



EAST AFRICAN COMMUNITY

IN THE EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)

The Official Report of the Proceedings of the East African Legislative Assembly

FIFTH MEETING– SECOND SESSION – THIRD ASSEMBLY

Thursday, 5 June 2014

The East African Legislative Assembly met at 10.00 a.m. in the EALA Chambers, EAC Headquarters, Arusha, Tanzania

PRAYER

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

(The Assembly was called to order)

PAPERS

Mr Celestin Rwigema (Rwanda): Thank you, Madam Speaker. I want to lay on the table the report of the EALA delegation to the 130th Assembly of the Inter Parliamentary Union held in Geneva, Switzerland 16th to 20th March 2014. Madam Speaker, I beg to lay.

The Speaker: Thank you very much, hon. Rwigema. Next item.

BILLS'

FIRST READING

The Supplementary Appropriation Bill, 2014

The Speaker: I should be calling the Minister...the Chair, Council...welcome, Chair, Council. You have come in when you are supposed to be...We are on Order number three. Hon. Minister, we are on Order number three.

The Minister of State for EAC Affairs, Uganda (Mr Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that the East African Community Supplementary Appropriation Bill, 2014 be read for the First Time. I beg to move.

The Speaker: Secunder? Hon. Kaahwa, hon. Dr Sezibera and hon. Leontine.

Bill read the First Time.

BILLS'

FIRST READING

The East African Community Appropriation Bill, 2014

The Minister of State for EAC Affairs, Uganda (Mr Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that the East African Community Appropriation Bill, 2014 be read for the First Time. I beg to move.

The Speaker: Secunder? Hon. Kaahwa, Hon. Dr Sezibera, hon. Leontine.

Bill read the First Time.

MOTION

FOR THE CONSIDERATION OF THE BUDGET OF THE EAST AFRICAN COMMUNITY FOR THE FINANCIAL YEAR 2014/2015

“THAT, This Assembly do resolve into:

- (a) A Committee of Ways and Means to consider and approve the financial statements for the Financial Year 2014/2015 and
- (b) A Committee of Supply to consider and approve the revised estimates of expenditure for the Financial Year 2013/2014 and the estimates of expenditure for the Financial year 2014/2015.

(Debate interrupted on Wednesday 4th June 2014 resumed)

The Speaker: Yesterday, hon. Members as you may recall, I suspended this debate owing to the fact that we had had a long day and considering that there were many issues raised and knowing that it required a lot of time, I will now invite the Secretary General, Dr Sezibera to submit.

The Secretary General of the EAC (Ambassador Dr Richard Sezibera) (Ex-Officio): Thank you, Madam Speaker. I rise to support the report of the General Purpose Committee. I wish to begin by thanking the Chairperson of the General Purpose Committee for an excellent work very well done under very difficult circumstances. I thank the Members, and I wish to thank the Council of Ministers, which has provided guidance and direction to the budgeting process.

Madam Speaker, this year for the very first time, we were able to present to the Council of Ministers a draft budget in November 2013. This allowed the Council of Ministers and the Partner States to interrogate the draft and to own it and present it to this august House.

Madam Speaker, I also wish to say that Council agreed the global priorities for 2014/2015 after input from very wide consultations and I wish to recognise in particular, the participation, guidance of the members of the General Purpose Committee and other members of this august House during the pre-budget conference. I thank you all.

Madam Speaker, the budget was then considered by members of the Council of Ministers, ministers responsible for EAC affairs during one of their quarterly meetings. They interrogated it, looked at the priorities, and looked at what the Community should be funding for 2014/2015 before technical officers from the Partner States considered the budget.

I wish to thank the Council of Ministers; I wish to thank the chair of Council for her leadership throughout this whole process.

I wish to also thank the members who have expressed gratitude at the improvements during the budgeting process. I can only say that I listened very carefully. I thank you for your support and I can only promise that as the years go by, whatever still is outstanding we shall continue to work together to improve the process even further. (*Applause*)

Madam Speaker, let me now turn to a few issues. I am sure the majority of the responses will be given by the hon. Chair of the Council but I wish to talk about a few issues. Number one is that the objectives and the priorities identified by the Council include our priorities for the Community for not only institutions and organs of this Community. That is why some of those objectives, in fact most of those priorities will be implemented at Partner States level.

What the budget that you have before you, Madam Speaker and hon. members, is a budget that allows the Community's organs and institutions to contribute to the realisation of those objectives. For example, we all know that the food and security action plan, which was raised, is an action plan that will cost over USD 4.5 billion. Clearly, the organs and institutions of the Community will not foot USD 4.5 billion into the budget of the Community. What is in the budget of the Community are those components of the food and security action plan that the organs and institutions of the Community will need mainly to coordinate but also to inform and monitor implementation.

The same goes for infrastructure. This Community has a USD 43 billion infrastructure gap. Clearly, we do not have USD 43 billion into the budget of the Community. What you will see in the infrastructure component are those resources required for the organs and institutions to implement their role in making sure that the infrastructure projects of the Community are coordinated, informed and monitored mainly.

Madam Speaker, I thought I should say that because I heard it on the floor of the House.

The second comment I would like to make, Madam Speaker is about the resources available versus the ambitions of our Community. Very clearly, our Community has ambitions that are clear, that need speed and dispatch but the resources available are not commensurate with our needs and therefore, Madam Speaker, it is correct that for any item that you might select, we do

not have enough resources to implement those priorities fully. That is a fact but I would like to say that the Council of Ministers have put before us resources that will allow us to make sure that although they are not enough, we can implement our priorities.

So as usual, it is a difficult trade-off between and among priorities. It is a difficult trade-off between what we can do today and what we can do tomorrow and those are the reflections- That is what you will see in this budget. That is the second point I wanted to raise, Madam Speaker.

The third point I wanted to talk about is about budget execution. It is true that budget execution for 2012/2013 global budget execution was 74 percent. Now this is mainly due to delayed remittances of funds from our partners and sometimes, non-remittance of those funds. If you look at budget execution for these funds that were remitted on time by our partners, budget execution is 96% for that year. I trust, Madam Speaker that this will be better for 2013/2014.

The fourth point is an issue raised in this House about the- especially on infrastructure about coverage of infrastructure across all Partner States. I wish to inform this august House that what is in the Budget Speech were those bits of cross border infrastructure that are part of our roads network for which funds are being sought but the roads network of course encompasses all Partner States and in fact, the Republic of Uganda is included and the Chair of the Council of Ministers will give the members a list of those projects that are on-going in the Republic of Uganda.

Five, is the issue that was raised about the supplementary for LVBC. I wish to inform this august Assembly that the financing agreement for this supplementary was signed in February this year. This is after the House had sat. The Council considered this matter at its extra ordinary sitting in April and that is the only reason it is coming before this august House now.

Madam Speaker and hon. members, you will have noticed that it is USD 147,000 so I do not expect it to be problematic to execute this budget. It is a small amount of money, it has specific activities and we will be able to- I am confident that the LVBC will be able to spend this money in the remaining time.

Six is an issue, which was raised about the resignation of one of the officers on our Community Mrs Perpetue Miganda. I wish to confirm to this House that recruitment for this post is on going. It is not tied to the institutional review. *(Applause)*

Seven, is an issue that has come up and I have seen it in the report of the General Purpose Committee about travels and so on. Madam Speaker, as I informed the General Purpose Committee, I do not think it is correct simply to look at the number of travels of executive staff. I do not think it is right. I think what is the right thing to do is to look at where these people went, for what and with what results. I think that that is the important thing to do and I can assure you, Madam Speaker that when the executive staff travel, including the Secretary General, the returns are visible. In fact, many of those returns are monetary; you can quantify them. And so although I am as concerned as this House as a manager that frivolous travel is curbed, I can make a commitment to this august Assembly that we will continue to do our best to make sure that officers of this Community travel for the right things, account for those travels and bring benefit to the Community.

Eight, I would also wish to confirm to this august Assembly that our program for automation and digitisation of the process of the Community are on course. This is why almost all the work required by management, directors, professional staff and others is online and therefore, travels cannot and will not serve as an excuse for officers not to do their job. Their offices are now mobile and there is absolutely- I wish to confirm to this House, no reason why any East African cannot receive services from officers and officials of this Community irrespective of where they are.

With the coming of Financial Year 2014/2015, this automation process will be completed by the installation of a new budget software, which has been purchased and is being installed right now, and implementation of the internal audit software, which is already installed, and officers trained. We will move on to rolling these remaining processes to the rest of the institutions.

Finally, Madam Speaker, I listened very carefully to the submissions by the hon. members. Those submissions to which I have not given a specific response, I have taken a very close note, we will do our best as management, and I will ask the support of the Council of Ministers to make sure that these issues are addressed.

Permit me however, to say that as far as the women's conference is concerned, although in this budget provision is not made for it, what is the provision that is made in this particular budget is funding for the women in business. This is the first time we are doing it and I am extremely happy that Council has made provisions for funding the women in business platform.

We are working with this platform and the East African development Bank to make sure that the resources available in the East African Development Bank can be accessed by this important sector of our Community.

I also wish to take this opportunity to say that the fact that the head of the East African Development Bank is a woman is a plus. She fully understands this but she is not only a woman. The head of the East African Development Bank was last two weeks, during the ADB meetings in Kigali, voted banker of the year. (*Applause*)

I have extended my congratulations and I am sure you share my sentiments as a House that she makes us proud and I am so confident that our work with her on the East African Business network will bear results.

But I can commit to the hon. Members that in the year 2014/2015, we are in the process of mobilising resources for the second women's conference and this conference shall be held in 2014/2015.

Madam Speaker, those are a few of the issues I thought I should respond to but since I will not take the floor anymore, I wish to say that as the chief executive officer of this Community, I wish to thank all my colleagues from the Secretariat. I wish to thank my deputies, I wish to thank the heads of institutions and organs, I wish to thank all the directors, professionals and all members of staff who have worked days, nights, weekends to make sure that this august House has a budget but they have also been working on two very complicated processes, all of them involving. One is the budget process, the other is the audit process, they have done so with dedication, and I wish to thank them.

That is why when these debates begun, knowing the quality of the people that this Community has employed and knowing that we have requested Council of Ministers to consider changing the terms of service for these officers, I am confident that this Council will do the right thing and review the terms and conditions of service which have been stagnant since 2006.

I also know that this august House supports and accords dignity to these officers. *(Applause)* This is why, Madam Speaker, I have been very concerned at what has transpired over the last two weeks in this House. I have been concerned one, that at some point, a message seemed to be going out that the organs and institutions of this Community operate without rules and as the chief executive officer of this Community, I wish to say that the Summit has Rules of Procedure duly passed, the Council of Ministers has Rules of Procedure duly passed, the Coordination Committee of this Community has its rules duly passed, the East African Court of Justice has its Rules of Procedure duly passed, this august House has Rules of Procedure duly passed. *(Applause)*

I have also been concerned, Madam Speaker at the manner in which an important office and officer of this Community has been treated; Counsel to the Community. Madam Speaker, hon. Members, Counsel to the Community goes beyond the name of Rt. hon. Kaahwa. Counsel to the Community is an important office. It is called Counsel to this Community. It is an office that advises the Summit, provides counsel to the Council of Ministers, provides counsel to the Secretary General, and provides counsel to this august House.

This office, Madam Speaker should be treated with the respect it deserves. This office motives have been attributed to the current holder of the office of Counsel to the Community and I would urge that those statements that impute his motives be stricken from the record of this House. This is because Madam Speaker and hon. Members, if we do not heed counsel which we may do, there are consequences and we have seen those consequences here in this House. We have seen consequences of not heeding counsel which has led this respected House to debate motions that are not on the Order Paper, allowing this House to descend into farce and turning this Chamber into a theatre of the absurd. We have seen those consequences.

We have also seen the consequences that if we do not heed counsel by Counsel, you end up with Rt hon. Speaker yourself, making a judgement and a ruling on a motion not on the Order Paper. I can give you examples, they are myriad. When we did not listen to counsel at some point in the past, we ended up as a Community in contracts that did not safeguard the inviolability and the sanctity of our own Community and that is why I would urge this august House, as I would urge all other organs and institutions of the Community to respect officers but most importantly., to respect the office of Counsel to the Community. *(Applause)*

I almost said so in the Second Assembly and Counsel asked me to refrain. I will say so in this Third Assembly.

Madam Speaker, with those few remarks, I wish to support.

The Speaker: I will invite Dr Martin Nduwimana, chairperson of the Committee of General Purpose. I think this is the minister's motion and since it is the minister's motion, you come last. The chairperson is the one who comes first. This is your motion, hon. minister not so? Dr Martin.

The Chairperson, Committee on General Purpose (Dr Martin Nduwimana) (Burundi): I thank you so much, Rt hon. Speaker. I want first to thank the hon. members who took the floor to support this report of the General Purpose Committee. In fact, all members who took the floor supported the report. I thank them so much. In order of taking the floor, there as hon. Bazivamo Christophe, hon. Bernard Mulengani, hon. Valerie Nyirahabineza, hon. Leonce Ndarubagiye, hon. Nancy Abisai, hon. Abdul Karim Harelimana, hon. Mike Sebalu, hon. Yves Nsabimana, hon. Patricia Hajabakiga, hon. Dora Byamukama, hon. Tiperu Nusura, hon. Isabelle Ndahayo, hon. Frederic Ngenzebuhoro, hon. Hafsa Mossi, hon. Susan Nakawuki, hon. Mumbi Ngaru, hon. Jeremie Ngendakumana, hon. Shy-Rose Bhanji and today, the Secretary General.

I want to comment a little bit saying that those so many members who rose and supported the report are surely about 20 of this House sufficiently representative of this House and I hope that it is a sign that this report is that one that appeals to every member of this House to support and pass the budget.

I want to however to come back to one or two comments. The first one is the comments made by hon. Bernard Mulengani who highlighted some figures we have discussed in our committee. He is right, the figures he underscored have been discussed within our committee. We discussed also those figures with the Council and what we agreed is not to annex those figures on our report. What we agreed is that those figures be part of a request, which will be done by the Commission. So as it appears after page 28 of the report, the Council has agreed with the committee that at an appropriate moment, the Commission makes a request to the Secretary General and the Council for appropriate statement and solution.

However, I want to make a correction on the annex. It is related to the salaries for drivers to the executive. It is not for ten drivers, it is for all drivers of EAC. I request the Clerk to take that little amendment.

Otherwise, I have no other comments to make but as the Secretary General raised the issue of travels, I want to assure him that it is also in the view of the committee that yes the travels are necessary but what the committee wants to advise is that as you said, the travels have an added value only. We are not against the travels at all but we want those travels to be planned, coordinated and have an added value.

Rt. hon. Speaker- (*Interruption*) -

The Speaker: You could wind up because we have this very long exercise so-

Dr Nduwimana: Yes, I know and I am in a hurry also but let me just have one or two minutes for me to do a duty. As it is the last time I present the budget report - it is the last time unless I am re-elected next year, and I do not know if the practice can allow that but it is the last time so I have a duty. I want to thank- I would like to say many people but because of time, let me say some people. I want to insist and thank a lot the Council of Ministers and in a particular way I want to thank the Chair, Council hon. Shem Bageine. Hon. Minister Chair, we all know what has been your role in passing the budget of last year 2013/2014 when you were full chair and we know the role you are still playing during this budgeting process.

Hon. minister, let me say once again in addition to what has been said during the resolution the House moved in your honour, let me say that we have chance to have you as an able Chair,

Council. Let me also borrow from my Burundian culture and say that you are a great man that we call a real *mushingahahe*. A *mushingahahe* is that great man who stands when concerns arise and that great man who is a solution when and where others are problems. You are that great man, a great man who brings peace when and while others want war, that great man who says the truth where others try to lie, that great man who brings light when dark is coming. Briefly, your leadership skills, your wisdom, and your humility make you a model of leadership in this region. Thank you so much.

Secretary General of East African Community, you are also a real *mushingahahe*. I do not need to explain a lot because you know that concept. As you know and I want here to inform the House that as Chair of the General Purpose Committee, I went to see SG many times in the two budget processes. At each time, I went in his office with concerns and problems; I came back to the committee with solutions. Thank you so much and God bless you.

To DSGs and the staff, I say thank you. In a special way, I want to thank so much the DSG Finance and Administration, Mr Nsengiyumva. With him and the staff in East African Community Secretariat, I interacted and the committee interacted a lot on the budget. During all those interactions, I always witnessed ability, capability, and availability and so on. Thank you so much.

Equally, I want to thank the heads and representatives of organs and institutions we interacted with. All those persons are in my heart as persons with high capacity, capability and I can say that I have been lucky to interact with all those people.

Finally, as it is the last point I want to share with you, I want finally to thank my committee members and our clerk Belinda. As a chair in this Budget process and really I have been sometimes absent in meetings but the work went very well. I want to thank here some of my colleagues who have accepted to become the acting chair. I mean here hon. Dr Ndahiro. I also want to thank those who took the responsibility to chair sub committees because we went into sub committees; hon. Odette was one of those chair, hon. Bernard Mulengani and again hon. Dr Ndahiro.

Myself as a chair, all those chairs of sub committees could never succeed if they had not able members of the committee. Once again, I want to thank them.

Rt. hon. Speaker, of course I thank your office and I thank the office of the Clerk and the entire House. Because of lack of time, I am a little bit frustrated but I know that in December I will have a chance to come back and say what I have deep in my heart.

With those few considerations or many considerations, I want to beg that this report be adopted.
(Applause)

The Speaker: Thank you very much, Dr Martin Nduwimana, Chairperson of the Committee on General Purpose. We also want to thank you since you declare that this may be your last opportunity to present a report in this particular manner and in your capacity as chair. We want to thank you for the leadership and good work you have done. May I invite hon. Shem Bageine representing the Chair, Council to respond and wind up debate?

The Minister of State for EAC Affairs, Uganda (Shem Bageine) (Ex-Officio): Madam Speaker, I want to thank my colleague hon. Dr Abdallah Saadalla for accepting to help me in presenting the Budget Speech yesterday which Budget Speech draft I had an opportunity to edit over the weekend.

Madam Speaker, I also want to thank the Chairperson and members of the General Purpose Committee for the excellent report and very many useful recommendations and concerns, which the Council of Ministers undertakes to address at an appropriate time. *(Applause)*

Madam Speaker, I also thank the members of this august House for your presence in the chamber to listen to the budget presentation and your participation in the debate.

I also want to thank the Secretary General, staff of the Secretariat, institutions, and organs for the hard work they put into the preparation of the budget and the performance they have recorded during the year ending 30th June 2014.

Madam Speaker, the Council of Ministers took note of the comments, recommendations, observations, concern, and suggestions by members who debated here yesterday and the report of the General Purposes Committee and I wish to inform this august House that the Council will address all these issues at appropriate times and as necessary.

Madam Speaker, as a general observation and in answer to some of the issues raised, we to a large extent are still operating as separate Partner States and many of the observations and concerns members raised can only be taken up and implemented by the respective Partner States and until we integrate politically, we cannot as a centre here, address many of those issues other than our role of coordinating which I believe has been performed very well.

Madam Speaker, issues raised about management of the institutions and organs will be addressed as I gave an undertaking last week in this House when debating or discussing the report of the Accounts Committee. We will certainly address those shortcomings with a view to improving the performance of these organs and institutions.

Madam Speaker, I now wish to turn to a few issues, which were raised, and the first one, which I have, is the institutional review and the financing, what we call the alternative financing of the Community.

Madam Speaker and hon. members, institutional review has been going on admittedly for a very long time. We have had consultants appointed; three of them who have given reports to the Secretariat and which reports have come to the Council of Ministers for discussion.

Madam Speaker, we have reported to the Summit the process of institutional review and as I speak now, we are about to conclude the review and it is hoped that the Council in its meeting during August will finalise and take a report to the Summit for final approval.

Madam Speaker, one member yesterday raised the issue of bundling the institutional review with the alternative financing. Institutional review has a lot of financial implications and it is therefore in our view correct that we should look at both at the same time because one feeds into the other and as far as alternative financing which we have now named sustainable financing mechanism has been looked at and again we will be receiving a final report from the team we have set up to

look at the various alternative financing mechanisms so that by November during the Summit, we will conclude this matter.

But for purposes of informing members of this House, initially there was a proposal to levy a 1% on the value of imports from outside the region. When we did carry out a calculation, the amount of the 1 percent amounted to about USD 310 million that is more than twice the budget that we are currently operating on. However considering the proposed institutional review and the many commissions coming up and institutions that have to be set up to manage the Monetary Union, we thought that we would actually need that kind of money or even more.

So the proposal has been looked at and there have been views of having a hybrid system of financing including retaining some portion of financing to be carried out by Partner States on equal contribution basis and then looking at the levy on imports into the Community. Of course certain countries have raised concerns regarding the amount of contributions and suggesting that they should go with appropriate benefits but our advice is that we must stick to the principle of financial solidarity and equity in whatever we are deciding.

So this matter is advanced and we hope to see the end of it by the Summit of November this year.

Madam Speaker, I also want to comment briefly on the Political Federation, which was raised. As members may have known, again, we have been having consultations among the Partner States and a model structure of Political Federation was developed together with a road map and action plan, which were reported to the Summit and instructions, directives given to the Council to reconsider these model structure and incorporate views, which Partner States gave. This has been done and the Summit during its last meeting, directed the Council to start the process of drafting a federal constitution, which will inform us on what is entailed in the process and at the same time including finding out massive sensitisation of the people of East Africa on the issue of Political Federation.

I am glad to state that the positions earlier on taken by some of the Partner States have changed and we have agreed that the process should start now.

Madam Speaker, there was a question which was raised about the infrastructure and I think this was by hon. Bernard Mulengani. I thought I would give some information on this because it is not that we are concentrating on Kenya and United Republic of Tanzania in these projects. We are also looking at the other Partner States.

Madam Speaker, in answer to that question, in 2012 the Secretariat put in motion the process of identifying regional road links to Rwanda. Burundi and Uganda and in January 2012, the Secretariat applied for funding from the NEPAD infrastructure projects preparatory facility for the roads linking Rwanda and Burundi to the central corridor and the Port of Dar es salaam as stated in the Budget Speech. I need not repeat those roads.

Madam Speaker, the Secretariat has also appraised the Masaka-Mutukula road in Uganda and a link into Tanzania from Kyaka to Kasulo and intends to process the package as a regional project to NEPAD in the next financial year.

Madam Speaker, also to be included in the funding request will be the Kapchorwa-Suam-Kikale linking Uganda and Kenya. This will go on through Endebes to Kikale and on to the other roads.

Madam Speaker, the EAC in collaboration with the Northern Corridor transit and transport coordination authority has just completed a joint mission in Kenya and Uganda and has agreed to present two roads to NEPAD IPPF for funding. These two roads are feasibility studies to identify road sections for upgrading to dual carriageways from Mombasa to Katuna via Malaba and Kampala. This is a major road linking the two Partner States.

Two, the rehabilitation of the Mbarara-Bushenyi-Nkonkonjeru road and Mpondwe in Uganda to link with Kasindi-Beri-Kisangani road in the Democratic Republic of Congo. So Madam Speaker, as I said, the projects are not limited or concentrated between Kenya and United Republic of Tanzania but actually go through other Partner States.

Madam Speaker, as I stated, the comments, views, concerns, observations of members of this august House have been noted, and we will be addressing them as we go on. I thank you. *(Applause)*

The Speaker: Thank you very much, Chair Council.

Hon. Members, the motion on the floor is that:

“THAT This House do resolve into: -

- i. A Committee of Ways and Means to consider and Approve the Financial Statement for the Financial Year 2014/2015; and,*
- ii. A Committee of Supply to consider and approve the Revised Estimates of Expenditure for the Financial Year 2013/2014, and the Estimates of Expenditure for the Financial Year 2014/2015.*

I now put the question.

(Question put and agreed to.)

THE ASSEMBLY IN COMMITTEE OF WAYS AND MEANS

(The Rt. Hon. Margaret Zziwa in the Chair)

Motion for the Approval of the Financial Statements of the EAC for Financial Year 2014/2015

The Minister of State for EAC Affairs, Uganda (Shem Bageine) (Ex-Officio): Madam Chair, I beg to move that in accordance with provisions of Article 132(5) of the Treaty and Rule 74 of the Rules of Procedure, the Committee of Ways and Means do consider and approve the financial statements. I beg to move.

The Speaker: Secunder? Seconded by hon. Kaahwa, hon. Sezibera, hon. Saadalla. I now propose the question that the Financial Statements for the Financial Year 2014/2015 be approved.

(Question proposed)

(Question put and agreed to)

- *(Applause)* -

Approval of the Revised Estimates of Expenditure for the Financial Year 2013/2014

Vote 004 Lake Victoria Basin Commission

Question proposed that the total sum of USD147,370 be provided for under Vote 004 as a supplementary expenditure for the expenses of the Lake Victoria Basin Commission for the Financial Year 2012/2013.

(Question put and agreed to)

Budgetary Estimates for the Financial Year 2014/2015

Vote 001 - Secretariat

Question proposed that the total sum of USD 76,074,052 be provided for under Vote 001 for the expenses of the EAC Secretariat, including the Defence Liaison Office and the Directorate of Customs for the Financial Year 2014/2015

(Question put and agreed to)

- *(Applause)* -

Vote 002 – East African Legislative Assembly

Question proposed that the total sum of USD 15,489,836 be provided for under Vote 002 for the expenses of the East African Legislative Assembly for the Financial Year 2014/2015

(Question put and agreed to)

- *(Applause)*-

Vote 003 - East African Court of Justice

Question proposed that the total sum of USD 4,582,190 be provided for under Vote 003 for the expenses of the East African Court of Justice for the Financial Year 2014/2015

Question put and agreed to)

- *(Applause)*-

Vote 004 - Lake Victoria Basin Commission

Question proposed that the total sum of USD 13,372,466 be provided for under Vote 004 for the expenses of the Lake Victoria Basin Commission for the Financial Year 2014/2015

Question put and agreed to)

- (Applause)-

Vote 005 – Inter-University Council for East Africa

Question proposed that the total sum of USD 9,411,320 be provided for under Vote 005 for the expenses of the Inter-University Council for East Africa for the Financial Year 2014/2015

Question put and agreed to)

- (Applause)-

Vote 006 – Lake Victoria Fisheries Organisation

Question proposed that the total sum of USD 2,813,771 be provided for under Vote 006 for the expenses of the Lake Victoria Fisheries Organisation for the Financial Year 2014/2015

Question put and agreed to)

- (Applause)-

Vote 007 – East African Science and Technology Commission

Question proposed that the total sum of USD 679,821 be provided for under Vote 007 for the expenses of the East African Science and Technology Commission for the Financial Year 2014/2015

Question put and agreed to)

- (Applause)-

Vote 008 – East African Kiswahili Commission

Question proposed that the total sum of USD 722, 102 be provided for under Vote 008 for the expenses of the East African Kiswahili Commission for the Financial Year 2014/2015

Question put and agreed to)

- (Applause)-

Vote 009 – East African Health Research Commission

Question proposed that the total sum of USD 924,067 be provided for under Vote 009 for the expenses of the East African East African Health Research Commission for the Financial Year 2014/2015

Question put and agreed to)

- (Applause)-

Motion for the House to Resume

The Minister of State for EAC Affairs, Uganda (Shem Bageine) (Ex-Officio): Madam Chair, I beg to move that the House do now resume and the Committee of Ways and Means and the Committee of Supply do report thereto.

The Chairperson: Seconded by hon. Kaahwa, hon. Sezibera and hon. Nzeyimana.

(Question put and agreed to)

Report of the Committee of Ways and Means and Committee of Supply

The Minister of State for EAC Affairs, Uganda (Shem Bageine) (Ex-Officio): Madam Speaker, I beg to report that the Committee of Ways and Means has considered and approved the financial statements, and the Committee of Supply has considered and approved the revised estimates of expenditure for the Financial Year 2013/2014 totalling USD 147,370 for the Lake Victoria Basin Commission, and the Budget for the East African Community totalling USD 124,069,625 for the Financial Year 2014/2015. I beg to move

Motion for Adoption of the Report of the Committee Ways and Means and Committee of Supply

The Minister of State for EAC Affairs, Uganda (Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that the report of the Committee of Ways and Means and the Committee of Supply be adopted.

(Question put and agreed to)

- (Applause) -

BILL'S Second Reading

The East African Community Supplementary Appropriation (No.2) Bill, 2014

MOTION

The Minister of State for EAC Affairs, Uganda (Mr. Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that “*The East African Community Supplementary Appropriation (No.2) Bill, 2014* be read for the Second Time”.

The Speaker: Seconded by hon. Kaahwa, Dr. Sezibera, and hon. Nzeyimana. Proceed to give your justification, hon. Minister.

Mr. Bageine: Madam Speaker, hon. Members, I am supposed to justify the motion, but I do believe that the justification was already presented in the Budget Speech. Therefore, I beg that we move on. Thank you.

The Speaker: I now propose the question that the *East African Community Supplementary Appropriation (No. 2) Bill, 2014* be read a Second Time. Debate is open.

(Question put and agreed to)

Bill read a Second Time.

THE ASSEMBLY IN COMMITTEE OF THE WHOLE HOUSE
(The Chairperson in the Chair)

**BILL'S
COMMITTEE STAGE**

The East African Community Supplementary Appropriation (No.2) Bill, 2014

Clause 1, agreed to.

Clause 2, agreed to.

The Schedule, agreed to.

The Title, agreed to.

MOTION FOR THE HOUSE TO RESUME

The Minister of State for EAC Affairs, Uganda (Mr. Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that the House do now resume and the Committee of the Whole House do report thereto.

The Chairperson: Seconded by hon. Kaahwa, hon. Sezibera and hon. Nzeyimana.

(Question put and agreed to)

The House Resumed, the Speaker presiding)

REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

The Minister of State for EAC Affairs, Uganda (Shem Bageine) (Ex-Officio): Madam Speaker, I beg to report that the Committee of the Whole House has considered the Bill entitled *The East African Community Supplementary Appropriation (No.2) Bill, 2014* and passed it without amendment. I beg to report.

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

The Minister of State for EAC Affairs, Uganda (Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that the report of the Committee of the Whole House be adopted.

(Question put and agreed to)

BILLS
THIRD READING

The East African Community Supplementary Appropriation (No.2) Bill, 2014

MOTION

The Minister of State for EAC Affairs, Uganda (Mr. Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that *The East African Community Supplementary Appropriation (No.2) Bill, 2014* be read for the Third Time and do pass.

The Speaker: Seconded by hon. Kaahwa, Dr. Sezibera, and hon. Nzeyimana

(Question put and agreed to)

- *(Applause)* -

A Bill for an Act to make supplementary appropriation out of the East African Community Budget to the service of the Financial Year ending 30th June 2014, read a Third Time.

The Speaker: Thank you very much, hon. Members, you have been able to pass this Bill – *(Applause)*.

BILLS

SECOND READING

The East African Community Appropriation Bill, 2014

MOTION

The Minister of State for EAC Affairs, Uganda (Mr. Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that *the East African Community Appropriation Bill, 2014* be read for the Second Time.

The Speaker: Seconded by hon. Kaahwa, Dr. Sezibera, and hon. Nzeyimana. Proceed hon. Minister, to justify.

Mr. Bageine: Madam Speaker, the justification for this Bill was presented yesterday in my Budget Speech, therefore, I beg that we move on. I thank you.

The Speaker: Honourable members, I propose the question that the *East African Community Appropriation Bill, 2014* be read a Second Time. Debate is open.

(Question put and agreed to)

Bill read a Second Time.

THE ASSEMBLY IN COMMITTEE OF THE WHOLE HOUSE

(The Chairperson in the Chair)

**BILL'S
COMMITTEE STAGE**

The East African Community Appropriation Bill, 2014

Clause 1, agreed to.

Clause 2, agreed to.

Clause 3, agreed to.

Clause 4, agreed to.

The Schedule, agreed to.

The Title, agreed to.

MOTION FOR THE HOUSE TO RESUME

The Minister of State for EAC Affairs, Uganda (Mr. Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that the House do now resume and the Committee of the Whole House do report thereto.

The Chairperson: Seconded by hon. Kaahwa, hon. Sezibera and hon. Nzeyimana.

(Question put and agreed to)

The House Resumed, the Speaker presiding)

REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

The Minister of State for EAC Affairs, Uganda (Shem Bageine) (Ex-Officio): Madam Speaker, I beg to report that the Committee of the Whole House has considered the Bill entitled *The East African Community Appropriation Bill, 2014* and passed it without amendment. I beg to report.

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

The Minister of State for EAC Affairs, Uganda (Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that the report of the Committee of the Whole House be adopted.

(Question put and agreed to)

BILLS
THIRD READING

The East African Community Appropriation Bill, 2014

MOTION

The Minister of State for EAC Affairs, Uganda (Mr. Shem Bageine) (Ex-Officio): Madam Speaker, I beg to move that *The East African Community Appropriation Bill, 2014* be read for the Third Time and do pass.

The Speaker: Seconded by hon. Kaahwa, Dr. Sezibera, and hon. Nzeyimana

(Question put and agreed to)

- *(Applause)* -

A Bill for an Act to make appropriation out of the East African Community Budget to the service of the Financial Year ending 30th June 2015, read a Third Time.

The Speaker: Honourable Members I want to congratulate you. We have now finished the Budget for the East African Community. Well done for executing your responsibility as designated to you by the Treaty. *(Applause)*

MOTION FOR THE INTRODUCTION OF A PRIVATE MEMBER'S BILL

The Speaker: Hon. Dr. James Ndahiro

Dr. James Ndahiro (Rwanda): Madam Speaker, let me begin by congratulating the Secretary General to the Community and inform the whole house that our Secretary General today is half a century old. It is his 50th Birthday today – *(Applause)*. Rt. Hon. Speaker – *(Interruption)* –

Ms. Patricia Hajabakiga (Rwanda): Rt. Hon. Speaker, I wish to inform the honourable Members that we have a card that is circulating, and those who want to wish him the half a century birthday can do so. *(Applause)*

The Speaker: Proceed hon. Dr. James Ndahiro

Dr. Ndahiro: Rt. Hon. Speaker, I want to beg that one of our Committee Members reads the Motion and I proceed to justify it...Hon Speaker, I rise under Article 59(1) of the Treaty for the Establishment of the East African Community, and under Rule 64 of our Rules of Procedure to move that this House grants me leave to move a Private Members' Bill entitled "*The East African Community Electronic Transactions Bill, 2014*". Hon. Speaker, I beg to move.

The Speaker: Seconder? Hon. Tiperu, hon. Kimbisa, Hon. Ndikuryayo, hon. Nduwimana, hon. Hajabakiga, hon. Nyirahabineza, hon. Abisai, hon. Rwigema. Hon. Dr Ndahiro, can you proceed and give justification?

Dr. Ndahiro: Thank you Rt. Hon. Speaker. Honourable Members are all aware that the global trend today is about the foundation that all other economic sectors depend on, which is ICT. You are all aware that ICT and particularly the technology on communication, e-commerce, and particularly the platform that provides regulatory framework is essential for our economic development. We rely mostly on agriculture, on industrialisation, on service, but it has been proven that to attain those economic sectors, one needs technology to, not only speed the process but to enable proper, appropriate and timely solution to be delivered. Electronic transaction is the key to any modern, speedy transactions that are required for us to compete in this 21st Century.

Electronic transaction provides a good platform for people to transact miles apart from each other. We require a system like that to be able to reduce our transactional costs, to reduce the cost of doing business in this region, and to provide for our young people, the youth, another form, and a sector where employment is still available.

It is important to note that our governments require platforms like these to be able to provide services to our people, to be able to provide timely solution to their problems, and to other essential services that will enable them to transact their business.

Hon. Speaker, this Bill is going to make it possible for the Community, instead of taking flights from one Partner State to the other just for a single signature, to do this centrally, and it will help the Community to save a lot of money, which would then be channelled to other use. It will help the private sector, under the Common Market Protocol, instead of moving from one Partner State to the other, for your contract to be signed, it can be done electronically, thus reducing time and cost.

Honourable Members, this Bill has many advantages; economic, social, and political. We are all aware that the populations of East Africa trades among themselves. Our inter-trade records demonstrate the need to improve and reduce transaction costs. It is on that basis, Rt. Hon. Speaker, that I think the merits of this Bill are high, and it therefore requires our appropriate attention.

I beg the House to grant me leave and the details will come during the Second Reading. Thank you Madam Speaker. *(Applause)*

The Speaker: Thank you very much Dr. Ndahiro. Honourable Members, the Motion on the Floor is that Dr Ndahiro is given leave to introduce a Private Members Bill called “*The East African Community Electronic Transactions Bill, 2014*”. Debate is open. Hon. Abisai.

(Question of the Motion proposed)

Ms. Nancy Abisai (Kenya): I thank you Madam Speaker for giving me the floor. I stand to support the Motion.

Madam Speaker, one of the things that I would like to declare, even as I stand to speak, is that as a country, for example, in Kenya we have already declared that we are going “digital,” and I think “digital” is the way to go. When you look at the whole aspect of digital, then you cannot be able to transact without proper legislation, and rules and regulations in place to enable you transact your business.

Exploiting ICT resources will ensure that business and institutions have access to modern technologies. When you have legislation in place, it compels all other institutions and organs to be able to develop their ICT networks so that they can be in tandem with the activities of the electronic transactions.

If you look at electronic communications and transactions, let us take for example the issue of signatures, I would like to support...just as my hon. Colleague rightly said, why should we spend so much time waiting for someone to come physically to sign a document? I know that in many countries, even as it is right now, many things are being done through electronic transaction; it is just that it has not been legislated.

Use of signatures...look at business transactions, land titles, documentation, all this can be done by way of electronic transaction. We do not need people travelling physically; given the still poor road networks and transport within our region, I think this law will go a long way in ensuring that people are able to transact their businesses without any hindrances, and without issues that delay them in fulfilling what they want to do.

Electronic filing and issuing of documents: Right now, in banks you can just finish your transaction electronically. I think that this is something that is already in practice, but which has not been regulated, and there is no Bill to that effect. That is why I think this is a very important aspect.

Concerning licenses and permits, why do I have to travel all the time, for example, to bring my vehicle physically to a border point so that I can get the next renewal of my licenses? I think these things can be done electronically. We just need to put proper safeguards in place and then we can be able to transact electronically so that we don't have to suffer all the time driving up and down, or going physically to places where there is proper mechanisms put in place to promote such transactions.

Our citizens in the various government services in the different sectors like the water sector, land sector, local government sector with all the transactions that they need to make, if we have electronic transactions, this could be devolved to local government level where people could be able to use electronic technology to transact government business without having to travel to capital centres. These things can be done. That is why I would really like to support the motion.

Lastly, Madam Speaker, this will also encourage investments. Many investors, within and without, would be able to transact business just by way of agreements because signatures are acceptable, they are authentic and they have been verified, and it would be very easy for this to be done. The Bill will also help in legislating in terms of promoting the neutrality within the region.

So, Madam Speaker, without belabouring the point, because this is the introductory motion, I would like to say that I strongly support the motion, and I think that the passing of this Bill would be very important to the Community. It would encourage ease of transactions in many businesses in many sectors, in both government and privately, and even within various institutions and organs. So, Madam Speaker, I support the Motion. (*Applause*)

Ms. Valerie Nyirahabineza (Rwanda): I thank you very much Rt. Hon. Speaker, for giving me a chance to contribute to this important motion. I fully support this very important Bill and it is very important for the whole House to pass it.

Madam Speaker, let me stick to one practical example that we are living everyday in the Community; the Bills for Assent. It is provided for under our rules that the Clerk of the Assembly has to travel in all the Partner States for the Bills passed in the Assembly to be assented to by their Excellencies, our Heads of State. If this Bill is passed - and I am sure that the Summit is going to embrace it - it will make it very easy for us as an Assembly to know the status of the Bills passed by the Assembly, and for the Clerk not go in different Partner States, because we have heard of cases where some Bills were lost, of course not by the Clerk but by the Administration either before they reach the president or even on the way to the president. So if this Bill is passed, it will not only reduce the cost but also the time, and I think that the transaction is going to become much easier.

Another example that I want to give is of video conferencing. Yesterday we were told that the Secretariat had purchased equipment for video conferencing, which is likely to be installed in the coming months for people here within the Community to use, instead of travelling very often, not only to different Partner States but also to other countries, for something that can be discussed through that ICT method. So, these are two examples which can lead us to pass this Bill, and support the Motion brought by hon. Ndahiro. I thank you. *(Applause)*

Ms. Nusura Tiperu (Uganda): Thank you very much Madam Speaker and I would like to congratulate you, in the first place, for having chaired the Budget debate that we have just concluded successfully. I want to congratulate ourselves for successfully participating in it.

Madam Speaker, allow me to support my brother, hon. Ndahiro's request to seek leave to introduce motion the East African Community Electronic Transactions Bill, 2014. I rise to support him, and to request the House to do likewise because of the following reasons: First and foremost, the East African Community Partner States under Article 103 of the Treaty undertook to cooperate in the area of the development of Science and technology. And we cannot see this part of the Treaty fulfilled if we do not put down structures or legislation that can enable the fulfilment of this provision of the Treaty that is focusing majorly on technology. So, as a believer of the Treaty, I think this motion is in order, it complies with the rules of the region, and I beg to support it in totality.

Madam Speaker, I am also supporting hon. Ndahiro because in today's Budget Speech, on page 29, the hon. Minister quoted one of the EAC missions focussing on the area of science and technology. So this is still in line with the desires and aspirations of the East African Community.

Lastly, I would like to say that this Bill will make all those who have been marketing East Africa to the world know that, yes, this is an investment destination, this is a business destination, and this is a tourism destination, and that legislation and instruments are already in place to make doing business easy for all those actors who want to come and participate in the development of this region and make life more meaningful.

With those remarks, I wish to conclude my statement and urge my colleagues to support this honourable motion. *Asanteni. (Applause)*

Mr. Mike Sebalu (Uganda): Thank you very much, Rt. Hon. Speaker, I rise to support the Motion as moved by Dr. Ndahiro.

This motion is timely, it is necessary, and it is relevant to our transformation agenda for this region. If we are indeed ready to transform this region, then we need to embrace science, technology, and ICT as a constituent part of that aspect is indeed something that we need to give priority in our setting. The timeliness of this motion is such that the Budget that we have passed has already given requisite funding to kick-start the East African Science and Technology Commission. Now what I believe this motion would seek to do at some point is to make sure that the mandate of the Science and Technology Commission, if it is not included then it should be expanded to include this aspect of ICT in terms of transactions. Now that saves us the difficulties of creating institutions within the Bills that are passed as Private Members' Bills. So in Terms of the institutional framework, it is already in place, but this motion seeks to ensure that this aspect is taken care of.

So, with those brief comments, I just want to say that this motion is very timely and relevant, given that we are in a digital era, and the Community should not sit back when Partner States themselves are going ahead to embrace technology in the manner in which they manage the affairs of the state. So, in managing the affairs of the region, we too, should be in tandem in terms of embracing technology as a tool for transformation.

With that, Madam Speaker, I beg to support the motion. *(Applause)*

The Speaker: Hon. Patricia Hajabakiga you are supposed to give the reply on behalf of hon. Ndahiro. That is how it is indicated in the Order Paper, but you can also deliberate in your own right.

Ms. Hajabakiga: Hon. Speaker, unless there is nobody else...

The Speaker: You can now proceed. I think nobody has risen

Ms. Patricia Hajabakiga (Rwanda): Thank you, Rt. Hon. Speaker, I beg to support the Motion, and to say that all that I needed to say has been said, but I only want to add that for us to be competitive with the rest of the world who would also want us to transact with them very quickly but would have to travel all the way and pay expensive tickets to come to our region, if we have a legal framework, then it means that we can transact faster than we have been doing to date. *(Applause)*

Rt. Hon. Speaker, I want to thank you for allowing this motion to be on the floor today. I would like to thank all those honourable Members who have contributed on the Motion, and on behalf of Dr. Ndahiro, we are going to work as a committee to help him move forward and finish as soon as possible so that during this same financial year, for which the budget we have just passed we may be able to have at least one of the bills which are so important, especially on matters of trade, be passed by this House. With that I want to, once again thank you, Rt. Hon. Speaker, thank hon. Ndahiro, and thank you all for having supported him and I hope that we will all vote to support the motion.

The Speaker: Thank you very much hon. Hajabakiga.

Hon. Members, the Motion on the floor is that leave be granted hon. Dr. Ndahiro to introduce a Private Members Bill called the East African Community Electronic Transactions Bill, 2014.

(Question on the Motion put and agreed to)

The Speaker: The Office of the Clerk kindly help hon. Ndahiro to have this Bill processed.
(Applause)

Hon. Members I want to thank you for today's deliberations, and I want to mention that this marks the end of our...this is also the birthday of the Third Assembly, 5 June 2014. So happy birthday to hon. Dr. Sezibera and happy birthday to the Third EALA. *(Applause)*

With those few remarks I wish to adjourn the House *sine die*.

(The Assembly rose at 12.20 p.m. and adjourned sine die)