack of a comprehensive and effective strategy and accompanied facilitation for the sensitisation on the EAC among the people of East Africa and their involvement in the activities of EAC.

On this, the committee notes that the funding budgeted for sensitization and awareness creation on the EAC is inefficient.

It further notes that the partner states' ministries of the East African Community affairs insist that sensitization be left to these ministries and not the EAC Secretariat.

The committee would like to remind the Council of Ministers that in its report on the EAC Budget estimates for the Financial Year 2012/13, at pages 22 and 23, under the component of corporate communication, the committee recommended that a link be established with partner states' departments and media sectors to allow outreach activities jointly done with those of the ministries for EAC to create synergies.

The committee insists that awareness creation is the primary responsibility of these ministries and that this should be done hand in hand with the Secretariat particularly with regard to the harmonization of messages and information disseminated in the partner states.

Furthermore, the committee did an on-spot assessment of the level of citizen participation in the EAC Integration Agenda in four partner states carried out in October 2012 and documented findings that showed that awareness campaigns are yet to make a minimum impact on the East African people.

It is for this reason that the committee has often recommended that intensive wide scale awareness campaigns need to be carried and steadily scaled up for impact to be made.

The committee strongly recommends that effective and comprehensive strategies towards awareness campaigns on the EAC Integration be conceived and widely used with a degree of coordination at the Secretariat level and joint participation by the EAC and partner states, notwithstanding the primary role of the partner states' ministries.

In this regard, the Cooperate Communications Department of the EAC needs to be strengthened through additional pay and staff and regular funding to ensure visibility and adequate branding of the Community.

Continued donor dependency that deviate the EAC from its priorities which should be focused on the four pillars of the integration:

The committee notes that there is a possibility that planning and budgeting for activities that do not directly fulfill the mission of EAC may be a result of having too many priorities and unrealistic targets.

It is recommended that the focus be placed onto achievable priorities. This is further reinforced by the costly consultancies attached to the project that could easily deviate us from the integration agenda.

The committee recommends, as it has often done in the past, that this state affair be re-examined by the Council of Ministers. The committee further recommends that partner states increase funding to the Community to ensure a degree of self-sustenance of critical sectors.

The need to improve the quality of documents and report of the Community:

As pointed out in the general observations, there continues to be an urgent need to improve the quality of documents of the EAC. Some of the annexure to the documents have unwanted errors and inconsistencies for example, the annual procurement plan for the Financial Year 2013/14 where we have a mis-match in figures with the budget estimates on many pages here, among other errors. Several activities are also completely omitted. There is usually no proof reading; it is a cut and paste culture; there is an apparent lack of skills development overall supervision.

Although during our interaction with the Department of Finance and Administration and other officers of the Secretariat, it was explained that this was caused by the evolving nature of the documents, the committee requests the Council to explain this fundamental and recurrent problem.

The committee recommends that the Council puts in place supervisory and quality assurance measures for all Community reports and documents.

Weak Supervision of the Community by the Council of Ministers:

This leads to gaps related to point 4 (1) and (6) above. The committee notes that there is need for the Council of Ministers to strictly and adequately supervise the Secretariat and the Community projects to ensure efficiency, effectiveness and quality service delivery.

The committee, while commending the Council of Minister for the continued steering of the Community towards a lot of achievements, notes that it is still possible for it to do more in this area.

While the Secretary General and executives of the Community provide necessary administrative and managerial guidance and

maintain the role of leadership, the Council of Ministers should take the lead with regard to supervision and strategic guidance while at the same time ensuring representation in regard to partner states' labour.

The committee has in the past pointed out the tendency of partner states' officials in giving misguided advice to the Council of Ministers. For example, there is an emerging tendency for the Department of Finance and Administration to disregard the priorities of officers of the Community and thus creating mistrust and misguided rationalisation, which is unrealistic. This leads to perpetual underfunding of the social sector.

The committee recommends that the Council of Ministers re-examines the relevance of the Finance and Administration Committee. It seems to have assumed the roles in Article 132 (5) of the Treaty, which is the mandate of the Assembly.

The committee recommends that the Council of Ministers establishes and implements supervisory and regular checks to ensure better output and productivity from the Finance and Administration Committee and ensures the fair and unbiased decision making as well rationalisation particularly during the budget process.

Additionally, it is recommended that the Council of Ministers should consider increased presence in Arusha so as to ensure adequate supervision of the organs and institutions of the Community.

In meantime, the committee recommends that the Council of Ministers allows the Secretary General accessibility and authority to reallocate between 7 to 10 percent from within the sectors of the budget to fill the gap cited above.

Specific Sectors and Departments:

The Office of the Secretary-General:

The committee commends the Office of the Secretary General for providing necessary guidance to the EAC. The following are the observations and recommendations of the committee:

- 1) The process and misplacement of training of staff and resource mobilisation should be in the Secretary General's office. The committee finds that the placement of specific staff training arrangements and funds as well as resource mobilisation specifically the partnership funds under the Secretary General's office is inappropriate.

During the interaction with the committee, the Deputy Secretary in charge of Finance and Administration explained that this was

appropriate since the Secretary General is the chief resource mobiliser for the Community, but the committee did not agree with that. The committee considered the fact that due to the nature of his roles, which necessitates a lot of travels and out of office work, staff training should be taken to the Human Resource Department so that appropriate supervision and follow ups are exercised.

The committee recommends that the Resource Mobilization Department reverts to the Office of the Deputy Secretary General in charge of Finance and Administration. This is should aligned throughout the budget document for the relevant departments to ensure staff development.

2) The increase in budgetary provisions under the office seems to have led to corresponding cuts under critical offices within the Secretary General's office. The committee notes that the Judicial and Legal Department under the Secretariat has received inadequate funds yet it is expected to be responsible for drafting Bills for the executive and considerable work load including the private members' Bills to the Assembly.

The impression given here is that the Assembly may not receive any draft Bills for consideration. The committee recommends that additional funds be found for the drafting and printing of Bills

and that the Council of Ministers presents to the Assembly, a restructured calendar to allow for better planning.

3) There is need to cut down on the emerging excessive travels. The committee insists on the need to reduce on the sizes of delegations for travels. Instances cited by the committee and the Secretary General included 120 staff attending the Assembly Sessions while the departments have similar budget lines for staff to go for such travels. There are instances of harmonising numbers particularly among other staff and temporary staff who are not defined.

Additional are meetings that ordinarily take place during the EALA plenary Sessions, but which also have tickets budget for. Extravagancy is also cited under global development activities where there are travels to four continents for the executive and other staff. The committee has therefore effected cuts to the said travels.

The committee recommends that instances of excessive travels be cut down, both in regard to the Secretary General's Office as well as other departments.

Under the Internal Audit Office and the Audit Commission, the committee notes that the placement of this office under the Secretary General's Office is inappropriate and consideration

should be given to the Audit Commission being attached to another organ of the EAC to allow independence.

Additionally, the House has on several occasions recommended against trusting external auditors. During our interaction in the committee the Deputy Secretary General in charge of Finance and Administration informed us that with effect from August last year, an Audit and Risk Committee had been put in place to which the Internal Audit Department reports; it no longer reports directly to the Secretary General and that further measures were being taken to address this.

But the committee recommends that consideration be given to reallocating the Audit Commission to another organ of the Community. We further recommend that the use of external auditors be limited only to the statutory arrears such as donor funds. Auditing of the finances of the EAC should only be carried out by the Audit Commission.

Additionally, the committee recommends that more days be provided to the Chairperson of the Commission to facilitate the EALA Committee on Accounts during consideration of audited accounts.

The committee also noted the fact that some consultancies and activities of offices do not facilitate the pillars of integration and that such funds can be reallocated. The committee also notes that the Defence Liaison Office has also not been funded adequately to the levels where security is considered a serious matter in the region.

The committee requires an explanation in this regard. The Defence Liaison Office should comprise teams that carry out activities related to security such those in Somalia.

In addition to the general recommendation concerning sensitisation and the creation of awareness on the EAC and the Corporate Communications Department, the committee noted that there is need to reinforce the capacity of the Media centres in terms of permanent staff and equipment.

Equipment and tangible programmes that reach out to the people of East Africa including interactions on radio stations with opportunities for interactive call-in facilities. While it was explained that the issue of staff will be dealt with by the institutions, it is recommended that temporary staff be increased in the department in the meantime.

Office of the Deputy Secretary-General Finance and Administration

The committee made the following observations and recommendations:

1. The need to harmonise salaries in the EAC. The committee noted with concern that there is a disparity in salaries between the mainstream staff and project staff, which was not fair.

The committee, while acknowledging the explanation provided about the on-going salary harmonisation exercise that is expected to take effect in July 2015, recommends that notwithstanding different agreements and MOUs, a degree of equity needs to be created in harmony with established salary scales in the Community.

2. The need to prioritise staff training and capacity building within the Community. The committee noted that apart from the use of the consultant, which is on a large scale, there was a lack of funding for staff development and improvement of human resource capacity, including that of members of EALA. This is also compounded by the under utilisation of the monitoring and evaluation department in the office DSG Planning and Infrastructure.

The committee was of the view that while monitoring and evaluation is a necessary component of all activities of the Community, it is largely not carried out across board, apart from the desk work of compilation of facts and figures, without the field experience to authenticate the facts and figures.

While the committee acknowledged that the nature of the some of the necessary consultancies is highly technical and requires high technical standards, the committee insists that areas such as monitoring and evaluation; validation and needs assessment and reviews can make use of the EAC desk officers. The committee further reiterates the need for training in Kiswahili language to be funded as a priority.

The committee recommends that staff training and building technical capacity be prioritised in order to minimise the use of costly consultancies but also to ensure staff skills development and enhancement for increased efficiency.

In the same vein, staff retreats should also comprise a form of building technical capacity and should be funded.

3. The need for the EAC to pass to future risk assessment. The committee took note of the fact that the EAC, since inception failed to risk assessment carried out by the European Union and is of the considered view that necessary mechanism should be

fast-tracked. During the interaction with the DSG F&A, the committee was informed that there was a high possibility of passing the assessment next financial year due to the fact that several measures, including procurement and internal control measures had been put in place, which explains the engagement of a consultant in this regard.

The committee recommends that the necessary measures be put in place in the next financial to facilitate passing of the assessment, which will give even more credibility to the EAC. The committee further recommends that building capacity by training local staff should be assured and the ultimate goal should not be just to pass the assessment.

4. The need to professional the institutional review exercise. Notwithstanding the explanation provided by the DSG F&A that the institutional review exercise is expected to be finalised in December 2013, the committee is of the view that the institutional review exercise is long overdue and the process of subjecting the consultants' report to further review has become cyclic and continuous and cannot be predicted.

The committee reiterates that the successful conclusion of a lot of progressive programmes of the community will depend on the effectiveness of this exercise and thorough conclusion should be assured.

The committee recommends to the Council of Ministers to appropriately assure the best possible conclusion to the institutional review exercise through implementation and creation of effective measures through and without prejudice to transparency, fairness, effectiveness and going for what should be a priority on the integration agenda of the EAC.

5. A need to improve management of the Community assets. This refers to both moveable and immovable assets of the Community, which throughout the budget document shows that there is a limited purchase of new equipment, particularly IT equipment, with most of the budgeted funds being for maintenance.

The committee observes that even in the projections for the next financial year, maintenance costs are still provided for. The committee further notes that there is a policy of replacement of motor vehicles every two years and regards this, if it is a practice as wasteful because this is a short span of time for reasonable depreciation to cause purchase of new motor vehicles.

The committee further noted that maintenance costs were budgeted for the new headquarters. The committee also considered the need to maximally make use of the EAC headquarters building and the necessary re-modeling required all the staff of the Community.

The committee recommends taking into consideration the explanations provided that necessary measures are taken to completely eliminate the payment of rent by the Community. The committee recommends that effective use, management maintenance and replacement of Community assets be assured.

6. An analysis of the EAC budget for the previous and current financial years reveals that the Community uses different rates to budget for similar vehicles. A variance of \$80,000 and \$100,000 was effected across the board, an indication that there is no uniformity in the procurement of vehicles. This trend, if not checked, is likely to lead to wastage, procurement of inappropriate vehicles and therefore offer high costs of maintenance.

It was also noted that some organs and institutions budget for vehicles every financial year, putting the question whether the vehicles reach the maximum life span as per the regulations.

The committee recommends that Council should develop a vehicle and transport policy to resolve all shortcomings on procurement and maintenance of the vehicles. This should be undertaken in the financial under consideration.

Office of the Deputy Secretary-General Planning and Infrastructure

The committee took note of the infrastructure development and on-going project but observes that the critical element of monitoring and evaluation of projects and programmes though necessary, was not consistently funded and only desk compilation was being done by relevant officers as highlighted in the general recommendations. There was therefore a need to mainstream monitoring and evaluation in all projects and programmes where it does not feature.

The committee recommends that monitoring and evaluation of projects in the field be mainstreamed and comprise an integral part of EAC activities. The committee took note of the explanation regarding the large number of consultancies within the sector. And while acknowledging the high level of technical knowledge and skills required for the project to be in office, recommends that efforts be made to initially source for qualified quality consultants from the region before opening up to others from beyond the region.

Office of the Deputy Secretary-General Productive and Social Sector

The committee has the following observations and recommendations:

The committee noted that the productive and social sector is the office most affected by rationalisation and yet this was the sector that was most people-centred and provides the most tangible evidence of the integration. As it has been pointed out in the general recommendations, the committee recommends that funds be sought by the Council of Ministers for allocation to the entire sector, notwithstanding their standing commitment on funding by the Partner States at the national level. The considered reservation of the committee will be shown at the end of the report.

On the Office of the Deputy Secretary-General Political Federation, the committee considered the retrospective request for the Kenya election observation and points out that after the signing of the agreement for the funds with DANIDA, there had been more than two possibilities to refer the request to the Assembly but this was not done.

The Assembly is expected, according to the Secretariat, to refer supplementary requests to the Assembly for approval anytime it is necessary to avoid retrospective requests.

The committee recommends that supplementary requests for funds be referred to the Assembly for approval within reasonable time

and retrospective requests be avoided as much as possible. In the meantime, the committee did not get adequate explanation on the retrospective supplementary budget request and will recommend to the House that the retrospective approval of the supplementary budget deferred to the next session.

With regard to the research carried out by the Nyerere Centre for Peace, the committee recommends that research funds be widely circulated and publicized to create value addition and publicity for the centre since its work is relevant and useful to the region.

On the East African Court of Justice, the committee noted that no funds were allocated to facilitate Summit directive on extended jurisdiction for the court. The committee recommends that the Council of Ministers expedites the process and funds be secured for the same.

On the East African Legislative Assembly, EALA rules provide that the Assembly shall meet for 120 days, both in committee and plenary sessions. It is expected that during very meeting, committee meet prior to the plenary session to harmonise reports and recommendations. It was, however, observed that a total of 80 days were provided for the plenary and committee sitting

other than other funds for committee oversight and consideration of bills.

This had therefore placed a lot of pressure on parliamentary sitting time thereby leading to accumulation of unfinished business. The committee recommends that the Council make a budgetary provision for the 120 sitting days for both plenary and committee sittings on the side-line of plenary. The Committee of Accounts and General Purpose are a creation of the Treaty and have not been granted enough time to carry out effective scrutiny and analysis of the matters referred to the committee by the Assembly.

The committee, while interacting with the Council of Minister, presented the issue and the Council undertook to consider the matter. The committee, therefore, strongly recommends that the Committee and the Committee on General Purpose be allocated not less than 14 working days to consider the audited accounts and the EAC Budget Estimates, respectively.

An analysis of the staffing levels revealed that several posts have not been fulfilled since 2009. This is against the background that attempts have been made, on two occasions, to advertise, shortlist and interview prospective staff. It was

also noted that in this cases, a budgetary provision was made but not utilised since the process curtailed by Council decisions. It was also observed that the EAC is currently bedeviled by a number of resignations or refusal of staff to renew their contracts. This indicates that employment in the Community is either less attractive or the retention policies faulty. Coupled with this is that staff are overworked. It had been anticipated that the institutional review process and the review of terms and conditions of service would resolve any shortcoming but the exercise is being implemented at a slow pace.

The committee, therefore, recommends that:

1. The Council should complete the recruitment process for the on-going interview within the financial year under consideration. The Council should have concluded the review report on the institutional review while improving the terms and conditions of the staff within the year under review and proceed to immediately effect the recommendations. The Council and the Secretary-General should immediately quantify all existing vacancies and proceed to recruit staff in critical positions.
2. The success of the representative function of EALA is closely linked to the ability of members to communicate with citizens of East Africa, the majority of who communicate in

Kiswahili. However, several members are not well versed with the language and therefore need to learn it. The Treaty, in Article 137, provides an opportunity for this to be an official language of the Community. It accordingly places emphasis on the need to develop it as the lingua franca of the Community. It is however noteworthy that no budgetary provision has been made for the Assembly to facilitate its members for such an important training.

The committee recommends that the Council and the Secretary-General make adequate budgetary provision for members and staff of the Community to undertake Swahili language courses within the financial year under consideration.

On Lake Victoria Basin Commission, the committee commended the institution's developmental activities, particularly as regards to lakeshore communities in form of active community-based organisations. The committee took note and recommends that the sensitisation activities be carried out hand in hand with earlier efforts to avoid overlap and duplication. Furthermore, coordination efforts should be ensured for the lakeshore programmes and projects for equitable benefits.

On Inter-university Council for East Africa (ICEA), the committee commends ICEA for the diverse and progressive

programmes carried out as well as the efforts towards building capacity towards granting regional accreditation as well as ensuring appropriate dissemination of research findings and outputs. The committee also noted with appreciation that the ICEA headquarters construction was due to start in the near future.

On the Lake Victoria Fisheries Organisation, the committee observed that the convention establishing it has not been amended to allow all Partner States to make contributions to the organisation. The committee urges the Council of Minister to expedite the amendment of the convention establishing the Lake Victoria Fisheries Organisation as is necessary.

In conclusion, the committee in general notes with appreciation the improvement in the overall budgeting process and all the efforts of the Council of Ministers and Secretariat in this respect. During the committee's interaction with the Council of Ministers and the Secretary-General of the EAC, the Council undertook to re-evaluate its methods of work to include more strict supervision of activities of the EAC. Furthermore, the Council undertook to find funds for the areas not funded including, among others, the entire social sector, monitoring and evaluation, initiation and printing of bills as well as carrying out public hearings, training and capacity building,

including Kiswahili language sensitisation as well as adherence to the EAC Budget Act, 2008, the Rules of Procedure of the House with regard to plenary and committee allotted sitting days.

The committee made an attempt to re-allocate funds within the budget but it was assured by the Council of Ministers that funds would be sought for the areas pointed out and presented to the House for approval within the next six months. The committee therefore defers the undertaking and commitment made by the Council of Ministers on 3 June 2013 to source for funds as highlighted in the present proposals in the mid-term and the supplementary request to be scrutinised by the committee and the Assembly. The committee is persuaded by the commitment by the Council of Ministers and the Secretary-General and undertakes going forward to bring the Council of Ministers to account in a six month period.

The committee, therefore, presents for consideration and debate, its report and recommendation to this august House and moves that, except for the retrospective approval request, the House approves the proposals by the Council of Ministers for the budget of the East African Community for the Financial Year 2013/2014, taking into consideration the conditions made as well as the proposed amendments by the commitment and the adjustments

made in the budget speech presented by the Chairperson of the Council of Ministers on 30 May 2013. Madam Speaker, I beg to move. *(Applause)*

The Speaker: Thank you, Dr Nduwimana, chairperson of the Committee on General Purpose and the members for that very detailed report. Before we proceed with the debate, hon. Members, join me to welcome, in the VIP gallery this afternoon, the women members of Parliament and officials from the National Assembly of Nigeria. *(Applause)* Hon. Members you are welcome: They include hon. Razekat, hon. Amiro, hon. Okaria Azodo, hon. Onkoyo Toyo, hon. Nsiegide Blessing, Ms Tina Nkam and Ms Nano Marina. *(Applause)* They are here to benchmark and share experiences with their counterparts in Uganda and the rest of East Africa. You are welcome. Also in the public gallery are students and teachers of St. Mary's High School, Migadde in Kyadondo County North, Wakiso District. *(Applause)* They are represented by hon. Kasule Robert Sebunya and hon. Rosemary Seninde and members of the EALA Uganda Chapter. *(Applause)* They have come to observe the proceedings of Parliament. Kindly join me in welcoming them. *(Applause)*

Also in the public gallery are members of the East African Students Association from the Uganda Christian University

Mukono. You are most welcome; I remember when I visited their university. They have also come to observe the proceedings of the East African Legislative Assembly. You are most welcome.

Hon. Members, the motion on the Floor is that this Assembly do resolve itself into the Committee of Ways and Means to consider and approve the financial statement for the Financial Year 2013/3014 and to consider and approve the revises estimates of the expenditure for the Financial Year 2012/2013 and the estimates of the expenditure for the financial year 2013/2014. Debate is now open.

Ms Jacqueline Muhongayire (Rwanda): Thank you, Madam Speaker, for the opportunity to contribute to this important motion. I thank the chairperson of the Council of Ministers, hon. Shem Bageine for the budget speech well elaborated and submitted to the House.

Madam Speaker, I am not a member of the Budget Committee and neither am I a member of the general purpose committee but I wish to appreciate the extensive report given by the committee chairperson, hon. Martin Nduwimana. I also wish to thank the members of this committee and the EAC Secretariat and EALA staff

for the efforts put towards this budget process. It is really an excellent report despite the limited time they had.

Madam Speaker, I have some comments on this budget but from the onset I would like to say that I support the motion. As you may remember, during our last EALA plenary in Kigali, the Chairperson of the Summit and the President of the Republic of Uganda, His Excellency Museveni, in his annual address to this Assembly together with the President of Rwanda, His Excellency Kagame, while addressing this House in his opening remarks, both noted the high dependency on donors and reminded that the issue must be addressed.

Madam Speaker, allow me to state that the continued support and cooperation from the development partners is recognised and well appreciated as the chairperson of the general purpose committee has highlighted. But there is an urgent need to expedite the conclusion of the study on sustainable financing mechanism to finance the core activity of the East African Community. It was also highlighted in the budget speech during the last plenary - on page 29 regarding alternative mechanism to finance the Community high court. *"The period had a demand of high level of financial resources for both recurrent and development expenditures. So far our development partners have been*

supporting the Community. During the financial year, EAC undertook a study on alternative mechanism to finance the budget. A proposal will be tabled to the Council of Ministers for consideration during the next financial year."

Madam Speaker, I would like to ask the Council of Ministers that every plenary, this august House should be updated on the progress of this matter. So as stipulated in the EAC Treaty in Articles 132 and 133, the Budget of the EAC is funded by annual equal contribution by Partner States, receipts from regional and international donors. So Madam Speaker, I would like to emphasise that the fact for EAC Development Strategy 2011/2016, it will cause - as it has been stated in the budget speech - it will cause high budgetary requirements. So therefore the mandate of this Community will be growing every financial year in terms of financial resources and other supply constraints. All these can justify the need to conclude and to decide on sustainable financing mechanism to finance the EAC integration process, particularly the core activity of this Community, for the benefit of the people of East Africa.

Madam Speaker, my next point is on the issue of gender, youth and people with disability. I am aware that this issues have been debated during the budgeting process and I wish to note

that particularly for youth and women - you know that women in particular produce over 70 percent of the income of the all the EAC Partner States. Therefore, the EAC Secretariat and the organs and institutions should take into account this matter when it comes to EAC activities and the budgeting process.

Madam Speaker, I take this opportunity commend the general purpose committee on its recommendations to this House. I once again state that I support this motion and thank once more the Committee on General Purpose, the EAC Secretariat management, the Council of Ministers, EALA and Secretariat staff for the efforts put into this budgeting process. Thank you very much for the job well done in producing this excellent. I will not forget to thank my colleagues, the members of the Committee on Account, who are at the same time, members of the general purpose committee for representing EALA adequately. Thank you.

Mr Yves Nsabimana (Burundi): Thank you, Madam Speaker. I want to comment on this budget because while reading it, I did not find an important item. Under source of revenue, I did not find the money to be collected from and paid as Partner States' contribution. I do not know if the whole contribution has been paid in time. If it remained, we must put a line into revenue to be collected. It is also - you remember that in the account

committee, we had made some recommendation about VAT: We must find a way on how the Community will collect the VAT that is not collected by the organs and the Secretariat. It is also the same with interest; they must show how they will collect interest and this must come in as revenue.

At the same time, in the expenditures, we must find the money to pay specific suppliers not paid on 30 June 2013. We must find the amount to pay these because the Community cannot move money that is not approved. We must also have this line in the budget.

Also the Council of Ministers must give a policy on how the Community will use the money at hand on 30 June 2013 - the cash and the money in the bank. It must be indicated in the budget how much money is in the account and how it will be used and it also must be approved by the budget. And if they correct budget with the mentioned items, I will approve the budget. For now, I request the Council and the general purpose committee to correct the budget and include this also. I am sure they will find out that it is a lot of money. Thank you.

The Speaker: Thank you, hon. Nsabimana. I am sure that the Chair Council has heard you and he will do something about it. I will invite hon. Susan Nakawuki.

Ms Susan Nakawuki (Uganda): Thank you, Madam Speaker for this wonderful opportunity. I will begin by appreciating the Council of Ministers and the Secretariat for their role in the budgeting process. In particular, I thank the Chair Council of Minister for giving such a wonderful budget speech - *(Applause)* - and for realising the need for us to improve our budgeting process as the East Africa Legislative Assembly. Madam Speaker, allow me to thank you for the support and resources you have accorded to us. I would also like to note the fact that we have worked under stringent conditions - for record purposes, I am member of this committee. We also had to work even on public holidays simply because we were time-barred.

Yesterday, Madam Speaker, as you were busy seeking spiritual intervention before the Uganda Martyrs in Namugongo, some of us were preparing to come here for the general purpose committee. But that was because we are time constrained and cannot ably fulfill our oversight role if we are just working on a crash programme.

Madam Speaker, I have never seen a committee room that is littered like the committee room for the general purpose committee because we had like 20 documents to look at before

coming up with the recommendations. Nevertheless, we were able to complete the work. So I would like to appreciate the general purpose committee.

Madam Speaker, I have quite a number of issues to put across but I will make the brief. But please allow me to spend much time on the first issue of my concern, as a youth. We all know that many of the critical sectors included in the budget by the Chair Council of Ministers are not funded in this financial year, if you looked at the budget allocation. But allow me to specifically mention the activities for the youth because, as you are all aware, the young people constitute the largest percentage in the East African Community.

Madam Speaker, youth are not taken into consideration when it comes to the activities of the EAC. I know that when the Chair Council was giving his budget speech, he put great emphasis on the youth and I was very excited about that. But when I looked at this year's budget and even the last year and that before it, almost all the youth activities are not funded. But let me draw your attention to specifically look at the budget performance report of Financial Year 2011/2012 - Annex 7 on page 17 - in that year, all youth activities were allocated \$3,000. But when you look at the budget utilisation percentage, it was zero

percent and the government was questioned on where the unspent funds go. Are we going to be able to get these funds again for youth activities? Up to now I have not got an answer. And that very financial year, \$3,000 was allocated to the children. Well, thank God it was spent, but is it sufficient? When you look at the Financial Year 2012/2013, on page 20 of the budget performance report, you will find that nothing at all was allocated to the youth. The other year, little money was allocated but not spent; now in 2012/2013, nothing was allocated, implying that this is not something that is really taken seriously in the Community.

Madam Speaker, the children that financial year were allocated \$4000 but still, as of March 2013, there was zero utilisation of the resources and I wonder why because this is becoming habitual - where some money is provided, there is no utilisation or no provision for funding exists at all. When you look at the 2013/2014 financial year, page 98 of the summarised MTEF, the youth activity there under, which is establishing a structure for skills development for the youth, is not funded. And there is no future plan to even fund it. When you look at page 122 of the summarised MTEF 2013/2014, there is a provision for sensitisation and awareness sessions for the youth but still there is no money allocated to this activity.

In the budget speech, it says on page 22 that the youth have been given special attention and have been highlighted in the budget. But when I flip through the pages, I see something different. Madam Speaker, I want to know from the Chair Council - because many times we have been promised things but nothing has been forthcoming.

I want to appreciate the fact that on page 99 of the summarised MTEF, \$12,000 has been set aside to establish women and youth councils. Madam Speaker, when we were in Burundi, we were approached by the East African youth asking about these youth councils. I know this is not the first time this issue has come to the Floor of this House; we have been promised a lot and all of them have turned out to be rhetoric. I do not want say that when we raise these issues, we are ignored by the Council of Ministers but I am somehow forced to say it. So I need the assurance from the Minister that they are going to find funding for youth activities. Otherwise if I stand here and rubberstamp this budget, knowing well that youth activities are not funded, my heart bleeds. I am here on account of the youth. I remember very well when I was campaigning here that I reminded these people that if they sent me they would have sent a youth. So I

will need to get confirmation from the Minister that this is taken care of.

Madam Speaker, allow me also to echo one issue that was raised by my committee chairperson. But I will elaborate on it briefly - about the committee called F&A. madam Speaker, I have tried to look into the legislation of the East African Community, to find out where these people fall but I have failed. I seek to be guided because when I look at Article 32(2) of the Treaty, it gives a mandate of preparing the budget to the Secretary-General. When you look at the Budget Act section 3, it gives the mandate to the Secretary-General. But at the same time we have seen this F&A doing this work for the Secretary-General. Madam Speaker, this leaves me with no option but to wonder who these people and on whose instruction they are operating and who they report to. I get disturbed because we hear that actually these people decide on the budget for the Community and I am wondering how we can leave the entire budget of the Community to the people who have no legal backing. I seek to be corrected if I am wrong but I know I am not wrong.

Madam Speaker, I would really appreciate the fact that the Community is not growing backward but forward and this financial year, when the F&A was looking at the budget they just came up

with the conclusion that there must be a negative 10 percent increase in the budget. And then when the Secretariat insisted they settled for a zero percent increased. But we are here with an expanded mandate and more activities for the Community and then F&A says it is not going to work. These people even go ahead and brag that they are the infamous F&A; I kept hearing people saying, "I belong to the infamous F&A" as we were introducing ourselves. At that time I even did not know what F&A is about until when we were told about these people and here they are.

Madam Speaker, it is high time we fulfilled our legal mandate for the Secretary-General to come up with the budget for the Community. I appreciate the fact that during our interaction with the Chair Council in the committee, he committed himself to looking into this. But do not just look into it; just act because it has come out before and this is the time. I have confidence in the Chair Council of Ministers and I know you are not going to let us down; act. *(Applause)*

The Speaker: Finally?

Ms Nakawuki: Finally? That is complicated, Madam Speaker.

The Speaker: You will have to appreciate that we have only three hours' sitting.

Ms Nakawuki: Yes, Madam Speaker. Last but not least, Madam Speaker, allow me to take note of the delays at national level when it comes to implementation of regional commitment. And this is coupled with the complicated procurement systems leading to the long gestation period. Here in Uganda, we have a problem when it comes to our PPDA - and you find that it takes very long for anything to happen on the Ugandan side because of the procurement processes involved. I would like to note this on the Floor of the House: For the Ntungamo-Mirama Hills Road, funds have been provided for its construction but procurement is becoming an issue. So I would like to push this to the Chair Council that when you sit for cabinet meetings here in Uganda, please take note of this because it is pulling us backwards.

Madam Speaker, there is also an issue of delayed disbursement of funds from the Partner States; this should also be addressed. Yes, we understand it is a problem but what are we doing about it? Then there is also delayed remittance from the Partner States of their contributions. Article 143 of the Treaty says that there are sanctions for delayed remittances or non-remittance. I do not know if any country has been subjected to

these sanctions because I am aware that many institutions of the EAC have not been funded because Partner States have not honoured their contribution. For example, the inter-university council, among others.

Finally, Madam Speaker, I would also like to talk about the issue of monitoring and evaluation. When you look at page 50 of the summarised MTEF, there is an activity on the regular on-spot evidence-based assessment of programmes in the implementation of planned activities. And this is an activity that is not funded. The accounts committee has always recommended about strengthening the monitoring and evaluation department but when you look at the budget it has the least amount of money allocated to it. This activity has been funded in the last five financial years but this time it has been scrapped. Madam Speaker, we do not want the department of monitoring and evaluation to go and just sit in the office and come up with reports without evidence-based assessment. So I call upon the Council of Ministers to find money to allocate to this vote. Thank you.

Ms Valerie Nyirahabineza (Rwanda): Thank you, Madam Speaker. From the onset, I declare that I support this motion, although some reservations to put forward. I also take this opportunity

to thank my chairperson, hon. Dr Nduwimana Martin for ably representing us and bringing forward the various recommendations we came up with as a committee.

First I have to declare that I am a member of the general purpose committee. Let me also thank the chair Council for the well-formulated Budget Speech that takes into account the great achievements made by the Community during the first financial year and which Budget Speech also highlights the major undertakings of the Community, scheduled for this coming financial year.

Madam Speaker, we all know that the budget is mainly a translation of policies and strategies into figures and that the budget is also a reflection of the Community's priorities as spelt out in the MTF Development Strategy and the Budget Conference key identifications.

Madam Speaker, I am of the view that the content of the Chair, Council is likely to harmonise the allocation of scarce resources with planned activities and programmes, although I thank him sincerely because it is not so easy to express what the General Purpose Committee really feels about the Chair, Council and his team. However, our Chair, Council has shown that

he is a man of change and he is - (*Applause*) - really a strong reformer in that he wants to take the Community forward together with all of us.

Madam Speaker, the broad programme and vision for the East African regional integration have been clearly defined and the institutional mechanism is for the realisation of the Arms of the Community are in place and we have gotten assurances from the Chair, Council together with his team to move further so as for us to meet the expectations of all the East Africans we are representing here.

Back to the subject at hand, I unfortunately want to allude to a kind of disconnect which does appear between the chair, council's speech in the budget we are analysing. As I alluded to it when I was starting my submission, the Chair, Council's speech highlights key priority areas but when you attentively scrutinise this budget, you will see that the activities referred to in the Budget Speech do not match properly with the resources outlined in the budget estimates for Financial Year 2013/2014 and even like my colleagues have alluded, some of the key activities for the integration process have been left out including the social and productive sectors, the women issue, the youth issue and so on and so forth. But what I can say here

is that we trust the Chair, Council and his team because they have given us some undertakings. They are committed really to doing something and to get funding for those left out activities and they promised us that within a period of six months, everything is going to be done. We take your words and we are only going to judge you after that period.

Madam Speaker, we, as members of the General Purpose Committee have been lucky to be trained on the MPF principles and one of the MPF principles - the way I have learned it - gives powers to the chief executive officer of any organisation to make some reallocation. Reallocation or transfer of money from a budget line to another and in our case, the Secretary General should be given power to make those reallocations without consulting the board if it is in an organisation set up and in our case, the Council of Ministers is the one to decide on which line budget to take money from and to which budget line to take money to. I think this is an exercise which should be recognised and the Secretary General should be given flexibility to exercise its mandate and this calls for a review of the rule governing the Council and so on and so forth.

Madam Speaker, coming back to the Budget Act which is mentioned in the general purpose report, the Act asks the Council of

Ministers to table the budget in April and I think there is a mistake in the report. It should be May instead of April because this year, the budget was submitted to EALA in May and it has been observed that the council has been breaching the Act itself.

Fortunately, they recognised that they are going to abide and they are going to strictly apply the provision of the Act which asks them to table that budget on the appropriate time so that the General Purpose Committee can go through it and give advice to the whole House. Otherwise my intervention was only limiting on the kind of mismatch between our activities and available resources.

My last point to that effect is that we have the East African Community Customs Management Act. It has been amended many times and one of its clauses alludes to different ways or different sources of funding. So, it is giving several options and I know, if I am not mistaken - I stand to be corrected - that the Summit has given directives to council to come up with another alternative source of funding. I don't know where the Council of Ministers is in line with that very exercise. That our Excellencies, the Heads of State have given directives, I think it should be implemented as soon as possible and then, that

source of funding should be shared with us and I know that some of my colleagues are also thinking of another alternative source of funding. They are willing to share it with the House so that together, collectively, we can take a serious measure for us to see many activities of us being funded and undertaken.

Lastly, Madam Speaker, I want to say something on Bills. The Council of Ministers has promised us to bring a Bill although this line budget is not funded at all, at least according to the budget estimates for this financial year, I think this should be given priority because it is the basis of our business. I want to remind the House that sometime in 2011, the then Chair, Council hon. Peter Munya enumerated a number of Bills that ought to be brought before the House and those Bills included but were not limited to the East African Community Kiswahili Commission Bill, the East African Health Commission Bill, and the East African Community Science and Technology Bill among others. It also included the EAC One Stop Border Post Bill. Fortunately, it has been passed and the emblem Bill which also has been passed but so many Bills, - five if am not mistaken, have not yet been brought before the House. So, I would like to hear the Council give undertakings on that matter otherwise the Assembly will not have business and I think we are here for that. I support the motion and before I leave the microphone, I really want to thank

the Chair, Council with the team and we think that as a House, we are going to judge you after six months to see whether the commitments you expressed yesterday in the committee are going to be translated into tangible activities. I thank you, Madam Speaker.

The Speaker: Thank you, very much. I will take hon. Zein.

Mr Abubakar Zein (Kenya): Thank you very much, Madam Speaker. First, allow me to thank and appreciate the Chair of this committee which I belong to, hon. Martin Nduwimana, for the many things that other members have already attributed to him but I would like to add, to this long list of good attribution the characteristic of patience. I would like to thank him for being patient with us but particularly being patient with the Secretariat and the Council of Ministers and also for his wise guidance as Chair every time the persons were running hard. So, thank you very much, Mr Chairman.

Secondly, Madam Speaker, allow me to thank the Chair, Council of Ministers and the Council of Ministers, the Secretary General and all the senior officers that came and camped in Kampala for a long period of time with us and were available to assist the committee with relevant information. Sometimes they had to

painstakingly squeeze it out of them but I would like to really thank them for the cooperation that they showed us and assisted us to be able to bring this report to this honourable House.

But allow me to say a few things, Madam Speaker, on necessary reforms and transformation that is required in order for us to improve our budgeting process and to make sure that we identify the right priorities and match them with the necessary resources in order to make the integration process meaningful to the East African people. The first one is that we need to appreciate that for the first time, a Chair of Council has given a commitment that they will first of all develop the budget and bring the budget in accordance with the law established and hon. Chair of Council, we will all hold you accountable to your statement, that you will develop the budget and bring the budget in accordance with the Budget Act, 2008.

Ms Nyirahabineza: Information. Thank you very much, Madam Speaker and thank you very much, hon. Zein, for giving way. The information I want to give is that Council recognised that they did not know the usefulness of such a provision. Thank you.

The Speaker: I am happy that you are giving the information yourself, and not the Chair, Council. Otherwise it would be very

catastrophic because this Bill has been in the premise of the Assembly and the EAC for over three years - the EAC Budget Act. So, I think, there is no excuse whatsoever.

HON. MEMBER: This is further information to my colleague, hon. Zein. I would like to assure hon. Zein that having worked with hon. Shem Bageine in this very House, I know him as a person who when he says something, he commits himself to it till the end. So, I believe he will not change because that has been his style and he is known for that. Thank you.

The Speaker: Proceed, hon. Zein. I want to advise members that try to summarise your submission in five minutes. The information may be to your time.

Mr Zein: Thank you very much, Madam Speaker. It would have been very unbecoming of me not to receive information from very gracious hon. Members of this House. So, I take that information but I would like to continue with the chain of thought that I had which is, I do truly appreciate the reform credentials of the Chair, Council but I am saying we will hold him accountable. It is always good to hold each other accountable. So, I was saying that we need to transform the budgetary process to enhance it and to make it more responsive to the needs of East Africans. The first one was to say that it is a good practise to

introduce a budget within the provisions of the law and the requirements of the law. The second one is that we need to ask and request the Council of Ministers to introduce amendments that will enhance the Budget Act in two respects; one, in bringing the MTF principles as part and parcel of the Budget Act. Therefore, the MTF would be anchored within a legal framework.

Secondly, I agree entirely with the hon. Member who spoke about giving flexibility to the Chief Executive of the Community, who is the Secretary General. I do not know of any chief executive of any institution or any organisation who completely have their hands tied behind them that they cannot even reallocate a single dollar when experiences demand that that allocation is done. We are not saying we are going to give the Secretary General a blank cheque, We are saying that in the wisdom of the Council, they should consider saying not more than 10 percent can be allowed to be reallocated when conditions demand that that is done. But when the Secretary General does not have any flexibility, then it hinders the operations of the Community.

Thirdly, Madam Speaker, allow me to also speak about this amorphous group called finance and administration. I will not have much to say about it but I will say at best, it is the

story of the tail wagging the dog. At worst, it is the story of the owner and the camel; - because it was cold outside, the owner felt it was good to invite the camel inside the tent and in the end, the camel kicked the owner out of the tent. So, I am absolutely excited that the Chair of Council has said that this is one area of reform. I assure you, Sir, that you have partners in this transformation journey and we are willing to work with you and the Council to ensure that we are accountable to the people of East Africa. Particularly today, Madam Speaker, let me appreciate and say that one of the most exciting things I saw today was the presence of young East Africans watching us and that these young East Africans will take the mantle when we retire and continue with this.

My last two points, Madam Speaker. The first one is that it is good to give words and keep them and this is to the Secretary General of our Community. Yourself sir, as an honourable Member of this august House and your able team that supports you, we expect you to deal with us as a committee and as a House in complete honesty and in complete candour and fulfillment so that your words become your bones and that you are able to give us words and keep them and we in turn will do the same. But where we are given words and we are not able to fulfill them, let us hurry to tell each other that the project which we agreed on is

not going to be fulfilled in that fashion, can we have a conversation? Rather than wait until the end of the year for us to review.

Therefore on this score, we are going to have a midterm review and some of us have a long memory like an elephant's. So, we will be measuring the indicators and saying are we fulfilling every commitment that we gave and those ones which we are unable to fulfill, are we giving credible explanation as to why they are not being fulfilled?

Lastly, Madam Speaker, this issue of facilitating the two council committees of this House - the General Purpose Committee and the committee on the accounts is of utmost importance. I assure you I agree with hon. Susan - I know members are excited that I wanted to say the second name and I always have difficulties with it - (*Laughter*) - but hon. Susan Nakawuki is the one who reminded us that our committee worked in very difficult circumstances. In one respect, we had to divide ourselves into three different groups and these three different groups had to then scrutinise in detail the happenings on behalf of the whole team.

Therefore, theoretically, you can see that none of us had a complete picture and this was caused because we had been given

limited time and the estimates were not tabled in accordance with the law.

Therefore, I really request the Chair of Council of Ministers, who has proven to us in words and I am assured by hon. Nusura that with his deeds at work, he is a reformer; that kindly, sir, let us work with you so that we can give the best to the East African people. I thank you, Madam Speaker.

The Speaker: Thank you very much. I will take hon. Rwigema.

Mr Rwigema: Thank you, Madam Speaker, for giving me the Floor. I am not a member of the General Purpose Committee but I stand to really congratulate the Chairman of the committee as well as the members of the General Purpose Committee. I also want to thank the Chair, Council as well as the Secretariat for the work well done by elaborating this budget.

Madam Speaker, elaborating a budget is one important step but implementing the budget also is an important step which asks us to really focus on tightening the control and the audit system. I have been reading this document of the budget during the weekend and I found that it is really hard to see how it was done, for people who are not really accountants. It is not so

easy. Fortunately, I understand it because I am an economist. I have seen that intervention on certain priorities is in the Customs Union and by focusing on our Customs Union, they can lead easily to establishing the Custom Union territory and by doing so, we can really crystallise the gain of integration by getting the minimum in different ways of easing the formality of carrying the goods and also by offering the most advantage of getting our things done.

When I read the budget, Madam Speaker, on common market protocols, I found that the budget was focusing on this because what is left is the operationalisation of some steps that can really make the system work well and I followed last week what the Chair, Council said by reading the budget.

It really gave me some pride when I heard that in our regions in the East African Community, we still can expect a growth of 6 percent. In over awhile in sub Saharan Africa, the growth is still at 5.2 or 5.1 percent and doing this, we remember it in advanced economies, the recovery is not so easy. They are still dreaming; they are not sure and if we project that kind of growth, we can not only say how we can forget some components of our societies as some of my colleagues have said, and the next component of our society are made by women, are made by youth

and people with disability. What we have as an important matter for really making a push up in our economy is really not to forget women, not to forget the youth because they are the most important in our society.

Madam Speaker, I don't have too much to say. I want to congratulate, again, the committee and the Secretariat and the Chair, Council for the work well done. Thank you. I support the Bill.

The Speaker: Thank you very much, I want to take hon. Isabella.

Ms Isabelle Ndahayo (Rwanda): Thank you, Madam Speaker. First of all, I would like to congratulate the chairperson of the Committee of General Purpose for a well-detailed report on this budget. I would like also to congratulate the Chairperson, Council for the report he gave us last week in our last session. Madam Speaker, when I saw this budget and the report, I was disappointed in a given area which was also highlighted in the report of the General Purpose committee, about the allocation of budgets in productive sectors especially in the agriculture sector.

Madam Speaker, agriculture was given a little percentage of the budget. 1.6 percent of the budget to the agriculture sector is very little. I think this has been done because we don't plan according to its importance taking into account the priority, activities and international conversion to this agriculture sector. Chapter 18 of the Treaty establishing the EAC talks about agriculture and food security.

In its Article 115, it stipulates the overall objective of the cooperation in the agriculture sector which are the achievements of food security and interventional agriculture production within the Community. When we talk about food security, it is about aspects of food and food availability. If you look at this percentage given to the agriculture sector, a well informed person can think that in our Community, the food security has been achieved while the people in the region continue to suffer from malnutrition, from plants and animal diseases, droughts, lack of sufficient seeds in quantity and in quality, conflicts in land, and GMOU problems among others.

In planning the budget of this sector, I think we should take into consideration some of all those aspects involved in order to achieve the objective of food security in our region. If we look at all stakeholders involved in the agriculture sector, and

also take into consideration their contribution and their roles in this sector, these stakeholders are farmers, dressers, they are executive managers, financial institutions, the research institutions, NGOs, donors and also legislators. All of them need the financial support in order to realise the objective through their roles.

Madam Speaker, I was asking myself if this 1.6 percent is enough to realise the objective. I think we need, in our region, to reach food sovereignty where we can make our own food using our efforts and our resources and I think it is not possible to reach it using the allocated budget. I hope that the recommendation made by the Committee of General Purpose - that a supplementary budget can be allocated to this sector.

I think the agriculture sector should be taken into consideration, also, we request that at least we achieve the 10 percent recommended by international convention like the Maputo one. With these few observations, I would like to support the motion.

The Speaker: I will take hon. Abdul Karim.

Mr Abdul Karim Harelimana (Rwanda): Thank you, Madam Speaker, for giving me this opportunity. I take this opportunity to thank the Chairperson Council of Ministers and the Chair, Committee on General Purpose for the good work they have done. I can see in front of me very good estimates of the budget 2013/2014 though there are a few remarks which were made by previous speakers, among my hon. colleagues, but still I think it is a good one which we need to support and may be in future as it was mentioned, coming through six months to make corrections to those shortcomings which were seen good enough before.

Madam Speaker, I stand to support this motion. When I followed very well the budget speech with the minister last week and today's report from the chair general purpose committee, I saw something which I can comment on. no. 1 is about the contingency provisions in the budget. I wonder and I have a very good example here. our development partners, they came short this time of almost 10 million us dollars. instead of us looking for it from our coffers, we went down also with them. I wonder if there was a big problem happening to the Community and we don't have this provision, what will happen to us.

Madam Speaker, in the budget speech, the minister promised that the budget estimates that I am presenting today have provided

for the activities that will fulfill the roadmap to the signing of the EAU Protocol. That is a very good thing for some of us who are elderly like my brother, hon. Ndarubaye. It is even nostalgia because we lived that period where we saw people moving with one shilling from Uganda to Kenya and to Tanzania; there was no need to look for forex bureaus, no need to make change and so on and so forth. If we will be able to sign the protocol this year, it will be very much appreciated.

Madam Speaker, we have a problem in the air transport sector. Sometimes you travel from Entebbe to Nairobi and you want to go to Dar es Salaam, and you take a whole day, 8hrs to 12 hrs for only maybe some few kilometres, less than 5,000 kilometres. We have many air transport companies here; Kenya airways, 540, Air Uganda, Rwandair, and so on and they are very expensive and they take a lot of time. Someone who is travelling from Kigali takes only 8 hrs and that one going to Dar-es-salaam from Entebbe or from Kigali, it takes him a whole day. The price of the ticket is almost the same, from Kigali to Brussels, like that one who is just travelling to Dar es Salam. What does that mean? I think we need to do something about that in this budget.

Madam Speaker, in the Budget Speech, the minister talked about communication and something to do with it which I appreciate

very much and I thank him for that but currently, the East Africans are suffering from the roaming system. You have MTN Rwanda, MTN Uganda and so on and so forth and this is the same company. Just crossing the border for a few kilometres, Kigali-Kampala I think is just 540 kilometres but with 50 dollars in your account, if someone calls and you don't pick or sends a message and you don't read, you still pay. Is this fair to the people of East Africa? Is this working well with the Common Market Protocol?

Madam Speaker, I beg the minister to follow up this thing because our people are crying because of this issue and I think there is a letter which came, I got a copy though it is not very much official, but it was crying about this issue of people who are not communicating well because of this.

Madam Speaker, as I conclude, there is this issue of the meteorological sector or subsector. It is good that the minister promised that there are some trainings which will be provided or may be are being provided to some of our people in this subsector but I wonder sometimes when I hear these people talk about what will happen tomorrow and show you on television screens that tomorrow, it will be cloudy and a few rains also

will pour, only to find that tomorrow is very hot without any single cloud in the space and no single rain has come down.

I wonder how they do their analysis about the climate and I think this is dangerous to our production especially to agriculture because people need to be accurate in order for them to do their job properly. They tell you, the rain season is supposed to start somewhere in March and end somewhere in July but I can see that it is almost over. So, Madam Speaker, I beg that these people be trained well or maybe are supplied with more effective equipment to do their job. I beg to support.

The Speaker: Thank you very much, hon. Abdul Karim. I will now invite hon. Pareno.

Mr Pareno: Thank you so much, Madam Speaker. I rise to first thank the Chair, Council and the Chair of the Committee for the job well-done. I was greatly disturbed when I heard that there was little provision for agriculture in this budget that we are discussing, madam speaker. But I was happy when a promise was made that at least something was going to be done so that the agriculture sector can also have something.

Madam Speaker, we know that agriculture is the backbone of our economy of East Africa and it would have looked really bad enough on this Community not to actually make a position for purposes of agriculture and when we last attended a session after the Kigali sitting, the agriculture committee attended a session with the Pan African Parliament and we were told that right now there is land grabbing and a land rush to Africa and I was just wondering, if we don't provide as a region for agriculture, who are we leaving it to? Are we leaving it to the same donors to donate to us money for purposes of agriculture? To as well come and grab the land because there is now a land rush and we are told that Africa is now targeted? So, I was really disturbed because it is like we are leaving it to someone else and I think that should not be proper. I want to thank the Chair, Council for promising that they will do something about it. As a region, I think we need to make an impression, to take the lead because this is the backbone of our economy.

Madam Speaker, the other thing that I wanted to contribute to is that we were informed that there is lack of a comprehensive and effective strategy on sensitization awareness on the integration process. We do not seem to walk the talk. We cannot be saying that we have a people-driven process of integration; a people-

centred process of integration. On the other hand, we are singing that song but we don't provide enough for sensitisation.

Madam Speaker, you can imagine, now we are going to a common market and we have 140 million East Africans that can form a block, which can form a market. But how do they form a market if they don't even know which common market? I think we should take the lead as the East African Community in the integration process. This is our baby. Why are we here? We are here because of integration and we should not leave the issue of sensitization or awareness to the partner states yet that is why we are here.

I think it is only proper that proper provision is made for purposes of sensitization, lest one day you call on the people and tell them here is your monetary union and they will tell you, what union? What monetary, what currency, because they do not know what you are talking about. Although you talk about a political federation because you are saying we are fast tracking, we want to fast track the federation process. Here comes the political federation and you go for a referendum, telling the people we want you to have a super government somewhere and they ask what it is about because they do not know what it is. So, I think this is something that we need to take

seriously, it is something that we should provide for and I am happy that the committee had actually come out to say that provision in the budget should be there for purposes of awareness campaigns and purposes of us telling the people what integration is all about. Madam Speaker, I support this report and the budget.

The Speaker: I will take hon. Shy-rose

Ms Shy-Rose Bhanji (Tanzania): I thank you, madam speaker, for giving me the Floor so that I can also contribute to the budget estimates for the year 2013/2014. Before I do that, Madam Speaker, allow me to congratulate Burundi's Football Association President, Lydia Nsekera, who has been elected as the first woman to FIFA's executive committee in the governing body's 109 years history. (Applause)- Madam Speaker, this victory is not only for Burundi; it is for Africa and Africa as a whole but this victory is especially to women notably East Africa because now, Madam Lydia is the inspiration to many young girls in the football world. She has pledged to give more attention to bringing women coaches to the grassroots level in the football industry. We as EALA MPs should encourage young girls to now pay attention more, to playing football.

Having said that Madam Speaker, let me now focus my contribution to the Budget Speech. I wish to declare that I am a member of the Committee of the General Purpose and I wish to congratulate our Chairperson, Dr Martin Nduwimana, for his elaborative presentation and I fully second.

Madam Speaker, the budget is welcome because it gives various stakeholders to plan about the future without losing sight of what has been achieved and what challenges were faced. On key achievements, in my view, during the Financial Year 2012/2013, only the handover of the EAC headquarters in Arusha as well as opening up Namanga Athi River Road where a clear visible **event** of this integration.

Madam Speaker, other issues are highly bureaucratic achievements and are not easy for the public to feel them until we are briefed in these kinds of fora.

Principally, all those areas which are impacting on the integration of the people should be supported and continued with even greater emphasis on taking into account the beauty of the whole idea why integration was started in the first place.

But my concern is that we do not see adequate sensitisation efforts in informing and educating our people in the budget by creating broad awareness programmes for the rule of people in five partner states of East Africa.

Madam Speaker, is there any where a study or evaluation that has been done to prove me wrong that the people of Mutwala, Tunduma, Kabanga in Kigoma and Mutukula for that matter Kyamwino in the centre of Tanzania or Masebit in Kenya or other areas in the corners of Burundi, Rwanda and Uganda? That they know about the Common Market Protocol. Are they using the Common Market Protocol? Otherwise, I tend to believe that the Common Market Protocol is only for the big 'fish' or big companies that have been trading year in, year out.

Our women and the youth have a special role to play small scale businesses now emerging and easy to manage across East Africa. But in this budget, very little priority has been given to women and the youths. One question that I want to ask is: are we serious with this integration? Youths who consist of over 65 percent and women who are so poor - the East African women have been left out. Why? The women are struggling so much. Do we even feel that we are sitting here on behalf of these women? Let us

do something about these women so that at the end of the day, this integration becomes more meaningful.

Madam Speaker, on the priority programmes for 2013/2014, the East African Community wants to embark on very ambitious plans which are easier said than done. I am saying this because of the budget limitation. We need to focus on short listing priorities that are more achievable. I want to say that before biting more than we chew, we have to do a serious short listing.

On the eight priority issues in the coming budget require more money and therefore member countries must contribute more in the budget and we should expect less from the donors who are our development partners.

We cannot go on with over 70 percent dependency of the EAC budget from the development partners. Priority issues should go hand in hand and also calculating the risks from the sources of funds. What if our donor partners tomorrow refuse to fund any more, what are we going to? Madam Speaker, these are the kind of questions that we should ask ourselves everyday.

Finally, I just want to talk about the monetary union. In as much our monetary union is the desired objective, we need to

examine ourselves internally if we are ready or prepared to enter into monetary union protocol. I am appealing to every member country to revisit on the **injurious** issues of monetary union such as budget issues, inflation, uniform budgets - that is reading the budget on the same day, government deficit targets, exchange rate stability and other requirements before we go into the monetary union.

Madam Speaker, it is my humble conviction that time is not right for the Monetary Union Protocol before we tackle issues of the region's industrial base and improved infrastructure and expansion of trade. Trade is very key to integration and we need this market so let us do everything we can in order to make sure that our people are integrating fully to make it more meaningful.

I thank you, Madam Speaker for the opportunity.

The Speaker: I will take hon. Christopher..

Mr Christophe Bazivamo (Rwanda): I thank you, Rt. hon Speaker for this opportunity. First of all, I also congratulate the chairperson of Council of Ministers for is well elaborate budget speech. I also congratulate the Chairperson and your committee of General Purpose for a report well done and presented.

I rise to support the motion. However, as we remember well, it has been several times ago that I requested - actually more than once, to have in place a single customs territory. I wish the Chairperson of Council of Minister to convince us how operationalisation of single customs territory is effected in a convincing manner or to say tangibly in this budget and how we can expect to have it established as planned.

The second is that normally to approve the budget is a good thing but a budget with an **inadequate** plan of action could be irrelevant. I do not say here what this budget does not have on action plans but it is not clear, if I remember well, which has been the contribution of **xoxox** in determining our priorities for action plans. Could we in the future as an Assembly, in one way or another, using appropriate committees have **xoxoxo** to contribute tangibly in fixing priorities for better budget allocation so that it can be avoided or minimised to have such a situation when the budget comes to be debated.

Lastly, we have had several discussions and actually we have also observed that when it comes to consider the benefits in our different partner states- benefits from our minerals or other **xoxox** industries and yet this is **xoxox** where our partner state

can have resources to help better this integration. Can the Chairperson of Council of Minister point out how this budget will contribute to help in development of our mining industries and other ~~xoxoxox~~ thank you. I beg to support.

The Speaker: Honourable members, I will take hon. Mathuki and hon. Kimbisa in that order. You will appreciate that ordinarily according to our rules, we should be concluding by 5.40 p.m. but I beg for your indulgence that we extend our sitting to 6 o'clock to enable the Chair of Council to respond to the issues raised by the members. Kindly hon. Members who are given a chance, make sure that you give your submission in about five minutes each. Hon. Peter Mathuki?

Mr Peter Mathuki (Kenya): I thank you very much, Madam Speaker. Let me very quickly start by thanking the Chairperson of the Council of Minister for his eloquence and stamina in submitting the speech and of course, the Chair of the Committee for General Purpose.

Mine is brief but I want to bring to your attention, Madam Speaker, that we are about to do a big mistake of passing this budget in its current form. I saw the good speech and remarks made by the Chair of the Council of Ministers but interrogating

and going through the budget, you see a total mismatch in terms of what is being allocated.

I feel that it only fair and given, of course, what members are saying and our role as members of the Assembly in terms of priorities. I start by thanking you, Madam Speaker. You took us to some of the institutions and organs of the community. We went to the university council and we were able to listen to some of the priorities - what East Africans actually want to do. But if you go through the budget, you find totally different issues that are given priority- maybe because of what people are calling the Committee of FA or AM or something like that which I had some difficulties in finding in the treaty. I think that it only fair that if we follow the treaty to the latter, which Article 32 articulates and says who is supposed to do what.

Therefore, it will only be fair in this budget that it is taken back and channeled through the right procedures as stipulated in Article 132 where now the ministers will have some time to go through it and of course because of their sensitivity and understanding of the issues of the East Africans, they will be able to bring out the priorities in the right way.

So, I have difficulties. My heart is very heavy to support this budget or to have the support to pass the way it is. So, I feel that it is very important and it is taken back and then at an appropriate time, when priorities are considered, then we look at it and we shall pass it at that time. There will no need to pass this budget the way it is, Madam Speaker.

We talked about some Bills that we passed as this Assembly. These Bills are not factored in terms of implementing them. These Bills are not factored in terms of ensuring that there is a provision to ensure that of course East Africans are sensitised on them. Issues of public hearing have been spoken and I think that it not fair to pass this budget the way it. It is only fair to postpone it, we interrogate and we get our priorities right.

Lastly is the issue of flexibility of the SG. Hon. Members, giving 10 percent flexibility to the Office of the Secretary-General. We are talking of close to US\$13 million. I do not think that this is fair. We would only be fair if we allocate an amount that is reasonable because there is no justification - what are the parameters? What is it that we are using to give 10 percent flexibility in that office when there are other priority areas that are not being considered?

Madam Speaker, I have difficulties in this and for purpose of record, I do not support. I thank you.

The Speaker: Hon. Kimbisa.

Mr Adam Kimbisa (Tanzania): Madam Speaker, I also thank you very much. I rise to support the budget but before that, I really congratulate both chairs but more so the Council of the Chair for the stamina- standing for three hours without sweating - *(Laughter)* - that was really phenomenon. I have already congratulated two, three or four times for his endurance. I admire you, sir.

The region of East Africa is endowed - mine is just a general comment -

The Speaker: Hon. Kimbisa, just raise your microphone a little - just like that. Thank you. Proceed.

Mr Kimbisa: Mine is just a general comment. The region of East Africa is endowed with abundant resources. Resources on the ground, resources under the ground, resources on the move which is human capital. Resources ranging from minerals of all kinds,

oil and gas, agricultural products, water and fisheries and aquaculture and water for irrigation, tourism and human capital.

Regrettably, the people of East Africa are still stinking poor. There are not enough classes for our children, not enough drinking water, not enough health facilities, not enough food in some places and the list goes on and on.

My question is: Where are these resources going? Who is taking our resources and what cost? And where are we as leaders of this region and where is the East African Community?

Madam Speaker, I think that the time has come for the region to walk the talk. Time has come a new strategy to deal with its natural resource base. The time may be right for establishing a resource based regional development trajectory. We do not have one. This should be the new agenda for our region. Let us process our primary goods within the region so that;

- a) We can create employment for our people;
- b) We can add value and therefore have a competitive advantage.

I repeat, Madam Speaker, let us create resource based regional development trajectory at EAC level because it will help to

create synergies for our people. They would have created legal frameworks for many business units in the **xxoxo** which or whereby the spill over effects will go to our people and this is a job of East African Community and this is our job.

It may be unacceptable to dwell and budget on seminars, meetings, conferences. Now days, there is a catch word called 'capacity building'. We keep on capacity building and capacity building and capacity building. Much as that is **important** let us be food secure in our region, let us cloth, feed and energise our people so as to be a people centred community.

With that, Madam Speaker, as I said, my comment is general and therefore, I support the budget. I thank you very much.

(Applause)

The Speaker: I thank you very much. I observed that hon. Ogle and hon. Tiperu wanted to submit but I am comforted that they are members of the committee and so because of time, I beg their indulgence that they will remain on the record of the Speaker that next time, they will be the first on the Floor.

I want to invite the chair of the committee - if he has some comments of winding up and then I invite the Chair of the Council.

The Chairperson of the Committee on General Purpose (Dr Martin Nduwimana): I thank you Rt. hon Speaker. I followed very carefully the comments made by all my colleagues here and I find that, first of all, I must thank them and that is from the depth of my heart because each of the commentators said very good and kind things towards me. I would like to say that the kind words said about me by members of this august House - I take them and I will take them to my committee because my committee, the Committee on General Purpose has done the work that I have presented here and when I finished my presentation, I did not thank my committee enough. I am nothing without my committee. *(Applause)*. I thank my committee so much. Thank you so much colleagues who have underlined and outlined different aspects that I have 'touched' in the report.

Briefly, those comments address the weaknesses of this budget and many of the comments came on the fact that we have said in our report that the interactions we had with the SG, DSG, staff of EAC, the Chairperson of Council, ministers. We have agreed that those weakness had to be addressed and we have obtained

form the Chair of the Council that those weaknesses will be addressed within the six months. It is a very good thing and as we have heard from some members here, the Chair of the Council is a wise man - he is not only himself but is with wise women and men as ministers. So, together, they fulfilled the commitment.

I want at this juncture to refer to words of one of our leaders in this region - I mean the late Louis Rwagasore who is the Burundian hero of independence. He said it in French and Kirundi and I will translate. While addressing the people after getting the win, he said it; "You will judge me on my act and your satisfaction will be my pride." (*Applause*). I bring those words because we have work together and fulfill our commitment. We have to go towards the satisfaction of the people - the community of East Africa.

So, I want to finish by saying thank you so much Jacqueline Muhongayire, thanks Yves Nsabimana, hon. Susan Nakawuki, Valerie Nyirahabineza, Abubakar Zein, Pierre, Abdul Karim Harelimana, Shy-Rose Bhanji, Christophe Bazivamo, Peter Mathuki and Adam Omar Kimbisa. I beg to move. I thank you.

The Speaker: I now invite the Chair of the Council to respond. This is your motion so respond to the issues raised by the members.

The Chairperson of the Council of Ministers (Mr Shem Bageine): I thank you very much, Madam Speaker. I would like to sincerely thank the Chairman of the General Purposes Committee - *(Applause)* - and his members for a job well done.

Madam Speaker, since last Thursday when I read the budget in this august House, I have had an opportunity to interact both with the General Purposes Committee and the Commission on matters relating to this budget. I am happy to note that the recommendations contained in the report that the chairman of the committee submitted to this House, contained assurances given by the Council of Ministers in a number of issues.

Madam Speaker, I would like to thank the members for the emphasis they have placed on a number of these areas and I will, briefly comment on a few of them which I consider to be very important and salient in this regard.

The first point is the observance of the Budget Act. I want to reassure this House that the Council has made note of this and

during its forth coming retreat, we will consider this particular matter with a view to putting it right so that all future budgets will be in line with the provisions of the Budget Act. This is an assurance that I am giving on behalf of the Council of Ministers.

The second issue that was talked about a lot is the question of the role that the F&A has been playing in the budgetary process. Madam Speaker, during our discussions, I got some bit of information on the origin of this F&A and over the years, the F&A has developed into a giant - *(Laughter)* - that has taken upon itself to make decisions where probably they should not be. I have pointed out to the members that I looked at the provisions of the treaty and I did not see F&A as one of the structures of the treaty. *(Applause)*. In the circumstances therefore, this is another area the Council is going to look at with a view to stream lining the budgetary process so that the Council in future owns the budget. *(Applause)*

Madam Speaker, some of these issues and many which were raised were raised because of one particular concern and that was the apparent absence of the Council of Ministers at Arusha. *(Applause)*

We have as Council of Ministers discussed and we have agreed that in order to ensure proper management of the community affairs, the Council is going to work with the Secretariat by being regularly at Arusha to look at many aspects of the management of the community affairs - not only just the budgeting but also other areas.

Madam Speaker, a number of issues have been raised and I do not think that I will over them again but let me reassure this House that the areas which are very important, particularly in the furtherance of creation of awareness amongst our people in order to fulfill the objective of having a people centred community, we will look at these areas spelt out in the report and we want to assure this House that we shall come up at mid-term with financing of these areas. *(Applause)*

Other areas that have been mentioned include aviation problems where we have already decided to look into working our regulations that ease this problem. We shall take note of the costly communication. The other day I was in Burundi and I had my Ugandan number and over a period of less than two weeks, when I got back, my bill was five million shillings - for only two weeks- no, less than two weeks actually. So, I do appreciate that there is need for us to move as a community and remove

these barriers to communication so that costs can become bearable. (Applause). There is no need why you should come to Uganda and begin buying a sim card for Uganda just in order to avoid the high cost. You should keep your phone and communicate because we are all East Africans. (Applause)

We are also going to ask the sector concerned on air fares because again, they are biting. The time taken to fly within East Africa is absolutely unbelievable and we will see to it that some regulations are put in place in order to ease these problems.

I have sat with the Council of Minister regarding one particular issue which is the issue the sitting days of this House. We have discussed this at length and we do appreciate that this Assembly needs adequate time to consider various issues pertaining to its mandate and legislating for East Africa.

Madam Speaker, the regulations are clear on the number of sitting days, the number of committees - 80 and 40 respectively. We as a Council have taken a decision that the amount involved to cover the extra 15 days that have not been utilised is going to be put in this budget and we will find sources for this money so that this Assembly is enabled to carry out its mandate. The

amount if money involved is about US\$680,000. We will find this money and enable the legislative Assembly to carry out its mandate.

I do not want to go over the various issues raised by members but I have taken note and want to thank every one for the support that they have given us. I want to once again reassure the members who doubt that we will and we have the capacity too, to introduce the necessary changes in the manner we will be managing the affairs of the East African Community. *(Applause)*

I want to again say that come six months down the road, we will be accountable on what we would have undertaken to carry out in accordance with sentiments and views that are being raised in this House which are legitimate.

Madam Speaker, once again, I thank my colleagues, the ministers for the support they have given me as their Council Chairman. I thank the Speaker for the work that you have been doing. I again thank the committee and members for supporting this budget. I want to assure you that in future we will not spend time here debating a budget because we intend to bring along with us the committee concerned with budgeting so that we do it together and

when we get here, it is just a formality. I thank you.
(Applause)

The Speaker: I thank you very much, Chairperson of the Council of Ministers for that very assuring statement to this House and also to the *Hansard* because the *Hansard* is always our reference point.

We are happy that you have boldly made a commitment particularly with regard to the number of sittings of this Assembly. We appreciate that in the past few days every other time the Speaker is coming on the Floor to request for a few minutes so that we are able to neatly conclude our business. So, I appreciate that consideration of fulfilling the requirements of the Rules of Procedure of this House.

Honourable members, the motion on the Floor is that this Assembly do resolve it self into a Committee of Ways and Means to consider and approve the Financial Statement for the Financial Year 2013/2014 and a Committee of Supply to consider and approve the Revised Estimates of Expenditure for the Financial Year 2012/2013 and the Estimates of Expenditure for the Financial Year 2013/2014. I now put the question.

(Question put and agreed to.)

Motion adopted.

The Speaker: Hon. Members, I thank you for the consideration of extra few minutes for this session. I now wish that we proceed to adjourn. But before we adjourn, I have one or two small announcements.

The Speaker wishes to see the Committee Chair of Accounts and the Committee Chair of Communications, Trade and Investment.

Also, in line with my earlier communication, I want to reaffirm that the sitting on Thursday will in the morning starting at 9.30 a.m. and I am sure all you have received the invitation from the Rt. hon. Speaker, Rebecca Kadaga - that is why we are adjusting the programme.

As we adjourn, I want to also invite the students from Mukono University. Hon. Mbidde is the patron of that association. I want to invite them for a photo session. I also want to invite students of St. Mary's Migadde for a photo session at the stairs. The protocol department will kindly make that arrangement.

With those announcements, I wish to adjourn this sitting to tomorrow, 2 o'clock. It is a special sitting. Wednesday is 2 o'clock and Thursday is 9 in the morning. The House stands adjourned.

(The House rose at ~~xoxox~~ p.m. and was adjourned until Wednesday,

05 June 2013 at 2.00 p.m.)