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**EAST AFRICAN COMMUNITY**

**EAST AFRICAN LEGISLATIVE ASSEMBLY**

**Official Proceedings of the East African Legislative Assembly**

**9<sup>TH</sup> SITTING – FIRST ASSEMBLY: THIRD MEETING – FIRST SESSION**

**Saturday, 4 May 2002**

*The East African Legislative Assembly met at 9.00 a.m. in Kololo Hall, AICC  
Complex in Arusha*

**PRAYER**

*(The Speaker, Hon. Abdulrahman O. Kinana, in the Chair)*

*The Assembly was called to order.*

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**COMMITTEE OF WAYS AND  
MEANS**

**The Financial Statement of the  
Budget of the East African  
Community for the fiscal year  
2002/2003**

*(Debate continuing from 3 May 2002)*

**The Speaker:** I have a long list of people who have applied to speak, which unfortunately I will not be able to exhaust. In that list are hon. Ogalo, hon. Kanyomozi, hon. Shellukindo, hon. Ddudu, hon. Kamba, hon. Maj. General Muntu, hon. Zubedi. I will start with the first four, and if time is available I will give the rest. Otherwise I will have to call in the Secretary General and then I will ask the minister to respond to the Members of the Assembly.

**Mr Daniel Wandera Ogalo  
(Uganda):** Thank you, hon. Speaker,

for giving me this opportunity to contribute to this debate on the budget.

Sir, I wish to begin also by thanking the Secretary General for executing that duty imposed upon him by the Treaty to prepare the budget. I also wish hon. Speaker, to thank the minister for presentation of the budget - the minister who is also Chairman to the Council of Ministers. Hon. Speaker, sir, my first contribution to this will be on the process of the budget.

On page 29 of the minister's speech, the minister has indicated that the duty to prepare the budget lies with the Secretary General, but the responsibility for debating and approving the budget lies with the Assembly. In so doing, Mr Speaker, the minister has been relying on Articles 132(2) and 49(2).

Hon. Speaker, sir, on the first of these, if you only talk of debate and approval

of the budget, the mandate seems to be a bit limited; It connotes something like *hocus-pocus*, which is restricting.

Hon. Speaker sir that Article 132(5) reads:

"The resources of the Community shall be utilised to finance activities of the Community that shall be determined by the Assembly on recommendation of the Council."

As you would agree, hon. Speaker sir, this widens the mandate of the Assembly in that it places the right to determine the reallocations within the budget. That means, in my view that this Assembly can consider the budget as recommendations made by the Council of Ministers and then be able to make the allocation within the same budget. Hon. Speaker sir, this would answer the problem of hon. Mabere Marando yesterday when he gave us an example where the Court is allocated US\$ 5,000 for a very important task, and yet the Council of the Community is allocated more money. This Article will be able to change that state of affairs. I am therefore recommending that for the debate to make much sense, this should be taken into account during the debate on the budget during the January session so that we can then be able to make changes where we think necessary.

Hon. Speaker sir, Article 130(2)(ii) reads:

"Subject to this Treaty, a budget for the Community for each financial year shall be prepared by the Secretary General for consideration and approval by the Assembly."

Mr Speaker sir, it does not say that the Secretary General may not be assisted. The ultimate power the ultimate decision could lie with the Secretary General but we must have the submission that in order to have a good working relationship, it is necessary to involve the Assembly at one stage - (*Applause*).

The Ugandan Parliament has what we call a Budget Committee composed of committee chairpersons. These committee chairpersons sit and have an input in the national budget. Therefore before the Secretary General makes a final submission to the Council of Ministers, he would have listened to the views of the Assembly. Now, each chairman in our Assembly here is looking after a certain sector, so he will be able to present the views of Parliament about that sector in the budget! In that way we will then be able to listen on occasions, which normally arises when you are debating the budget - (*Applause*).

Secondly, hon. Speaker, yesterday hon. Mahfoudha raised an important issue. She gave us an example of a situation where the Council of Ministers approved something and it was put in the Budget for 2002/2003 but it was removed by the Committee of Finance and Administration. I have another example. Hon. Mahfoudha also gave the example of standardization, but the example I want to give is the one on the complexity of petroleum potential and investment opportunities.

This Conference is scheduled to take place here in East Africa and the Council of Ministers has approved US\$ 70,000 for this purpose and that was budgeted for but the Committee on Finance and Administration removed it. Where does the power lie? Who makes decisions? Is it the

Council of Ministers that has the final authority? Is it the Secretary General? The Secretary General apparently also does not have the final authority. It would appear that the technocrats could change around the Budget! But if we follow what I suggest, that there is an input by the chairmen having an input in the budget, this kind of thing would be avoided - *(Applause)*.

Hon. Speaker sir, there is another matter which normally could address the legality of expenditure. Mr Speaker sir, at the end of this debate we shall make resolutions in the Committee of Supply but they will be mere resolutions. We shall be saying so much to the East African Legislative Assembly, so much to the Court of Justice. Those are resolutions. I do not know the reason why but I hope I will be given here why we do not have an Appropriation Act, the final authority by this House authorising expenditure of what is being spent. Because we don't have that authority, how is then that the money spent? *(Applause)*

Hon. Speaker sir, honourable members have said a lot here about the budget. Of course it is difficult in our position here because ordinarily the Parliament is given authority to raise revenue and collect tax. Then they have at least moral authority to make suggestions to rely on donations or other contributions. But the question of funding can be crucial and, Mr Speaker, I want to quote our *Hansard* of 3<sup>rd</sup> December 2001. And these are the words of Justice Wambuzi, who was one time President of the Court of Appeal before it broke down in 1977. He said:

"Nobody has so far asked how the Community died. I believe this is an important question if we are looking for or plugging

loopholes. One would think that was another way of saying that it was the immediate cause of the death. . I understand that there have been learned writings about the demise of the Community. I have not had an opportunity to read them but as I was there; I saw the Court I was heading die. I can say it was none other than lack of funds to operate the Court. Nobody said don't sit in any part of the Partner States, nobody said stop working but the tap of funds was stood off and we could do nothing. I believe that could have been the immediate cause of the death".

That was the immediate cause, according to the then President of the Court. Funds! Even honourable members here have been expressing fears about the funds that are available in the same proceedings. Justice Akiwimi, President of COMESA Court of Justice, said that the other point is this:

"Because of lack of funds we were unable to sit long enough to hear many of the cases. For instance, our last sitting, which was last month, originally we had planned to sit for nearly three weeks only for me to be told by the Registrar that there is no financing and that we do not have enough money to sit. So we reduced our sitting to 12 days. Then we looked at the financial situation again, and we could only sit for nine days, including Saturday and Sundays."

Now, this is how serious the problem is, which I hope the Court of Justice

for the East African Community will not suffer because it is terrible. I hope it will improve for us. But I am saying this so that the East African Court of Justice is aware of this and makes sure they don't suffer from this poverty.

Hon. Speaker, it is not only the country which is going to suffer from this, it is also the Secretariat, it is also the East African Legislative Assembly, and all this is difficult to understand. Because when we have discussions with the Heads of State, they all show commitment to the Community, the Council of Ministers shows commitment, but how do you translate that commitment? How does it show if we cannot operate, if the commitments are just because funds are not available? Hon. Speaker, I think there is need to re-address this because I believe that the Secretary General would have said, "you are not increasing the budget, I have very many needs!"

But I am suggesting that the master has been firmly given instruction from somewhere that "you cannot go beyond either 5% or so of that because we have financial constraints in our countries"! Now, if that axe was held over the Secretary General and he had no other alternative but to make a budget that is not providing well for all the organs, where is the problem?

Hon. Speaker sir, when we last met, His Excellency President Mkapa told us that we should address crucial matters like infrastructure and the customs union. He did inform us that he was surprised that the Tanzanian may go through what you call two or three countries in order to go into Tanzania! So he wanted us to re-address the question of infrastructure. Now, in the minister's speech he has indicated that there is progress on this

but we do not necessarily want progress.

Hon. Speaker sir, when normally we meet the Heads of State, you normally call upon one of the hon. members to say a few things. Next time we meet President Mkapa, maybe you will call upon hon. Major General Muntu who will have to say a few words about what we have been doing. What did he say about the infrastructure? *(Applause and laughter)*

When we were in Uganda, Hon. Speaker, His Excellency Museveni said he saw no reason why we could not move very fast towards the federation, and indeed, Mr Speaker, this Assembly reacted to this precisely and put in place a committee to work towards the federation. I also do not know what hon. Kamba is going to say when she is asked what she has been doing. Will she stand up and tell His Excellency Museveni, "but you see the Committee does not have hands, therefore I could not do the work we thought we could do"! These are things we should address, and I think it is important that provision is made for what is to be done. If we have objectives how shall we achieve them?

Hon. Speaker sir, I think I have run out of time. I wish to conclude by just making one point that I believe that achievements are being made, but what the Council of Ministers should do is to translate those achievements through bills to be passed by the Assembly. We have been told, for example, that the Council of Ministers agreed on the sale of foodstuffs across the borders, by then the expected strategy is too low; we cannot be forced. Hon. Speaker sir, I thank you - *(Applause)*.

**Mrs. Beatrice Matumbo Shellukindo (Tanzania):** Hon. Speaker sir, I sincerely thank you for giving me this chance to also give my contribution to the Budget of the East African Community for the Financial Year 2002/2003. Much has already been said really, one doesn't find much to say, but I think I have one or two points, which I feel that I could add to the voice of the others. But before I do that, I would like personally first to congratulate the Minister of Foreign Affairs, hon. Jakaya Kikwete, who is also the Chairman of the Council of Ministers, for giving a very good speech, which, for some of us who are in Parliament for the first time, we find quite interesting.

Secondly, as the other colleagues have already said, I would also like to congratulate our three leaders, the three Presidents of the three Partner States, for having and been able to work out the re-establishment of this current East African Community. And not the least, I would also like to thank the members of the Secretariat too for the good work they have been doing. Despite there are many short falls, I feel that they need to be congratulated towards what they have done so far.

Once again I would like to repeat, now that I am at home, that I do thank the Members of the Tanzanian Assembly for having elected me. Indeed I am sure they didn't make a mistake, and I am here to prove this - *(Applause)*.

Although some of the points I am going to add have already been made, but maybe I would also like to make them to emphasise their importance. One of them is about the ministers who are assigned to work at the Community. In the previous Community, as we have been told, there were ministers who were

specifically assigned to the Community, who did work with the Community on a fulltime basis.

Now actually, I should say that personally I do sympathise with the ministers who are now actually assigned to the Community because first they are Members of Parliament in their respective States, which already is too much work with the constituencies, secondly they are assigned to very sensitive, demanding ministries, and thirdly we here in the Assembly and the Community as a whole, we also need them to be with us. I really sympathise with the situation, and I understand why some of us see that maybe sometimes they are not moving. Maybe they are not here, but it is because of those factors.

So I was of the opinion that we should, as the others have said, re-adopt what was in the previous Community that we should have ministers with portfolios in the East African Community. For if it was possible for the others to be here in Arusha, then they could also be wherever they are, either in the president's office, and then we would link with the sectoral ministries and sectoral departments. And of course they would be able to participate with us in the House and hear our views and respond to them - *(Applause)*.

Hon. Speaker, talking of involving public by raising awareness on this issue, I would like to say that to be very frank, I think we have not created much awareness, but I wouldn't blame the Secretariat for this because, again, of the shortage of staff. I think in the information department they only have one person, and if there is anybody assisting maybe two.

Now we are talking of this Community being people-centred. When you talk about "people centred", who are the people we are actually focusing on when they don't know what this is all about? We have had time to move around Tanzania of recent and we found some people and one asked: "so these are the Minister's of what?" So that means they are not even aware what the Community is all about, yet we are talking of being people centred!

So, I was thinking that we should strengthen the department of information with staff, and then secondly, I think equally important is the press. We can use the press to disseminate information all over the countries. One thing that I noted is that within the Community itself we don't have press in place that is basically for us. Because you find that when you are in Uganda, they will use the Ugandan press so the Tanzanians and Kenyans will be Tanzanians Kenyans because of their nature, but you will find that there was no information in the other countries like Tanzania. They knew nothing of what we were doing in Uganda. Likewise, so now I am not sure whether in Uganda they know what we are doing here - or Kenya - *(Applause)*.

So, I was trying to suggest that if we could have press in place, maybe for this budget it might be difficult but I think we can somehow have a group of press who will be actually working with the Community, with and enlighten people and ourselves on the affairs going on finally on this issue.

And also, again about the awareness programmes I thought maybe it is important that we start from the grassroots and we go to all areas like for example in the kindergarten. We could introduce programmes! Surely

we don't need donors for those in kindergarten, in primary schools. We could start with those programmes of telling the children what the Community is all about, and when they go home of course they will tell their parents. And I think that being a Community worker is one of the good ways of disseminating the information - *(Applause)*.

Hon. Speaker sir, another issue - as I have said most have been said, but another issue I wanted to talk about is research. I think research in these three countries needs to be harmonised so that we have one common factor in the region. I remember recently when we had the tour of Lake Victoria, some of the experts there were telling us of issues of which of course we had got a different version when we were here with the Sectoral Committees. But the Sectoral Committee had already had their research done by experts also. So, I feel there is need for a linkage so that we have one common research on any issue.

Hon. Speaker sir, I would like to talk about this area. It could be research - or rather you could call it consultancy - on the part of the Members of the Assembly. It is true we do get lots of information and briefing from the Sectoral Committees and the sectoral experts but again I think we need also to find out some of the factors that we are being told. So, I think there is need for a budget. This I request, hon. minister that maybe in the next budget you could think of putting a small budget for the Members to move. For example, for me if I need to get any information I have to travel to Arusha, I have to come and see people; I have to go everywhere. But we need a budget for that. So that is one of the issues that I said I must speak about.

Hon. Speaker, the minister mentioned that the three countries are working closely to ensure a good health for East Africans. I think this is the Committee for Health. I had mentioned that one of the programmes that they have embarked on is the programme of the control of cholera, yellow fever and my AIDs. Now here, hon. Speaker, I would like to say that in the region, I think there is something else, above all these, which is malaria. Malaria is killing people more than HIV/AIDS in our region. So I was thinking that members would agree with me on this. And during our tour in Tanzania, we visited the Malaria Research Institute in Tanga. Well it has deteriorated a lot, I think because of lack of funds and maybe nobody has given it priority. But all the same it is a research centre for Malaria, and I am not sure I can talk about Kenya and Uganda. Maybe they might have the same problems. But I was thinking that with such institutes in place, I think we could work with them. If the Community could look at the accounts, the Committee on Health within the Community could look at how to work with these kinds of research institutes, and especially on the issue of malaria, to which I give priority myself.

Another thing I would like to bring to your attention, Members of the House and Mr Speaker, is that there is also another very serious disease, maybe only in some parts or maybe it has not been seen in Kenya and Uganda, but in some parts of Tanzania, and especially in a place called Lushoto we have the plague, which has been rampant there for many years. So this is also killing a lot of people. And I was thinking that perhaps in the programme we could include the diseases of plague. Because this area, which is highly affected by plague, is where most of the fruits come from in Tanzania, and we could

really export the fruits. There are a lot of fruits and vegetables, which in the long run could be used for exports. So, I think there is strong need to incorporate those two areas.

Hon. Speaker sir, the minister talked about Lake Victoria, and of course many speakers discussed it in length. I wouldn't like to indulge in that but then again I would like to talk of another lake within the region which borders two countries, Kenya and Tanzania and that is Lake Jipe. Lake Jipe does not have the water hyacinth that has been in Lake Victoria, but there is a different weed called *taifa*.

Mr Speaker sir, this *taifa* looks something like sugar cane, but it really kills and dries up the water very quickly and hence the eco-system. And so far a very big part of it has already been affected. Now, the people living around the lake mainly depend on fishing for their survival. So already our request has been forwarded through regional authorities, I think to the Community.

I really request, Mr Speaker, that the minister looks for ways of trying to support and do a quick research, because this issue is very urgent. If you go there you can see how pathetic it is. So I really request that the minister, and the Secretariat of course, see how possible - even if they can only set a small budget - to do research and to see how possible they can rescue this situation.

Now the issue of the meagre budget has been addressed and voiced by a lot of my colleagues. I wouldn't refer to it as such but then I would request Partner States to really honour their obligations. You will find that it is very difficult for some of us to talk when you find that even your country

has not contributed half of what it should contribute. So when you say that we need this, we need that, from where? So, I really urge, and through you, Mr Minister, that our Partner States should all adhere to their obligations for contribution to the East African Community.

Another issue was the Secretariat. Many people have raised the issue of it being under-staffed, but then I am happy it has been discussed and everybody has seen that it is really understaffed and there is a heavy workload.

I would like here, at this juncture, to congratulate the Secretary General, Mr Amanywa Mushega, for his commitment to the House Business Committee that we will have the names of persons that have been recommended to the House not later than 30<sup>th</sup> May 2002, of all the staffs that were advertised. So I would really like to commend that as he has committed himself. So I expect that when we come back for the supplementary estimates or additional budget at the end of the month as it has been promised, we will also be able to discuss those names and further recommend them to the Council – *(Applause)*.

Hon. Speaker sir, I would also like to say that we have been given a plot in Arusha here for the construction of the East African Community headquarters, however, I would like to note at this juncture that Arusha is the headquarters of the regional office but you will all agree with me that the status of Arusha or the standard of Arusha does not meet the requirements for a regional headquarter.

We were hosted by His Lordship the Mayor of Arusha the other day, and officially given citizenship of Arusha.

And during the session we committed ourselves to participate in the development of Arusha region. Now, I would like to say, Mr Speaker, that I would like to urge the minister, and maybe the Secretariat, that if possible, while thinking of building a headquarters here in Arusha, if they could set a small budget at least to beautify or raise the standard of Arusha it can add just a new centre here, which leads to the Community because just the sight of the roads, really you cannot talk of the headquarter of the Community; and this is a real serious regional board!

So I really urge them to think of looking into the budget, perhaps not this financial year, but when they start up, please try your best to support Arusha. I know that they do have the budget at the local government level but that is very minimal, with a lot of other priorities. Now our priority is to make sure that this is a proper headquarter of the East African Community.

Having saying that, I hope to get response to these few remarks I have made and I dare say I support the motion - *(Applause)*.

**Capt. Richard Baker Ddudu (Uganda):** Thank you, hon. Speaker. Before I go further, I should apologise to those who may not get me clearly. My height and the level of the microphone are not compatible. But however, I believe I am loud enough - *(Laughter)*.

Mr Speaker, I would like to thank the Chairman of the Council of Ministers for the first and maiden budget presented, and I think it could have cost him a lot of hard work because to make a budget when you are hard backed by money is something



acrobatic to do. But however, I stand to support the motion and previous speakers have already adequately touched whatever I would have liked to comment on in details. But I would like to particularly lay emphasis on the marginalised groups. I see in the budget some commitment to gender issues, but I would like to emphasise and plead with the minister that he should immediately, before the next budget and during it, include the marginalised groups. And I specifically mean groups like the youth, women to some extent - I say to some extent because they have already been taken care of even in this Parliament. There are the disabled and there are also the workers.

These are marginalized groups because sincerely the youth cannot form themselves into a political entity to participate fully, yet they are a very large number of East Africans who are supposed to participate fully politically and economically in these issues of East Africa - (*Applause*). In fact they should be in the vanguard, but you can see that on all fronts there has not been any deliberate budgeted response to their would-be contribution if they were to be taken on board. So the budget has to be increased. I mean maybe the next Budget should be increased immediately to study the political participation of this important group - (*Applause*).

Hon. Speaker, I also want to observe that if we increase the budget for this group, it will give an opportunity to plan for them so that they can be included as special representatives on various levels of decision-making, because they are not yet politically organised, as I said. So we should have affirmative action in that direction.

Hon. Speaker, I would also want to comment on the Budget of the Defence Liaison Office. I say that because I feel the office has a very important role to play here. If we go to the customs union, common market and ultimately the political federation, it will be these fellows who are going to stand and guard this progresses we have made. You cannot make any progress without their participation to guard it for we know there are so many forces that can destabilise the process of our progress.

So, I'd like to suggest that in the next budget you increase for them, so that we move from Liaison Officers, three of them, I don't know what the liaison is about but I imagine it is passing on information to each other and to the States. But we would like to see at least a nucleus. You could move to a unit level, a small unit, which could maybe be stationed here in Arusha or elsewhere for purposes of constant training and getting to know each other, and ultimately, maybe we could form of an integrated army - (*Applause*).

Hon. Speaker, I would like to move to my last point, and it is about what some of us come across in the course of consultations about the budget. They are very disturbing issues. Disturbing in the manner that there has been distinction that has been, I think, not good for this East African Legislative Assembly, particularly in the Press and some of the Parliaments of our three nations to the effect that they have been saying the East African Parliament here only deliberates on money issues most of the time.

I think one member from one of the Parliaments one time sought to have the Parliament debate the issue at length. I would also to observe that such calls cut down the efforts of

individual members and the whole House in encouraging them to sort out these issues that are definitely enormous. To imply that the members of this House have been earning figures like seven thousand dollars, and yet people who put these issues forward are the ones who actually are in the know of how much members really get is very, very unfortunate - *(Applause)*. Therefore, I urge that we should always base our criticism on very accurate figures, especially when we are discussing such sensitive issues about people who may not be even getting enough money.

You know, it sounds like an abuse and insult to slap us in the base because he was a gentleman. I think we have been trying our best to keep quite over all these issues. You know, it is embarrassing to state the small figures you get in public. Now some real circumstances come up and you say the normal figures! If you say the work is big and has got to be tackled, as most of us have been saying, then you are expected to pay for it. If you say there is no money, then don't expect work! Maybe because most of us are religious, we have been keeping quite. Because of embarrassment we have been taking all these!

But I think it is not really the issue of having big amounts of money, but I see here that all parties involved should be constantly vigilant and permanently suspicious of characters who will want to punish the name of the various organs of the Assembly for their own purposes, for we know history tells us that there could be powerful individuals in the countries that have formed the East African Community who can actually mislead the whole Community. It has happened before in the former East African Community that collapsed. So let us

counsel people who may stand up and tarnish the name of the organs, even when it is just coming up. We should counsel them; we should tell them that it seems their strategies are also that in the wrong foot.

So, hon. Speaker, I don't want to go deep in this because certainly it is not something dignified to indulge in, but having said what I have said and having listened to the speeches on the budget from yesterday from hon. Members who contributed, as I said in the beginning, I do not have much to say, otherwise I will indulge in repetitions. Therefore, I support the motion and beg to stop here hon. Speaker - *(Applause)*.

**Mr Yonasani Bankobeza Kanyomozi (Uganda):** Thank you, hon. Speaker, for giving me an opportunity to be a part of what the minister called the epoch making occasion by being one of those to speak on the first Budget of the revived East African Community.

I want to thank the minister for presenting the budget and being able to be with us alone at this very critical time of our history. Hon. Minister, I am very grateful for your perseverance of sitting alone on that chair in the absence of your other two colleagues who are not here. In that regard, there is an issue, which my colleagues have touched on. It is an issue of having ministers directly responsible for the Community.

I think the hon. minister is a Member of Parliament; he has a constituency. He is a minister in a sensitive - especially this so called Great Lakes Region. He is demanded everywhere, and he is now also demanded here. It is a very difficult situation and when you chase two you may end up losing both of them. And we don't want that

to happen to our dear colleague and minister because he is going to face elections again. He can't be here, in his constituency and be able to attend cabinet! I would suggest very strongly, Mr Speaker, that in future we have, not even ministers of state, we want full cabinet ministers, either advisors to their home governments, but fully involved in the issues that touch us.

I am saying that because, Mr Speaker, as my colleagues have said every time we have met the presidents of our three countries they have said there is no problem, we want to move very fast. When we met President Mkapa in Dar es Salaam, when we met President Museveni, he even wanted it yesterday. We met President Moi in June, he confirmed that. So where is the problem; is it with us? I hope not. Is it with our ministers? I am sure they are not. Is it with the Secretariat? What is the problem? There must be a problem somewhere, which we need to resolve. So I am suggesting that as an issue that we must address astutely, can they be addressed very quickly because out there the East Africans are saying, "we want a federation". They are saying they want their government now to be active, and they don't see it.

Secondly, as the background to these things, Mr Speaker, we have had two strategic development plans. I am holding both of them. I am looking at the matrix for the first one and I can read one thing which is a very interesting and which should have been completed in 1997. "Reduce boarder crossing formalities by minimising the number of players at the boarder." Conclusion of that, March 1997. Has it been done? No! Since 1997, and there are so many projects which should have been completed! They were carried forward into the new one.

The new one, if you look at it the date is set by June, and I don't know whether Hon. Kaahwa and the Secretary General would even be able to draft laws and we would prepare ourselves to debate by June 2002. So many things should have been completed, so many. "Establish credit rating of all financial institution". That would have been done in January 2001. So many things when you look at this list. I am asking the current Chairman of the council of Ministers and the Secretary General, this thing is good, but I think as plans go, we have to re-do and bring it up-to-date, maybe to extend the period to be able to see what is here - *(Applause)*.

The third point before I go to the estimates is the issue of funding. The countries that fund the Community have only contributed 38 percent; let's even round it and say 40 percent. Where is the money? And if the money hasn't been sent, I would like to know from the honourable minister and the Secretary General, how are we then carrying on with 40 percent of our budgeted figure?

First we want to know where that money is, when is it likely to come, and secondly, if we didn't get it, did we borrow from somewhere outside? And if we borrowed are we going to ask for forgiveness since this is a common thing being done in our supremacy republics? Where did the money come from which made these people go on with the work for the last period? And is that money going to come? Have we been given assurances so that we can know that it is coming? And if it is coming, and since we have already covered the period and we don't have debts, and I am sure we don't, is that money going to be applied elsewhere, and if so, where?

Fourthly is a general statement on the budgeting process. My colleague has touched on it. I hope that by the time this session ends and the financial year we are in also ends, we would have enacted, either at the initiation of the minister or from our side by way of a Private Members' Bill, a Budget Act, which should enable us to participate fully in the budgeting process.

We are not saying that so as to interfere with the executive wing, but it helps to come and debate what you know. At the moment I don't think we know. We have read a good speech. We are not saying, but it came only yesterday! Where the cups were, why they were there, who instituted them, we don't know. I would like to be involved in the process, and I think we need an Act. So Hon. Kaahwa and his friends, the minister and the Secretary General, we are giving you notice that this achievement is needed if we are going to build up a world run institution.

I want now to turn to the budget and budget estimates. First, I don't see in this budget, figures related to the impact of the things we are going to implement. Some of them are establishment of units and institutions, yet there are a number of visions for those units, and for those units to be effective we need money, and there are many of them.

Third is the entry point; the Customs Union. Immediately it is established there are certain things, which need to be done. I don't see the money for it. There is nothing in this budget to say the unit for the Customs Union is going to be funded this way, and the money for it is this much, for example, and yet that is the entry point, that is what the President of Tanzania told us

is the most important thing to be done! How are we going to do it?

I know we are saying the East African Community of the present is going to be private sector driven and people driven and yet all of you, the people who we have, 80 percent of them are peasants! I don't see them doing much. I know that the philosophical trend or ideological trend is that everything is going to be private but, Mr Speaker, the private sector in these countries still needs a helping hand from our governments, and so we should not parrot this "private sector driven" philosophy; it is far too much. The most capitalist country we know is America, yet the American government does have institutions that are federally funded and federally run. We are trying to run away from a situation, which is not practiced anywhere in the world! (*Applause*)

Secondly, even for their own private sector, they don't leave them to the mercies of God; they intervene. Recently German had to intervene in the Media House, which was falling to pieces. They put taxpayers' money in that institution to enable the institute to work. Ours we say, "Oh, don't touch it"; it is a private sector always. It is not how you build up society. If we parrot these things, we will end up with problems.

Hon. Minister sir, tell your colleagues and tell the others that when we want a private sector and private sector driven institution we have to be a bit more careful and give a hand to this private sector so that it can be able to stand on its feet and be able to move. If we don't, as my colleague on my right said, we will end up being workers. Well, I don't want to use that one, it is too emotive, but I will be one to be able to encourage our private sector,

give them a hand and pull them up so that they participate fully. We need what I think is economic liberation of our people; otherwise we are in a mess.

Thirdly, looking at the estimates and their assumptions – *(Interruption)* - I am looking at paragraph 55, Mr Speaker. There are certain assumptions, and even the trend is that the dollar equivalent is going to be 900. I think we heard that earlier already before the budget starts that the one for Uganda is going to be 1,700. As I speak, it is 1,800. The one for Kenya is expected to be 78 but it is already 80. So the assumptions are also to be modified because I would say that for Tanzania 1,000 would be reasonable, for Kenya maybe nearly towards a hundred if the donors don't give them money, but we are praying they will.

For Uganda if we gave 2,000, then it would be reasonable. And inflation, even on the dollar, historical data on dollar depreciation and dollar loan over a period is between three and five percent. Those assumptions need to be taken into account when they count their figures because we know there are historical gaps. You go to the Internet and look at UBS figures for about 50 years; they will give you how the dollars has been behaving internationally.

Then I would like, Mr Speaker, to touch on something that is peculiar to the budget, and this is the Court of Justice. They have been lowered by 17 percent. This is in Paragraph 57 of the Budget Speech. Mark you, the lowering of the Court of Justice worked for one year, the budget was high. I know they have said this is because of “capital things”, but what are these capital things in the Court of Justice? Is it remodelling their offices?

I don't know. But in any case, the Secretariat is now going to submit for the full year and reduce the demand which we are putting forward that the Court needs to be even upgraded to the Court of Appeal as we had it in the past. I know they will say that that takes time; that we will need to wait. Maybe the budget will have ended. We need also to look at that very carefully. I would have thought the Court of Appeal should have money to do these things.

Lastly, hon. Speaker is the issue of using our own people. When we went to Mwanza, we saw what our scientists were doing and what they produced. We have the potential to do these things. Let's put confidence in our own people and not rely too much on consultants coming to work from outside. If you have confidence in ourselves, then we will be able to move.

Hon. Speaker, in closing let me say that it is a start, mistakes are bound to be there but it is a start. We thank the Secretariat, we thank the Minister, we thank everybody for starting, and I am sure the future will be bright when we realise our potential and the need to survive. I thank you, hon. Speaker - *(Applause)*.

**Ms. Rose Wairimu Waruhiu (Kenya):** I am very much surprised, Mr Speaker sir, because I didn't hear my name, but I am very happy to get the opportunity to contribute to this debate.

First of all, I join my colleagues in thanking the minister. A lot has been said about the efforts that must have gone to this work, after all this is not the first budget since the Community started before we came on board. We know that a lot of work has been done;

many budgets have been done before. What is different with this particular session is that we are now on board and we have expectations, the people who brought us here have expectations and we also want to bring in some influence obviously in priorities. I would also like to acknowledge the work of the Secretariat - the existing Secretariat and the predecessors.

The first point I would like to make has been made many times, and that is how modest the budget is, and yesterday as I looked at that budget one can't help but go back to the whole question of political will; what actually is political will? And we could debate this if we had time. Political will is what we have seen in terms of the work that has been done by our three Heads of State, and as members have said, from now the statements we have heard from them when we have met them or when they have addressed these issues jointly. So you need to move from this political will to the political commitment and commitment comes in allocating the resources.

Now, we have been focusing very much that the priority will be given to a customs union and that is very clear. From the presentations we have received from the experts in the Secretariat, it is true that there are very many obstacles in the way and yet this has been defined as the entry point.

I would like, Mr Speaker, to share my own experience. When I first got the strategic plan and went through it - because I read it outright - you know when you get a new document you read it. And every paragraph or every major sector ends up with a statement about a study going to be done. Hon. Speaker sir, we would like some indications of how studies begin: Are they synchronised or how do they

get started? I would imagine that if you had the kind of small staff the Secretariat had and all these studies are going on, I would imagine that that could be the explanation why we can't get the answers as why none of these targets have been met. Hon. Speaker, it would really help us to understand how they are scheduled; what comes first and what is the capacity to do this work. Why countries - somebody suggested the other day that we just do a few issues and do them properly - (*Applause*).

On the issue of the budget, Mr Speaker, we were told to expect supplementary Estimates. In parliamentary language this means that we are really not going to get any new budget headings. So these supplementary estimates are not even going to solve or to do or address any of the issues that we are raising. And that is why Members are talking about the next budget. In other words, they are saying we are prepared to work for a year the way we are working.

So, can we have some ideas how the shortfalls, how the gaps are going to be met? How have they been met, as hon. Kanyomozi was saying? What contribution has been agreed with the donors? When you put the budget there what are they going to contribute to, or which budget lines have we agreed with the donors?

Why can't we have some pilot projects, something concrete like some of the speakers have said? Why can't we move to the ground and deal with very specific pilot projects instead of all these studies? I think that it is a better learning experience when you actually go through some activity rather than a study.

I want, Mr Speaker, to say something briefly on the agricultural sector. One of us spoke of agriculture as the backbone of the economy. The backbone is what gives you the support. So if agriculture is the backbone of the economy, what support services are we pushing for?

Mr Speaker I noticed that agriculture contributes 24.5 percent of the GDP in Kenya, 42 percent of the GDP in Uganda and even higher than this is 49.5 percent of GDP in Tanzania. Now, I would like to move to rural development. As we have travelled, and fortunately, Mr Speaker, we had time to move by road and to observe the landscape. Even when we were here in December and went to the seminar, we took a drive in the countryside. The major resource we have is land. I know we require land reform, we require investments and we need to harmonise our policies, but surely this is the one area where there does exist social capital! There are people getting on with their lives everyday with some investments, some support mechanisms and some access to credit for productive inputs which could improve the lives of our peoples! *(Applause)*

I believe most of you maybe saw the paper yesterday -actually the Treaty move from the old system of having common services - and there was talk about trade, trade, and then everything is trade and development. This development has moved. Those of us who learned economics in the early days were taught that economics depended on money, labour, capital and many other things. But today development can only be judged by the quality of life. There is no other judgement - *(Applause)*. Instead now we have increasing poverty. In Kenya now we even talk about diseases of

poverty. They include the list of diseases mentioned by hon. Shellukindo, malaria and HIV AIDS.

Hon. Speaker, domestic violence is the product of poverty. Both of the poor of the poor come together in homes. Sometimes it comes out of acquiring of a hundred shillings. Because a woman sold the maize in the morning and she hasn't kept the money and she can't produce the money in the evening - *(Applause)*. Now these are the people who wake up before the entire family early in the morning and work up to midnight. Sometime back we did a study on how women do their work. She wakes up at 4.00 a.m. to grind maize meal to cook the porridge for breakfast; she has to prepare the children to go to school before *Bwana* gets up to get his hot water to wash. Now *Bwana* comes in and pours the water from the can to the basin. So she has to attend to all these people - *(Laughter)*.

Now we call it a disease of poverty because of the effect on these very, very humble women. Unless she has information on sanitation, we are not going to get that disease, which I heard about this morning. You are going to continue with malnutrition, you are going to have unhealthy children and this will continue throughout the day. She may in between have time to cook, and she will be the last person to go to bed. Actually, even when the woman sleeps, at least she also has to think of some insecure areas. She is still the night watchman when she is sleeping. If there is a robber at the gate, she is the one who wakes up the *Bwana* and says, "I think there is someone there, *kuna kelele huko, kuna mwizi huko, na kadhalika*" - *(Laughter)*

Hon. Speaker, now those who do not understand gender, I would like to say

that my first time to attend a meeting in this conference centre was to listen to President Nyerere. And he said that if you wanted to ignore women, you could imagine a man walking on one leg. He didn't mention crutches; he didn't mention support, just to walk on one leg. I don't think the Community wants to walk on one leg but even now our societies cannot walk on one leg.

So when we talk about gender mainstreaming, you know that the main streams comes from a river and most of us have very big rivers where we come from, and the stream is a big river that is drowning the deep valley to take all the space. There are also little streams in their different sizes. In the past there were suspicions in certain countries that women belonged to some things that travelled alongside, but never joining, the main stream. Therefore, we need to discuss our rural development, we need to take cognisance and utilise the social capital that we have in our own countries. And by doing so we shall have solved social problems or social matters - *(Applause)*.

Africa's problems have been poverty; they have been disease and the contribution that has been made to eradicate many diseases, whether it is small pox or other diseases that killed our grandfathers, most of this work has been done by having access to the information and to science and technology, which women, even with the lowest level of literacy, have been able to deal with.

Hon. Speaker, I am suggesting that since we have so many studies, since we have so many things to do, if we actually are talking about some people-centred development, this must be the majority of the people. 80 per cent of the population in East Africa lives in

the rural areas; they live at levels where the poverty has increased. People cannot afford a meal and it is completely unacceptable. I think for us leaders, we should join the policy a little because we can discuss things better than these other levels, we make recommendations but we must revise or some how this Assembly must be able to impact on how our priorities are going to be approached.

I had another point, Mr Speaker, I said I listened to President Nyerere in 1984 when he was speaking to the women of Africa, and he was trying to state down a very simple example. At that time we still called Africa the "dark continent". I think the beginning of the 1990's we became the "continent in crises". Nobody wanted to do anything with Africa, and the question was really "what are we going to do?" And again, the story was about women.

Today I have to speak about women because as I said, I am remembering that great man of Tanzania and Africa. So he said, if you want to fight cholera now I am still worried about going home because there are floods. I don't know what is happening in the low areas where we still have cholera. We still have cholera because people have not embraced hygiene.

How do you fight cholera? You fight cholera by boiling water; you have to get into the habit of boiling water! To boil the water means you have to draw the water. You are not in a house in Nairobi or Arusha, to turn on the tap. You have to walk, carry your water on your back and come home. Then you have to take another journey to go and collect the firewood. That is when you can boil the water. Now this work belongs to women for reasons, which I have never understood; it has not been said. The trees have been depleted, the



firewood is being depleted, and we are really making our people live at a vulnerable and marginal edge of life. This is unacceptable. So, if you want to defeat cholera, if you want to deal with the crises in our development and our standards of living, let us mainstream gender; let us look into what roles belong to whom, and let us bring this into our own programmes of work in this Community – *(Applause)*. I thank you, Hon. Speaker - *(Applause)*.

**The Speaker:** Hon. Secretary General, do you have any thing to say?

**The Secretary General of the East African Community (Mr Nuwe Amanya Mushega) (Ex-Officio):** Hon. Speaker sir, I would like to thank you for first of all giving me this opportunity to make a small contribution.

First of all, I would like to start by thanking you personally for the manner in which you have been conducting the business of this House with such foresight, and for the contribution you made in building good relations between the Assembly and the Secretariat - *(Applause)*.

The first example - I hope by recalling this I don't disturb anybody. The last time we met, people were talking about independence of the Assembly, independence of the Court, independence from the Secretariat. But with your contribution and understanding honourable members, I now see new debate about working together, even including coming to the Secretariat to build the budget and to draft bills. And this is a very short time for people to make such a fundamental change. So we thank you very much for that contribution. As I will say later, this should continue. Now the emphasis may be on how to put on the

breaks, while the original problem was how to start the engine - *(Applause)*.

Honourable Speaker sir, the Treaty states that the Secretary General prepares the budget, but I would like to point out that there is no single individual who has such capacity to carry out such enormous work. So, I would like to thank the technical committees from member states for their contributions and inputs when this budget was being built. As I don't know whom I quote here, maybe hon. Med would know. In his language they say, “*atankute agamba*”. When you are not wrestling and see two gentlemen wrestling, you say, “why don't you throw the other one down and you continue?” Maybe as you get involved in the work of the Community and the Secretariat, you will begin to realise how much work has been done to make those matrices reach where they are, and what a problem it has been for us to reach where we have reached.

I would also like to thank my staff that work day and night and continue to work day and night to make this work possible. Unfortunately for them I see no light at the end of the tunnel because as we finish this work of the budget today, tomorrow work will start immediately on the supplementary budget and the Customs Union in preparation for the Council of Ministers meeting in a few days' time. But I hope that one time, with the support of the Chairman, we will pick an occasion to say “thank you” for the work they are doing. My staffs have the know-how, they have the commitment and they have resolved to work with you to move the Community and the East African region forward – *(Applause)*.

I would like to thank honourable members of the Assembly for your support and contribution. On behalf of my staff, and myself, I would like to say that we are ready and willing to work with you. And you should always feel at home to consult us at any time you are available. Secondly and I stress this one, my office and those of my deputies are open to you all and all the time. Use them to get the information and pass on new ideas. We will also give you our addresses so that even when you are out of Arusha, you can get in touch - (*Applause*).

My view is that in addition to the Floor of this House please use our offices to pass on your ideas and influence events when the House is in recess. I shall be asking for your addressees because I don't have them at the moment - (*Interjection*) - Yes, the comprehensive list of your addresses so that we can keep in touch with you at all times and keep you informed and up to date of the developments in the Community and events taking place in Arusha.

I understand some people must come to Arusha all the time to get information. You don't have to come here, with the present technology, just to know whether certain events have taken place, or to get your contribution to events that are about to take place.

Hon. Speaker sir, a lot has been done actually and achieved, and that is the reason that we have been thanking the presidents, we have been thanking Ambassador Muthaura, Ambassador Kazaura and Dr. Nahamya. A lot has been achieved, but I am confident that with your presence even a lot more will be done. My own view is that improvements must and have to be carried out.

I would like to thank all members for their support of the budget, and I appeal to those who have been hesitating to be assured that their concerns will be addressed, and I appeal to them to put their doubts aside and pass the budget so that we can continue.

Let me assure honourable members that, as you can see my hands are not tied; you can see they are moving freely. I would also want to assure you that we have very good work relationships with all committees, including the Finance Committee from the member states and the Committee of Experts. We have good working relationship with the Committee involving Permanent Secretaries and we have a similar cordial relationship with the Council of Ministers. They are missing a lot of our points and most of the things given here, but we don't catch everything that you ask for. And having been in government, I know that.

I think most of you have been members of a family, especially the women. I don't think you give your children everything they ask for, for using or when they are going to school or for dinner. So, the government is just a larger Community; government is a larger family and the Community is a larger union of many families. I understand from hon. Kanyomozi that after all it is only in heaven where everything you ask for is given, but we are not yet there. But what we have is sufficient to get us working in the circumstances - (*Laughter*).

Let me thank the honourable minister for his consistent support and advice to the secretariat, and in fact he kept us working cheerfully the whole of yesterday. It was only the official dinner that stopped our very fruitful

deliberations last evening. And we ask you to continue doing the same. My staff were definitely very happy and enjoyed the discussions with the ministers while they were having exchanges after the break. We are continuing to deliberate over many issues you have raised in this House.

I thank him for the splendid presentation of the budget. To me it was not surprising at all, and it was expected. And I am sure that he will answer your concerns which you raised and which lead to your approval of the budget. Mr Speaker sir, I appeal to honourable members to approve the budget with no reservations and we leave it to the future to do better than we have done now. I thank you - *(Applause)*.

**The Speaker:** Hon. Minister and Chairman of the Council of Ministers.

**Chairperson, Council of Ministers of the EAC (Mr Jakaya Mrisho Kikwete) (Ex- Officio):** Hon. Speaker, allow me first to thank fellow parliamentarians for their contribution. It is the first time I sit in a Budget Session of the Community Parliament. I am also learning because I was never a Member of Parliament of the previous Community. By the time the Community died, in fact it was in February 1977, and it was in that month that I was commissioned. I was a Lieutenant and I was very young. So this is my first time, and I must admit that I am very impressed.

I was highly impressed by the level of contribution by the parliamentarians; it was tough, precise, honest and committed. All these are qualities that make me believe that this time around the East African Community is durable. I don't know what the Parliament was like that time, but I see

cohesion, I see convergence of vision. This augurs well for a sustainable Community as Professor Kamar has always been insisting in her contributions - *(Applause)*.

Let me also acknowledge those who participated in Parliament during the debate: hon. Kaggwa, hon. Marando, hon. Dr. Mwakyembe, hon. Nangale, hon. Kaahwa, hon. Kawamara, hon. Lydia, hon. Maxwell Shamala, hon. Ochieng, hon. Mahfoudha, hon. Professor Kamar, hon. Ogalo, hon. Captain Ddudu, hon. Kanyomozi and last but not least, hon. Rose Waruhiu. Also some colleagues of ours contributed in writing, like hon. Mabere Marando and hon. Kate Kamba - *(Applause)*.

From the debate I can say that there has been a number of good suggestions, which parliamentarians have presented, which I promise, hon. Speaker, that we have taken note of and due action will be taken. In that case, within the time allocated to me I will not be able to answer everybody by name item that was raised, but at least let me react to some of the issues, but as I said, even if I don't touch somebody's matter that he or she raised, certainly that we have taken note of - *(Applause)*.

Our discussion really centred on the budget. The feeling that the budget is not adequate in view of what the Community is supposed to do; that it does not measure to the task and responsibility. Terrible mistake; I forgot to mention hon. Shellukindo - *(Applause)*. Terrible mistake; I sincerely apologise for that because in my notebook it was at the end of the notebook, but I did not mean it. Well I also forgot to mention the Secretary General, who is also on the same page.

So I sincerely apologise to those two - *(Laughter)*.

Now, I agree with you that the Budget of the Community could have been bigger. One thing that is evident or imminent in the budgeting process is that you don't always get what you ask for. I am having a similar experience in my ministry. We sent to Treasury a request for 29 billion shillings, and we said, "We have these several things to do." The Treasury says, "The Budget ceiling for your ministry is 19 billion. You have to live within the 19 billion you have."

Honourable Speaker, there are certainly budgetary constraints; there are certainly resource constraints, because there are always competing needs. You cannot assume that every time you will get exactly what you want and how much you want among the competing needs. So for our countries the budget the East African Community is among those needs that are also competing. When you have governments that are part of the developing world, two of them are among the least developed countries and one of them is in the list of the level of the maybe middle-income countries, we don't expect much. You always have to live within very difficult circumstances, Hon. Speaker. But let me say that the Budget for the Community as the Community has been perceived is adequate. Why do I say so? As I said at the beginning, the concept of the Community, this Community is different from the East African Community that we had in the past - *(Applause)*.

Hon. Speaker, the East African Community that we had in the past had a number of common services: The East African Airways (EAA), East African Railways (EAR), the East

African Posts and Telecommunication (EAPT), East African Malaria Research, East African Marine Institute, Zanzibar. There were so many common services that were under the Community that the Community was doing a lot of work in terms of agricultural research and so on. This Community has been structured differently - *(Applause)*. The rest of this work is going to be done in the member state countries.

The Community itself is going to be performing the facilitation role. So the money that you need for the Community is only money to be able to service the Secretariat and enable the Secretariat perform the work of servicing the other organs of the Community. You need money to run the Parliament, you need money to run the Court of Justice and you need money to run the Defence Liaison Office. So, as one Member of Parliament was saying, it looks just like a budget for personal emolument and other charges for institutions. So, in that case therefore, we think we have allocated enough for personal emolument; we have allocated enough for other charges. Therefore, with this budget our four institutions or our four organs will definitely function.

Okay, we took cognisance that there is a process also going on that looks at the organisational structure of our institutions and also looks at other needs to make them function more efficiently in view of the increased volume of work. But as I said, we had to commission consultant to do the job, which was not completed in time before this budget. There was debate on what do we do; do we postpone the budget decision until this work is completed, discussed and well concluded and decisions taken?

At the last Council meeting, those who were there will remember, there were views that may be we postpone everything until this work is finished. But I would like to say that please don't forget that the national budgets that vote for the money for this institution are going to be presented on the first Thursday of the second week of June. If we cannot finish this process, at least the money that is required to make these institutions function as they have been functioning, we may come to the 30<sup>th</sup> June, 2002 and there will be no money at all because the national budgets will have been presented without the funding for our institutions.

So we say, let's have this minimal five percent increase across the board at least to make all the institutions function as they have been functioning. And then when we finish the study on the organisation structure and all aspects of terms of service and benefits of the Secretariat, the Court and the Legislative Assembly, then we will take up that aspect discussed and take care of all the increased or additional financial obligations that are going to come out of it. So that is the understanding, and of course we meet in the Council of Ministers of Finance from the three countries, and that is the understanding. So I am saying it is adequate.

Our Community today is not undertaking any construction of votes. What we have agreed, as I said, we have within the structure of the Parliament or of the Community what we call sectoral committees. The engineers, for example, we have the infrastructure, we have the transport and meteorology sector. Within this big sector, there are sub-sectors: there are people who deal with roads, those who deal with telecommunications and

so on. So, I want to say, Hon. Speaker, that a lot has been done. If I were to report on what has been done, I would need at least a minimum of seven hours. I know Hon. Marando says, and maybe because of the gravity of the speech, to just make a speech as long as he takes notes. I am sure he has some points.

I have been presenting speeches, and I have seen that the only speech that could go for two hours to which people would remain attentive and not get bored was only when I was the Minister of Finance presenting the budget. Because, in the Budget Speech the revenue measures are at the conclusion of the speech and this is what everybody is waiting for: How much are they going to tax beer this time, so the taxman is there waiting. How much are they going to sell coca-cola, the retail trader is there waiting. But in all these other speeches, the maximum level that people will remain with you listening is one hour. Beyond one hour they become bored - *(Laughter)*. So seriously, Hon. Speaker, what I think we will have to do is that at some point we will have to have detailed briefing to parliamentarians.

On what has been done in what sector, a lot has been done. It is on the basis, as I said in my speech, of the success that we made in the first year that when the leaders met in 1997, as I said, we covered enough ground. Now we have upgraded our co-operation to a treaty for a community. So I am saying this that the Budget looks small but it suffices under the kind of structure that we have. We know it may not meet all the requirements but we already have this vision of sitting again to look into what more we can do about the budget. I want to give you the assurance that a

lot has been done and our people need commendation - (*Applause*).

Hon. Speaker, on the issue of contributions and remittances, well the remittance now stands at 38 percent across the board. I think Kenya has paid about 800,000 and Tanzania about 900,000 and Uganda about 1.3 million. I don't think this is a demonstration of lack of political will; it is far from that! Our leadership, our people and our governments have demonstrated a lot of political will. As I said, we have had a chequered history of co-operation, but when we started to retrace the footsteps of our co-operation and integration within this short period of time, we have made significant progress. This is a demonstration of the political will that exists!

Moreover, we have had five budgets, and in the five budgets there is no country that is in arrears at the conclusion of financial year. Okay, this year the remittances have not been very good, but the Financial Year has not been concluded. The Financial year ends on June 30<sup>th</sup>. We discussed this matter at the last Council Meeting, and there was commitment that countries will meet their obligation by the 30<sup>th</sup> of June. I have no doubt that they will do that.

The only thing that is of concern again is that if remittances were not made in time, the programmes that were to be executed would be affected. Because if all these countries are now going to pay the remaining 60 percent within this two months, work that was supposed to be done six months ago will have been affected. But we hope what was supposed to be done is not like perishable goods that rot. We think it will be done, and we heard your voices very strongly. Member states are also listening.

Don't worry that because my two colleagues are not here, they have not heard. I am chairing, I will duly communicate to them what the feeling is, or what the spirit is. And government needs to be reminded this way at times to know that there is some thing that could be done. But I want to give the assurance that because this is the first time we have this kind of experience it should not in any way be construed to be lack of political will. There is a lot of political will; there is lot of commitment. You have seen it when you talk to the presidents. I don't have to over-emphasise that.

There was a question related to the development of Partner States' budget without including it into the Budget of the Community. It has not been included deliberately. These are expressions of evidence that we have recorded; they are not commitment. So we don't want to get to a point where we include this in a Budget and then always tell you next year, you know, "*hawa wazungu bwana taabu sana*" - (*Laughter*).

When we have our own technology we don't want to get there. I have the experience; I was the Minister of Finance. I have been in government for some time now, and there are times when you agree and you sign a memorandum of understanding and it takes nine years for that money to be disbursed! As a parliamentarian, you go to your constituency and say, "don't worry, water will soon flow. We have already agreed with so and so donor." The first year passes through without the money and then when it comes to the fifth year when you have to go and face them and that project hasn't materialised, you agonise on what you will tell them in order for them to vote for you again.

At times, even in our respective governments, we have been quite conscious in trying to include donors' expressions of interest into the main budgets, until we have actual commitment. So what we are saying is that this is the only reason. But we thought it was worthwhile to let parliamentarians know that there is this expression of interest, and when we get the same commitment, certainly as procedures for accessing money require, we have to come to this Parliament and get the proper approvals and the proper sanctions so that we can proceed. So there has been no other ulterior motive, to use the lawyers' language, in not including it in this year's budget.

No money has been allocated to the Courts to facilitate the Judge President travel to Arusha to undertake consultation, the Registrar's money allocated for travel and subsistence to the Court of Justice is USD 102,750, and this takes care of that. So it has been adequately considered, and also we have been visualising on this budget, especially we also took into account that the President of the Court will have to attend National Days in Kenya, in Uganda and Tanzania and we think it is adequate.

There was the issue of the accounting process and records not being computerised. It is true we are not yet there; we are embarking on a programme to do that, so in due course we may get there.

Shortage of staff in the Legislature: now the Legislature works on borrowed staff, it is true, but if we have to wait until we have our own staff, we may have Parliament not operating at the moment. Because the procedure of appointments with a Legislature is that at the end it is the

Legislature itself that says "this one." And to get "this one", you cannot do it at your first sitting. So that is why we said we couldn't delay Parliament, that we would have to borrow somebody from Kenya to act as Clerk and give Parliament time to work with this Clerk so that we develop the procedures of getting the other staff for the Parliament. The posts have been advertised, and I think by the end of this month there is going to be an interview for the staff, and by the time we meet in June 2002, I think proper staff for the Parliament will be here. We still have to grapple with the mace and with the wig of the Speaker, but I am sure by that time we will also have finished all that - (*Applause*).

Lake Victoria and the other treaties found in the EAC and the use of the waters of the Nile: As I was saying in my speech, the fact is that there is nothing more East African than the Lake Victoria. This is one entity that touches the borders of all our three countries. So we have attached specific significance to this, and the conception is that we want to develop Lake Victoria as an economic growth zone. So we have brought into this the concept of the Baltic Sea Authority. Where a multi-faceted development is: You look at water transport, you look at industrialisation, you look at agriculture, you look at fishing, and you look at environment. So we are developing this concept and all studies are going into this.

We have also looked at various important problems that are facing the lake now. A common programme to deal with the water hyacinth, for example, in particular will be developed jointly. I am glad you have been to Uganda, you have been to Tanzania and next month when you go to Kenya, you will also have an

opportunity to visit the unit that is there at Kisumu. You will get an impression of what we have done so far. So this is an area where we are confident that we are handling it well, and there is a lot of goodwill, and there is a lot of evidence for Partner States to co-operate. So, we are looking at it comprehensively, and fortunately we have a lot of international support for this programme to the extent that one of our problems has been how to co-ordinate the multiplicity of initiatives and programmes within the lake. There is the World Bank, there is Sweden, there is Ireland; everybody is there. There are NGOs - so what we agreed is that at least we try to see how we can co-ordinate and we think the thrust that we have embarked on will take us there.

So, the Water Hyacinth Programme is going on well, we are now trying to grapple with the pollution of the lake. The industrial pollution in some areas is quite serious. So there are a number of initiatives that have been undertaken in the lake, but as I said, at some point we need really to sit down with you, take you through each and every programme that is going on within the auspices of the EAC.

Maybe the issue of a small island there is the issues of fishing. Fish do breed in this part but not on the other part and then shift. And they cannot chase them after they have crossed the water. It is just like chasing a thief. If he crosses Namanga then you have to stop there and ask the Kenyan police. As I was saying, under the Lake Victoria Fishing Organisation, which is an institution of the EAC, discussions were held at various levels with the aim of trying to resolve the problems.

I think there has been some understanding, and there is going to be

another meeting in Nairobi between the 13<sup>th</sup> and 17<sup>th</sup> of this month to finalise the agreed framework to deal with these problems. So I want to give you the assurance that we know the problem, and fortunately there is the EAC. EAC intervened at the level of the EAC and some initiatives have already been taken to try and see how best we can share the resources.

Hon. Ochieng said that, that is why we support the idea of having no boarders so that they can also chase the fish across the six percent of the lake. We are all working honestly for federation. I think when you get a federation, the boarders will certainly disappear, but in the meantime we have go to use these mechanisms that exist under the umbrella of the EAC to try to manage some of our problems.

We had a similar problem between Tanzania and Kenya on the Pemba channel, and under the auspices of the Community we managed it. So there is nothing that we can't do in the EAC. But at the end of the day, it depends on the co-operation of the parties involved. We hope there is political goodwill and if the relations are good, we will get there - (*Applause*).

On the issue of a basket fund for the sensitisation of the East African public on the assets of the Community, I agree with you that there is a feeling that we have not done much in terms of sensitising the people, but we had done a lot during the debate on the Treaty. I can assure you, if you go in to the records, there have been volumes and volumes; individual letters, radio debates, television debates, articles in the newspapers, discussions by professional organisations and discussions in the boards of various stakeholders. I remember we had very difficult discussions with the Chamber



of Tanzania Industries here, and also with the Tanzania Chamber of Commerce and Agriculture. So, you see, there has been a lot of work.

Of course after we came to an understanding and the Community was in place, there has not been much of that, but we are cognisant of that fact. We are thinking seriously on how we can strengthen the public relations department of the Community so as to be able to do that. Of course they are doing it now through press releases from time to time, but we think we could do more. But all in all, there is no better sensitisation than the one the leaders of our respective countries can do.

And in this regard, I want to commend the parliamentarians for what they are doing. Actually, what you are doing now is sensitisation. You have been to Uganda, you have been to Tanzania, and you will be going to Kenya. And every time there is good media coverage. And what you have been doing is part of sensitisation, and the more we do it, I think, the better. So I think I want to commend you, and please stay on course; we will be able to try to do everything to support.

On infrastructure, while there was the issue of why there is no budget for an infrastructure co-ordinating unit, as I was saying, here at the headquarters we have a desk that deals with infrastructure; Dr. Wambugu is the man responsible for this. But as I was saying, the way we do it, the community co-ordinates the member states but the sector responsible takes care of this particular aspect. So the three member states come in at sectoral level where the experts meet: That sector has the experts' segment, there is the permanent secretaries segment and there is the ministerial segment. So

as I was saying, when you are developing the road sector, our engineers' first sit from our three countries, they raise the need, and then together at the Community now we approach the World Bank. And if the World Bank says, "that's fine, we are going to support the programme", they send somebody from the infrastructure department of the Bank to sit with our engineers, and after sitting down they design what we come up with.

The East African Road Network came to the ministerial level, and then it was brought to the Summit level; we agreed. Thereafter we went together as East Africans to Japan, to London, to Brussels, to the European Union; we went to the United States of America, we talked to the Government of the United States, we talked to the World Bank on the programme, and then on the basis of that, the World Bank said they were going to sponsor the donors conference jointly with the European Union, and we had a donors' conference here which ended up with a commitment for one billion dollars. So we don't think that there is need for an infrastructure co-ordinating committee. I think the present mechanism is adequate.

And to react to what my friend Hon. Mabere Marando who said that on infrastructure the minister had said virtually nothing, what I said because of time was that we have done a lot on the Road Network Programme, which is ongoing. And I think there was also reference that if there has been anything done on the infrastructure, there is nothing on the Kenyan side. But I can assure you, when we resolved on this Road Network we had corridors: we had the Mombasa-Malaba - actually I will give you the whole of this project.

We have the corridor that takes care of Mombasa up to the Ugandan boarder with Congo and Rwanda. That is one corridor. We have another corridor that takes care of the lake region. We also have a corridor that takes care of Dar es Salaam up to Lake Victoria and up to the boarder with Burundi and Rwanda. We have a corridor that starts from Tunduma, Lake Tanganyika up to the boarder with Uganda. The idea has been to structure a road network that would allow the market in East Africa accessibility, and also to allow East Africa access the neighbours. That is why we see that corridor which goes as far as the boarder between Kenya and Somalia.

There are corridors that go up to the boarder between Kenya and Ethiopia, the boarder between Uganda and Sudan, the boarder between Uganda and Congo, the boarder between Uganda and Rwanda, the boarder between Tanzania and Burundi and the boarder between Tanzania and Rwanda. We also have corridors that go up to the boarder between Tanzania and Malawi and the boarder between Tanzania and Zambia. But also, for example, through the Central Kenyan Corridor, you can move from Nairobi up to South Africa. You can also move from Uganda up to South Africa through them. So this has been the kind of consideration, and it is a very very elaborate kind of thing.

I know you will have time to be briefed in greater depth on this one, but the implementation of this programme has also started. The Arusha-Namanga -Athi River road is already underway now. The money has already been secured from the African Development Bank but the procedure is that we raise the project together as East Africa but the implementation is done in the respective member states, and the

donor funds go to the respective member states for that section. So this is how we are doing it: We are raising the programme together, promoting it together but the implementation is in the respective member states. Under the same programme, for example, the African Development Bank has handled the Kyotera-Mutukula-Bukoba-Muhutwe stretch of which the Kyotera-Mutukula part is undertaken under the auspices of the Ugandan government and the Mutukula-Bukoba-Muhutwe part is under the Tanzanian government. So we have a number of others on the list, which I cannot mention now.

We also have the cross-boarder interconnectivity programme on telecommunications under which we are also developing a common programme on our telecommunications. It was delayed because of the privatisation programme going on where the donor says first finish this and then after that we look into how to fund the programmes. So we have also a joint project funded, for example, by the European Investment Bank, on the upper skies and terms of civil aviation. So there are a number of initiatives that we had been undertaking together, but as I said, we will have time to brief you in greater depth on what has been going on in each sector.

There is also the question of the difficulty to access Arusha, especially for our colleagues from Uganda. We discussed this matter at the last Council Meeting and we left it to the transport and meteorology sector, and in particular the ministers responsible for air transport or air travel in East Africa, to look into the matter, and we asked them to report to the next Council. So I think there is already

intervention from the part of the Council.

There was also the question of - and indeed the issue has been coming back again and again - of having joint common services. Well, as I said, when formulating this agreement a lot of care was taken not to repeat the past mistakes. We have said that we had an experience of failure; we cannot pretend that there has not been one. So what are the areas that created a lot of differences and a lot of quarrels among us? One of the areas has been the common services.

You will remember that all the headquarters were in Nairobi. We fought over that and then we had to distribute: Uganda took the Post and Telecommunications. I think that Hon. Kanyomozi knows it better because he was Assistant Director General of the East African Posts and Telecommunications at that time. Tanzania took the Harbours because we said how could the harbours headquarters be in Nairobi where there is no port! So we put it at one of the Ports - (*Laughter*). We had a lot of difficulties until we had to share out the headquarters. And even to the management itself, there was again a lot of fighting and fighting. Actually, one of the areas that contributed so much to bad blood and bad relation was the area of common services. So we said let's leave this for now, we cannot start with this one!

Well I have been saying that the Community is evolving, but I also said that the ultimate aim is to have a federation! We may have one country called East Africa and when we have one country called East Africa, all these are going to be our properties. May be at that point we may be able to manage them better as one nation and

not as three nations, and you may be arguing over how to share the cake and gains of it!

So, we are saying that we have not really closed the door to the possibility, but we said at the beginning that let us start with this. These are areas of controversy; let us give the common services part out and let us now look at the common market part. So when we say the common market part, also we said let us not start with the common market right from the start, let us begin slowly.

There was an idea that maybe we should start with the initial stage of a free trade area, and then come to the common external tariff where we have a customs union, and then from there come to the common market where we have the customs union plus free movement of goods, services and labour. This is a more advanced stage, where now a Tanzanian can go to Mombasa and work there, live there. So you really need certain basic things to be in place otherwise, they will go to Mombasa and be seen as intruders, people coming to take the jobs of the people of Mombasa, and we may gain fight over that matter.

So we said that even the idea of saying there is going to be free movement of people, you will really need to take care. That is why there is lot of phasing in this because there are certain prerequisites that you have to attain before you really reach a certain stage. So that is why maybe we may have been over-conscious, but you will understand. Basically it is based on the experience that we had of failure.

I remember very well the Late Zakaria Onyonga of Kenya when we were sitting here in the Simba Hall; he was saying that one thing we cannot afford

this time around is to have a stillbirth. We cannot afford it, so let us be so very careful so that we have something that is sustainable, something that will not break up again and then we try to find out what happened. There was Iddi Amin then so this time who will be the Iddi Amin? He may not be there! So we said we have not closed the doors to the consideration of that but it will be taken care of. I think this explains why we have not heard it now - *(Applause)*.

Hon. Speaker sir, there is this issue of the Court having been allocated very little money for books while the Counsel to the Community has more money. Well, of course if you look at next year's budget, then that is the case, but if you look at what has been allocated this year, this year there is an allocation of 20,000 dollars for books, which has not yet been utilised. So if you add next year's amount, when they will be utilising the money they will have 25,000 dollars. We have only just finished the Chambers, which is the other capital cost. The Judges are now just sitting to agree on how they are going to work; they have not even drawn up the list of books that they need! So I am sure when they start spending the money, then we will know how much money they will need for that.

So certainly there is 25,000 dollars, and when they start spending it, the amount will continue to increase until we have a library. But we also have money for this, and of course the 10,000 dollars is not for the Counsel's office; it is for the library of the Community in which again we have books that the judges can also use. The library is going to be here, and the books are not only for the Counsel's office. Certainly, we are trying to sort it out - *(Applause)*. I am trying to

explain what has happened, so don't worry, hon. Marando, we have taken good care of the Court. We know that there is no court without books and we are continuing to upgrade the facilities in the Court.

Hon. Lydia said yesterday that she distances herself from the idea of saying we are in a formative stage, but we cannot deny the fact that it was only last month when we were handed over this setup at the same time we handed over the setup of the Court! I think they have just moved in. Even the furniture for the Court is still on the high seas coming. So you can see that we are really in the formative stages, but we are giving the assurance that, if that is the case, we will do everything possible; we will never fail the Community.

There is no development budget for construction of the Community headquarters; we need a token. We have a provision for the token, I think, under 6.12, which has 100 dollars, but what we are saying is that we are now in the process of discussing the kind of building that we need. After we finish that, then we have got to bring in the experts, who are going to do the architectural design of that building, and then later we will start to look for the money for the construction. So we have not ignored it; we have the token and that is the stage where it is.

There is only 0.5 in budget for training: Well it is true that is very little, but we are saying we are developing the training packages. We now have a Human Resource Development Officer who is developing the training package, and we think 0.5 is adequate because we have people who are already trained. So the kind of training that we do here is training that is needs tailored. If we

think we need to have everybody in the Community to be computer literate, then we set aside money to train our people to be computer literate. We don't do the training for their Masters or their PhDs. No! We take people with their PhDs, we take people with their Masters; they don't get their Masters here. We don't think we can have all that money for that level of training but at least we do a lot of needs tailored kind of training. So I want to assure you that the 0.5 is adequate, but we are also developing a more comprehensive programme for training.

“The staffs are too few, over stressed, over worked, one had a stroke, and two got mental breakdowns. Ooh! This is very serious; terrible.” Let me agree with you that the Community does not have a big bureaucracy, but we agreed on that right from the start. We said we don't want to create a Community whereby at some point one of our heated debates will be on retrenchment because we have had this experience. In the OAU they had to retrench about a thousand workers and it is a very painful exercise simply because you do not conceptualise too well at the beginning. So I come to the Secretary General and say, “Is there a job there? Here is my son, he just finished law at university please create a vacancy and place him well.” We don't want to get to that kind of situation. So we said we are going to have a lean but efficient bureaucracy. We will be quite strict on addition of staff.

We told the Secretariat that for your needs for staff, bring them to the Council, argue your case why you need to have more. They have always been doing it and where there has been good basis we have agreed. For example, how many are we going to hire for the Parliament? Nine I think, and then we

are going to hire for this year alone I think at least twenty because there is need! But bear with us, and please agree with us and support us. We should avoid the danger of creating a huge bureaucracy and turning the Community into another area of employment generation. I know we have to generate employment but we cannot be oblivious of the fact that we have to employ people on the basis of need. And wherever there has been need we have been doing it. So I cannot understand and I am not sure whether we contribute to the stroke and to the mental breakdown but I am sure we will take up our responsibility. We have not closed the door; we have always been employing people where there is need. We started with three we now have 52! (*Applause*)

“On political issues, the Parliament should lobby for international jobs jointly”: We are doing it. As I always say, in the Memorandum of Understanding on Foreign Policy and Co-ordination, one of the things we agreed was that partner states are going to lobby for these international jobs together. And at our last meeting we agreed to support Mr Akichi Okola of Kenya as a candidate for International Civil Aviation Authority. So we are doing it. We have already started, so we thank you for supporting us as your reassurance strengthens our resolve.

“When will we have a political federation established?” I can't say when, but I said in my speech that there are strong voices that we could do it now. As I said, at the end of the day the East Africans have go to pronounce themselves on it and decide. So there is nothing impossible, but there are strong voices that we could do it now.

“Why don't Partner States concentrate on the East African Community instead of being members in several regional organisations? Why can't we all leave those organisations and join them as East African Community?” Well, it is an important point, very justifiable, very valid and in all the international organisations and the regional organisations that we are members, this has been a subject of serious debate and discussion. But we say, one, they are not contradicting each other. We don't see problems, and also we are not quite sure that the membership is on the basis of regional organisations. We may get out of COMESA, get out IGAD, get out of SADC and say now we want to join the East African Community; we say we admit individual states.

So, may be when we reach the stage of a federation we can consider to join as East Africa. Membership of several organisations has the problem of divided loyalty certainly, but I have never heard of complaints in SADC emanating from Tanzania's membership of the East African Community; there have not been any complaints in COMESA about Uganda and Kenya being members of East African Community, nor from IGAD. So far things are moving on well, but it is a matter that needs further discussions in future.

Legal and judicial affairs: “Why isn't the Court of Justice a Court of Appeal?” Well, in the debate we had on the Treaty, there were significant voices that wanted the new court to be a Court of Appeal as well, but there were also more voices that wanted the new court to be a court that is going to confine itself to the interpretation of the Treaty only and mediate when there are problems and difficulties related to the Treaty. But you will see

that in the Treaty itself, the possible role of this court becoming the Court of Justice is provided for.

1. The Court shall initially have jurisdiction over the interpretation and application of this Treaty.”
2. Two, “The Court shall have such other original appellate, human rights and other jurisdiction as will be determined by the Council at a suitable subsequent date. To this end, Partner States shall conclude a protocol to operationalise the extended jurisdiction.

So, let us consider it as the start. The provision is there; maybe at an appropriate time when Council determines, we would be able to have the East African Court of Appeal. But I think it is also good to go slowly because we already have a Supreme Court in our respective countries and we also have to see how to manage that.

Agriculture and food security: Agriculture and road development strategy is being finalised and will address issues relating to pricing of agricultural products and it is going to take care of the whole thing raised by hon. Rose, that is, where the people live and that if the Community is people centred, then that is where we should give the maximum possible attention. So we are now working on it - *(Applause)*.

Of course there was this question that when you look at the strategy, there are studies and studies and studies and studies. Well, at this stage we cannot avoid studies because we are bringing in three states to do one thing together.

So definitely we need a study on how the three member states can work together on the roads. We did a study that culminated into the agreement on road transport. We looked at the standards of the roads and so many other factors, which we now have to harmonise, and we have that agreement. But it has got to be preceded by a study.

So, at this formative stage – I am sure hon. Lydia will not be very offended - we cannot avoid studies. That is why you see there are so many studies. So where we have been able to raise funds ourselves, studies have been completed, where we manage to get funds from our development partners, studies have been done. Where we have not been able to get funds, studies have not been done, and this refers to what hon. Mahfoudha made reference to today and also hon. Ogalo made reference to it this morning, the study on standardisation and classification of accommodation facilities and the other study on petroleum.

The Council has not budgeted for these studies, but the Council has said fine, let us do the studies. But because the proposal came from the Secretariat to the Council, they wanted 112,000 dollars for the studies on standardisation of hotels, and they wanted 70,000 dollars for the conference on petroleum. We were honest enough to say we don't have the money because it was in October. Midway they were saying they wanted 200,000 dollars.

Then we said “where do we raise the money; we are grappling with contributions of Member States to the agreed budget of the Community! So, we were trying to be honest to that extent. But because in the harmonisation of standards of hotels

those participating were actually owners of hotels, so we said they were able to finance the standardisation of their hotels. This was the basis – (*Applause*). And then of course again in the petroleum conference it is the oil companies themselves participating, so we said they have money. Well, we did not decide to stop but we said at the Community level that we might not be able to finance, but if the Secretariat can raise money for this, please go ahead. This was the decision that was taken.

It is not true that a programme had been agreed, voted for and then somebody in the Finance Committee and the Secretariat decided to delete it. No, no! One, they don't have those powers because we are quite strict on our Bible. Nobody in the Finance Committee can do that. If the Council has decided and it is budgeted for, nobody can delete. We consider these two initiatives important but we said at the present moment and time it is a burden that we may not be able to solve. So we asked the Secretariat that please go and talk to the hoteliers; they are trying to standardise their own hotels, can't they pay? We said go and talk to the oil companies, they are trying to organise a conference to talk about petroleum potential, can't they pay? There is BP, there is Shell, and there is GAPCO! These are huge companies and sizeable institutions, why should they again come to the poor Community and ask for money to fund their conferences? We said we are not against important conferences but under the serious financial situation we are in, we may not be able to undertake those studies. But at some point, if they have completely failed to raise the money, then we would see what we can do together. Let's look for a donor somewhere who can help us. But I want to give you the assurance that

nobody has actually changed anything in terms of the decisions of the Council.

Hon. Speaker, earlier treaties on the Nile River: I want to assure you that East African countries have no illusions that we have no right to the waters of the Nile as everybody who hails from where the Nile flows. We don't believe that somebody has more rights than we do; no! We have a number of initiatives that tackle the Nile like the Nile Basin Initiative, just to see how we can together use the waters of the Nile. And I am going to give you the assurance that nobody has prevented us from using the water of the Nile. Nobody has - *(Applause)*.

If we decided tomorrow to have a programme to utilise the waters of Lake Victoria, what have we agreed in these arrangements? If somebody has a programme to utilise the waters, what we call the Nile Catchments Area has a programme to notify all of us and get our consent because two of the major rivers that we know that contribute water into Lake Victoria like River Mara, start from Tanzania and Kenya and go into the Lake Victoria. We have River Kagera, which is the largest contributor of water into the Lake but this River Kagera starts from Rwanda and Burundi. That is why in the whole initiative you have Rwanda and Burundi.

Suppose Rwanda decided to divert the waters and says we have an elaborate irrigation programme using the waters of the Kagera and Kagera dries up, there would be no Lake Victoria! If, for example, Tanzania or Kenya decided to use all the waters of River Mara - you see, these are dry areas; we need to do agriculture in Tarime in my friend hon. Mabere Marando area. So if they simply decided to divert the

river, or hon. Ochieng there decided to divert the river and he irrigated, somehow the Lake would be affected and the Nile would be affected. So that is why we have this arrangement of the Nile Basin Initiative so that one, if somebody wanted to use the water, let him or her notify everybody and get consent.

For example, I was the Minister of Energy at that time when Uganda was trying to develop hydropower. Being the Minister of Energy at that time, Sir Richard wrote to all of us in the region saying that they were embarking on the programme and that they needed to have our consent. We wrote saying we had no objection: Kenya said no objection, Tanzania said no objection, Egypt, Sudan, Ethiopia, Eritrea, Burundi and Rwanda all said no objection, and then they proceeded. It is a kind of an understanding so that we are not affected - *(Applause)*.

We should not think that we alone own the lake. Rivers, which don't start in our countries, are feeding this lake and the largest one is the Kagera River. So this is why we have several processes that have gone into this thing. Okay, there is this Agreement that the British had with the Egyptians, but there is nothing that cannot be reviewed. I think there are going to be some discussions later this year on this Agreement. Maybe it is too premature to talk about it but my understanding is that we are working on this one. But we all have as much right to the waters as everybody else. So nobody should take his own decision on the waters; it may cause problems and it may affect all of us.

As I was saying, we are working through individual sectors. From 1996, 54 sectoral meetings have been scheduled, 125 of these meetings have



been held, 29 could not be held but 81 percent of them have been held. So we are doing very well in that regard.

Hon. Speaker, I am also looking at some of the issues that were raised today, which may not have been taken care of. Hon. Ogalo talked about the death of the East African Court of Appeal, that it was because of lack of finances, which is the experience of the Court right now. As I said, many of these institutions that belonged to the Community, when there was so much bad luck they had a lot of difficulties. They had a lot of difficulties and they simply could not function! So it was not specific to one factor, because after Iddi Amin came into power, the authority could not meet from 1971 to 1977 so all decisions were being taken by minutes. You would go to Mzee Kenyatta, he would sign, you would go to Mzee Nyerere, he would sign and you would go to Mzee Iddi Amin, he would sign! (*Laughter*)

In 1971 there were so many difficulties, and I think you remember that time when people would call each other names. Countries called each other names like *Nyang'au*. So we had so many problems and the atmosphere was highly charged. So, if one looks at finance as the only problem then, it is not true because there was this kind of attitude. Nobody was contributing, and because people were not contributing, then we fell into a lot of problems until it ground to a halt formally in 1977. So that is why we said today we have a good atmosphere, which we are making good use of. So we hope today those will not rise again, and we hope that this time now with increased democratisation and openness, it may be easy to handle that.

There was a question of us saying the Community is people centred and yet

the people in the private sector and NGOs, the majority of the people there, are left out. Well it is true, but compared to the previous arrangement where there wasn't even that kind of a window, has been a sign of progress. And the arrangement is that they participate in all meetings of the Coordination Committee at grassroots level, actually at the base where these things are being formulated. They come and participate as stakeholders. Whether it is the state institutions or the private sector, they come and participate at meetings of the sectoral committees at all the three levels: at the experts' level, at the Principal Secretary or Permanent Secretaries level and at the ministerial level. Of course they come to the Council as observers. But they are party to the process of the decisions that bring matters to the Council. They also come to the Summit as observers, just like all of us here are observers because the Summit now is for the three Presidents. They also see how the business of the Summit is conducted.

So we say we have made progress, but as we are always saying, what we have now is actually inadequate, but let us continue to discuss, and I am glad that we have the Parliament. There will be a lot of ideas from this Parliament. It certainly will improve on the arrangements that we now have. So I cannot say that it is one hundred percent satisfactory, but at least we have made progress. We have started so let us speed on it. I am sure we could do a lot more on the basis of that.

There was reference to the weeds on Lake Jipe. We usually say we have this programme on the water hyacinth but it is really the water hyacinth and the evasive weeds in East Africa. So we have concentrated right now and

mainly focused on Lake Victoria because, as I was saying, this is our biggest entity and it is easy to know. But maybe I must admit that it is the first time I hear that there is also a similar problem in Lake Jipe. We needed somebody to say it, and now that you have said it, we will take note; we will give it to the sector responsible, the unit responsible at the headquarters and in Lake Victoria. They will also look into those matters as well. So I am sure we will include that in our programmes - (*Applause*).

Hon. Speaker, Captain Ddudu has raised the matter of including marginalised groups, the youth and the disabled, who are supposed to participate politically and economically. Well I don't know what we could give as the correct definition of marginalised. I am not sure if the youth can be in the group of the marginalised, and certainly it cannot be the case in Uganda because he belongs to the youth.

I think we cannot categorise the youth as a marginalised group, but they have needs that have to be taken care of. The disabled we can put them in the group of disadvantaged because being marginalised also is a conception. I don't think our societies have marginalised these two. We only recognise that they are disadvantaged because they cannot do as much as able-bodied men. So it is important that we take care of them and the social sector concerned will be informed of the concerns raised by the honourable Member of Parliament in this House, and I am sure they will look into that.

Hon. Speaker, the Defence Liaison Office with a small unit stationed in Arusha which may later be integrated into the East African Army: Well, I

can understand the background of this, but I think Arusha is properly defended; we don't need the Community to create a unit for the defence of Arusha. I was part of this system for sometime, I am retired now but I know how the system of Arusha defence works. There can be no problem to Arusha, and that is assured. Arusha is quite safe.

The idea of creating the Defence Liaison Office is because it is too early to also start integrating our armies. First we are working on co-operation of the armies. They are now co-operating on a number of programmes, they are working together on joint exercises, looking at training programmes, exchanging information and exchanging of expertise but we know that an army is one of the highest expressions of sovereignty.

To get one East African Army may only be feasible when we get to the East African Federation, because an army has to have a Commander-in-Chief. You cannot create an East African Army with only a Chairman of the East African Community, which is not a State! So having this ultimate goal, when we get to federation, I am sure we should be able to create an East African Army, East African Police, East African Immigration, and East African Intelligence Services. So we will get there, and the idea is a step towards that direction.

Here I should like to make reference to some disturbing Press reports and some Parliaments' misleading accusations that parliamentarians are only talking about money. Of course it is unfortunate because I know parliamentarians are not only talking about money. I was asking which newspaper, which Parliament was that one, but we will get more information

on that one. And certainly we have a duty at the level of the Secretariat to give the necessary clarification - *(Applause)*. I promise that we will certainly do that. It is unfortunate our parliamentarians are doing a good job under very difficult circumstances. They have shown a lot of commitment and we are still working on how best we can enable our parliamentarians to work under very favourable conditions. So I don't think this is the appropriate time to accuse them of talking about their money, their money! I think that is not fair, and it is not correct.

There is the issue of having ministers specifically for the East African Community. It is not a bad idea, but it depends upon the levels of development. Well right now there is the Council of Ministers that brings together Member States, and the way we have structured our activities is such that we have Sectoral Committees that bring together Member States. Maybe you may have ministers who may not have much to do at this stage.

The previous Community, as I was saying, had a lot of work within the Community itself: There was somebody dealing with communications, there was somebody dealing with finance, but I am saying we are just developing. But in this case the idea is that probably each country can have a minister dealing with East African Community and doing nothing other than the affairs of the Community. Well we will dully communicate that feeling to our Principals, and whether they will listen or not, they cannot ignore the voices of the parliamentarians, especially when they are important and useful voices - *(Applause)*

Regarding the strategic plans, there are a number of agreed things which are

yet be implemented, that had been carried over. I agree with you that there are a number of things that had not been completed, but if you look at some of these things that have not been completed, they are actually programmes which Member States have agreed to undertake jointly as a Community but in their respective countries, which certainly need donor funding with consultations at various levels of development. Maybe when the consultations are concluded we might think that the programme has been concluded. But also, some of the difficulties we are having in financing have also been because of some of the delays.

As I was saying, for example this year you may have a relapse in terms of implementation of the programmes for this year because only 38 percent has been paid up to now. So when we get the 62 percent, it is going to be the money required for the whole year, but it has been availed at a time when some of the programmes would have been completed. So we are concerned as much as you are concerned.

We will talk again to our colleagues in the Ministries of Finance. I want to assure you that it is not a question of my ministry sitting down with money, or the Ugandan ministry or my friend there in his ministry getting the money from the Kenyan Treasury and sitting with the money. At times we have some difficulties of getting the money from the Treasuries and they also have difficulties of raising the resources. But we will continue to consult and see how best we can manage those resources, how best we can have resources available to us for onward transmission to the East African Community Secretariat.

There is also the issue that was raised on where the money is now, and when it is likely to come. Honestly, we talked about it in the last Council Meeting and we were promised that they would do it before the end of the financial year. And I continue to remind them and I am sure your strong voices here will also remind those who are keeping the parcels that money has go to be remitted quickly. Now, as to how things are done and where we get the money from, and whether we borrow, we should commend them for the intuition and initiative.

Hon. Speaker, there was a question: where is the money for the Customs Union? The Customs Union is going to have a lot of money; it is going to finance itself. They are going to collect the money themselves. So don't worry about the Customs Union but of course it will take time before it is operationalised. These are very complex things. Even if we decided in June to the end that there would be the East African Customs Union, it would take some time because there are things to make, to organise. Otherwise, we would loose a lot of money in the process. So it will take some time, which is why in the Treaty we said it has go to be in place by 2003. So what we are now doing is really finishing the discussions on it so that by 2003 we have the Customs Union in operation.

So Distinguished Parliamentarians, Member of the East African Assembly, as I said there so many things that have been raised, we may be another long hours to respond to all of them but at least I have touched on many of them, and let me end by saying what hon. Kate Kamba has said. She has focused on education. She said education is something that we have taken as a priority matter.

We have agreed to harmonise the curriculum, we have agreed to harmonise examinations for East Africans. We want somebody who has a secondary school leaving certificate from Dar es Salaam to be of the same standard as somebody who has finished secondary school at Budo or Eldoret. Right now everybody has got his own system, his own examination, his own curriculum. So we said that we have got now to start moving together. So we have taken it seriously.

We think education is the basis because the main difference between the developed countries and us is that they are more educated, they are more advanced in science and technology. If we have to catch up, we have to educate our people; we have to make strides in science and technology! *(Applause)* Hon. Speaker, I beg to move - *(Applause)*.

**The Speaker:** I now put a question that the Financial Statements of the East African Community for the fiscal year 2002/2003 be approved.

*(Question put and agreed to)*

**The Speaker:** Before I adjourn, I have two announcements to make. As you all know ALICCO had given you forms for insurance but some of you have not submitted the forms. Please kindly submit the forms to the relevant office. Secondly, some of you have not also submitted the birth certificates of the members of your family to AAR, so those of you who have not done so please do so. Thirdly, I kindly request you to present two photographs and your signature on a sheet of paper so that we may arrange for identity cards for the Members of the Assembly, and submit them to the Clerk.

## ADJOURNMENT

**The Speaker:** Honourable Members, I now adjourn this House until 4.00 in the afternoon - (*Applause*).

*(The Assembly adjourned at 12. 00 noon and resumed at 4. 00 p.m.)*

*(On resumption\_)*

*(The Chairperson in the Chair)*

## COMMITTEE OF SUPPLY

### **The Estimates of Expenditure of the East African Community for the fiscal year 2002/2003**

**The Chairperson:** Hon. Members we are now going through the Committee of Supply so that we can go through the budget in details. I now call upon the Chairman of the Council of Ministers. Hon. Minister, the Floor is yours.

**The Chairperson of the Council of Ministers of EAC (Mr Jakaya Kikwete):** Hon. Chairperson, I beg to move that the Committee of Supply do report to the House its consideration of the Budget of the East African Community for the fiscal year 2002/2003, and its approval thereof without amendments.

Hon. Chairperson, I beg to move that a sum not exceeding USD 5,249,301 made up in the manner set out in the estimates of expenditure laid before the House on Thursday, 2 May 2002 be authorized to meet the expenditure necessary to carry on the services of the Organs of the East African Community during the fiscal year ending on 30 June 2003. Honourable Chairperson, I beg to move.

**The Chairperson:** Honourable Members, I now put the question that a sum not exceeding USD 3,138,281 made up in the manner set out in the Estimates of Expenditure be authorized to meet the expenditure necessary to carry on the services of the EAC Secretariat during the fiscal year ending on 30 June 2003.

**The Chairperson:** If you want clarification raise your hand. Yes, Hon. Kanyomozi.

**Mr Kanyomozi:** Honourable chairman, which page is that?

**The Chairperson:** Page two of our estimate books. Honourable Members, I now put the question that a sum not exceeding USD 3,138,281 made up in the manner set out in the Estimates of Expenditure be authorized to meet the expenditure necessary to carry on the services of the EAC Secretariat during the Fiscal Year ending on 30 June 2003.

*(Question put and agreed to)*

**The Chairperson:** Honourable Members, I now put the question that a sum not exceeding USD 364,660 made up in the manner set out in the Estimates of Expenditure be authorized to meet the expenditure necessary to carry on the services of the East African Court of Justice during the fiscal year ending on 30 June 2003.

*(Question put and agreed to)*

**The Chairperson:** Honourable Members, I now put the question that a sum not exceeding USD 1,746,360 made up in the manner set out in the Estimates of Expenditure be authorized to meet the expenditure necessary to carry on the services of the East

African Legislative Assembly during the fiscal year ending on 30 June 2003.

**Mr Gilbert Ochieng-Mbeo:** Hon. Chairman, I would like to draw your attention to "Administration and Finance". How many vehicles are estimated for?

**Mr Kikwete:** Hon. Chairman, we have only one vehicle.

**A Hon. Member:** Already we have four vehicles.

**Mr Ochieng-Mbeo:** Honourable Chairman, last year we estimated for more money, but this year instead of going up we go down by reducing the amount of money; why?

**Mr Kikwete:** The vehicle is new, so the expenses are very little.

*(Question put and agreed to)*

**The Chairperson:** Honourable Members, I now put the question that a sum not exceeding USD 5,249,301 made up in the manner set out in the Estimates of Expenditure laid before the House on Thursday, 2 May 2002 be authorized to meet the expenditure necessary to carry on the services of the organs of the East African Community during the fiscal year ending on 30 June 2003.

*(Question put and agreed to)*

#### **MOTION FOR THE HOUSE TO RESUME**

**The Chairman of the Council of Ministers of the EAC (Mr Jakaya M. Kikwete):** Hon. Chairperson, I beg to move that, the House do resume and the Committee of Supply do report to the House its consideration of the Budget of the East African Community (EAC) for the Fiscal Year 2002/2003

and its approval thereof without amendments.

*(The House resumed)*

*(The Speaker, Mr Abdulrahman Kinana, in the Chair)*

#### **REPORT OF THE COMMITTEE OF SUPPLY**

#### **The Estimates of Expenditure of the East African Community for the fiscal year 2002/2003**

**Chairperson, Council of Ministers (Mr Jakaya Kikwete):** Hon. Speaker, I beg to report that the Committee of Supply has considered the Budget of the East African Community for the fiscal year 2002/2003 and approved the same without amendments. Hon. Speaker I beg to move.

**The Secretary General (Mr Amanywa Mushega):** Seconded.

*(The House passed the Budget of the East African Community for the fiscal year 2002/2003)*

**The Speaker:** Honourable Members, we now come to the end of our session, which started on Monday 2 May 2002 to consider the East African Community Budget. Before we come to an end, I would like to commend Hon. Jakaya Mrisho Kikwete, the Chairman of the Council of Ministers of the East African Community, who is also the Foreign Minister of the United Republic of Tanzania, and all Members of the East African Legislative Assembly, for your participation and co-operation. Honourable Members, I now adjourn the House until another day. I thank you all – *(Applause)*.

*(The Assembly adjourned at 4.45 sine die)*