



## THE EAST AFRICAN COMMUNITY

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

#### 11<sup>TH</sup> SITTING – FIRST ASSEMBLY: FOURTH MEETING - FIRST SESSION

Wednesday, 5 June 2002

*The East African Legislative Assembly met at 2.00 p.m. in the Old Chamber of the Kenya National Assembly at the Parliament House, Nairobi*

#### PRAYERS

*[The Speaker, Mr Abdulrahman Kinana, in the Chair]*

*The Assembly was called to order*

#### MOTION

PRESENTATION AND ADOPTION OF THE REPORT OF THE STANDING COMMITTEE ON REGIONAL AFFAIRS AND CONFLICT RESOLUTION ON EAC INTEGRATION

*(Debate continued from Tuesday, 4 June 2002)*

**The Chairperson of the Committee on Regional Affairs and Conflict Resolution (Mr Kate Kamba) (Tanzania):** Mr Speaker sir, I beg to move \_

“That the House adopt the first report and recommendation of the Standing Committee on Regional Affairs and Conflict Resolution on the study and review of processes and stages of

integration in the East African Community laid on the Table on Tuesday 4th June, 2002.”

**Mrs Rose Wairimu Waruhiu (Kenya):** Mr Speaker, sir, thank you very much for giving me this opportunity. Various honourable Members have treated this Motion with great eloquence, and I would like to take the opportunity to add my own comments simply because we are in Kenya; I am at home.

I would like to start by joining my colleagues in thanking the Government of Kenya, the National Assembly staff and officials who have gone to great length to see to it that our meeting is well facilitated. For this, we are all grateful. I would also like to commend the Committee because we are a very new Assembly. It is commendable that in a very brief time, the Committee has already done enough to bring very important business to the Floor of the House. In particular, I would like to

recognise my gracious colleague, the Chairperson of the Committee, for her very able presentation of the Motion yesterday. Before I move on to the details of this report, I do recall your appeal yesterday that we give respect to time. I still want to reflect on the background. We have been fortunate that the first time we went together in a seminar we had the benefit to get the history of the defunct East African Community and other preceding institutions, by teams that were put together very well. Therefore, we went into the fast track in getting information and briefing that has informed us very appropriately.

Mr Speaker, sir, what we are discussing in terms of a federation is very much a political issue. In the short time we have been in office, if you go through the Strategic Plan or Treaty, there is very little mention of what process is expected in the area of political integration. I think there is thorough work to be done in almost every sub-heading in the smallest sector of development from fisheries, natural resources, transport and infrastructure and telecommunications. I will not go into it now, but I recognise that there is reference to what partner states are expected to do. Within the Strategic Plan for the year 2001-2005, I think there is one little paragraph in the matrix that says there will be continuous pursuit to achieve political integration.

Mr Speaker, sir, politics is about governance. I join those hon. Members who see that this is a very big challenge, what I think the Secunder of the Motion called a paradigm shift. The Committee has done a lot even within that short time. I think we do support their request for time, to recognise certain constraints. I would like to appeal to them that the constraints should not just be seen in terms of resources. It is always easy, when you are poor, to first see the big

obstacle and recognise the lack of resource. I would think that the paradigm shift is a bigger challenge. It means a whole change of attitude among our people. It means a whole re-socialisation.

I support hon. Members who recommended yesterday that this kind of debate should be introduced right down to schools. As a young person, I can say I was lucky. I grew up as an East African purely because I grew up in that period of time. Today, I have involved myself in our own country in trying to debate how to make people feel that they are citizens after many years of colonial rule and the kind of government - unless you think the Government has the power and you are not sure what your rights are as a citizen. We have had very big campaigns purely to change attitudes and to build confidence in people and for them to feel that they are not subjects but they are citizens.

Mr Speaker, sir, some of my colleagues went to great detail yesterday to relate our colonial history. We cannot always blame the history, but we can recognise it. What I am saying is a big challenge, which is really our own change of attitudes, empowering our people so that they feel they can enforce and claim their rights and they can expand these rights.

Mr Speaker, sir, I do agree that all of us recognise that we cannot move alone and that we are supporting integration because we cannot do it alone, but I think that is a negative way of talking. I think we should define a message that says that we are getting together because we will be strong. If you tell an ordinary person that we are trying to build the Community because we can no longer do it alone, I think it will take a longer time to convince them. We need to take stock of the benefits, and this is what

we should be discussing with the people. But I am trying to persuade the Committee that they should recognise that the paradigm shift is a very important challenge.

Mr Speaker, sir, when our Assembly was inaugurated, it was very clear it was one of the last organs to come into place. It has been very clear from the beginning that we have to move quickly. It was important for the partner states to put together an Assembly. But it is quite clear, going through the Treaty, that it is us, as the Assembly, who have to define the agenda.

Mr Speaker, sir, without repeating myself, I feel that our challenge as Parliament is to entrench the current Treaty. I say that we need to entrench and popularise the Treaty because I heard some hon. Members yesterday saying that we should move with a great deal of caution. Others said that we needed to move cautiously or carefully. This means that we, ourselves, need to build trust and confidence. If we are the same people who will popularise the Treaty and discuss it with our people, then we have to start ourselves from a point of confidence. We cannot start from a position of being afraid. We have to start by taking stock and sharing our ideas with the citizens of East Africa for the benefit of us all.

Mr Speaker, sir, the reasons given so far for human integration are markets that will open up the doors for goods and services. I would like to add that in this market, the human sector is not opening up quickly enough. When we talk about movement and trade, we do not expect the Treaty to say how we will trade. But we also need to spend more time focusing on the human element in this integration process. After all, it is the human resource that will implement or bring into effect these matters we are discussing.

Mr Speaker, sir, the report also dwells on the approaches and the choices that we have.

I would support the approach that we move on all forms concurrently. I am saying that because if we discuss the Customs Union, by the time we have negotiated the protocol, we will have discussed very many other processes that actually enrich the other processes. In other words, we are supposed to agree on a Customs Union. This one we are very clear it will impact on investment and business. The partner states - of course they are looking forward to that because it will have an impact on the revenue. The way I see it is that unless we get to the common market - we have not even defined where the citizens are! The ordinary citizens can only expect to enjoy their rights by the time we become a common market.

One of our colleagues said yesterday that "see how difficult it is even for an hon. Member of Parliament from one country to open a bank account in the other country." This is money you are offering. You go to the counter to open an account, and they want to see your work permit. So, if we will wait until we have a common market, then obviously we are going to move at a rather poor pace.

So, Customs Union followed by the Common Market and the Monetary Union. The monetary union, according to those who have explained the process to us, is expected to bring a single currency and monetary authority. And for each of this, we are told we will be required to negotiate a separate protocol. If you can consider in your own mind the amount of time that will be taken to agree on this various protocol, it is, therefore, clear and for purposes of efficient management, that all these issues should be discussed together.

Mr Speaker, sir, the federation is what I would like to talk about. For the federation, obviously the office will not be based on the Treaty the way we are looking at it. So, we have a lot of work ahead of us. Federation will mean that we will work on a new Treaty and constitution. We will have to agree on what powers will go to the federal executive authority. At the moment, in most federal arrangements we know that issues of money, security, defence and foreign affairs are issues for the federation. But the challenge that is really the theme of my speech this afternoon is that our Committee embraces all the interventions from different negotiations. If it actually decides the speed for the next one and we can actually negotiate a Customs Union and it goes through because our people are ready to collect the revenue together, we should be putting down the clauses that will lead us to the federation.

As a politician, of course, I support my colleagues because it makes sense for us to start with a political federation. This Assembly actually is modelled on some a kind of federalism, and even the Court! So we have one-half of something and two-thirds of something and one-third which is not quite tied together.

What I would like to emphasise is not that we want to throw caution to the wind, but we have to be very frank with each other. Why are we moving at some pace that is not going to take us as quickly as we want to go? I have one or two proposals: One of them is that we need to open up to other stakeholders. I have commended the Committee because it has already done its bit. We have opened this issue now and it should be in the public domain for debate. That debate should bring in ideas of other people even before we go to the referendum. Let us open this debate so that other

stakeholders like the business community, civil society and women organisations, among others, can join us. My conviction is that it is not just political will, but it is a transformation.

If today we decided we wanted a federation, we would ask for it, but the longer we talk, the more doubts we let flow in between. Instead, we should take stock, as I suggested, and explain to our people what the benefits are of a political federation. For the majority of the people, their main concern is what kind of society we will create for them, and what is in it for them. I think the majority of the politicians already want to discuss who is going to be the President. That is a political phenomenon. It is quite normal. It is about power and who is going to have the power, but the majority of the East Africans want to hear from here what kind of society we are creating.

Previous speakers have supported that we all agree that we are talking of building democratic institutions. You cannot be open, if you do not embrace democracy. You cannot develop, if you do not embrace democracy. The basis for a market economy is a democratic open society. So, what are we going to do about this? How are we going to mobilise people? Around what are we going to mobilise people?

So, I am saying that the Committee very rightly has recognised that they do have to take stock of major constraints and the agenda ahead of us. I am one of those people who are convinced that people are always ahead of their governments. What lacks is sometimes an organized way of getting to know how far ahead they are. Before we come to the referendum, we have to know that we have agreed with

them. If you ask them what kind of a government they want, you are assuming that they understand different forms of government. To mobilise the people to discuss the kind of society they want, to me, would be a prerequisite even before we discuss what kind of government they want.

Now, this may sound very simplistic, but in this country, Kenya, we have spent the last ten years doing what we call civic education; opening up for people to define what kind of Constitution they would want. We have learnt many things, that the ordinary people have very clear views. They may not call it a Constitution or a law, but they are concerned about the society we are building. They are concerned about security, the disintegration that is going on in families, the increasing crimes and so on. We have a crisis of unemployment, diseases and so on. A government cannot do anything to people unless they know that they are going to have a society, where the things that are closest and bother them take priority.

My second suggestion is that after we have agreed on the kind of society we want, we do have to agree on the role of the government. During our tour in the other countries, we heard that citizens think that the Community, as they knew it, is coming back; that they are going to see some big railway corporations coming up. They even think that they are going to see big parastatal companies coming up. Those who never got their compensation think that they are going to get them now. So, we have to go round and tell them that, that is not what is in the Treaty. We should tell them that the Treaty says that we are going to encourage individual enterprises and the role of the government is going to be to create an

enabling environment.

When we say that this is a private sector-driven integration, those of us who support the market economy should be very happy and celebrate. But as politicians we know that, that is not feasible. In a region where the population is 75 per cent rural based, where unemployment is so high and where basic needs and services that should be provided by the government are not available, we have to retain a responsible role where the government has to build a framework for ensuring an equitable standard of living.

These are very serious political decisions. I am still convinced that making a big decision about a federation could spur just the ticks that we need. We will have taken the bull by the horns - sorry I have to use such a masculine figurative description. But as you know, women are gentle. We do not take the bull by the horns. We operate through care and mercy.

Hon. Wanyoto was horrified that in our other Chamber, we have the writings "For the welfare of society and the just government of men". I wanted to tell her that the first bit is a feminine one. "The just government of men" means that it is only men who care about justice. I am not saying that they are good at it, but they can be the just ones and we can be the caring and the merciful ones because we are responsible for building the things that matter. That is the welfare of everybody.

I want to say that lawyers will tell us that if we want to pursue a federation, the work has to start now. If you go to the offices of the Secretariat, like I have done occasionally or the little that I have seen so far, you will see a macro-economics desk, a micro-economics desk and all sorts of desks, but I

have not seen a political desk. So, this is where our Committee needs to get its support from right from the beginning. We all know what we need to do to build political institutions to support the federation. All we need is initial support. We need to create within our current Secretariat offices to be responsible for this.

This will mean also that the Committee will get the right professional feed back. I am not convinced that we need so many studies all the time, but in this particular case you can actually benefit by building that consultancy into a department.

If you go through the Treaty, you will see that there is a lot of emphasis on the role of professional society. The business council has already found an observer status within the summit and the Council of Ministers. The civil society has not got there yet, and I have not seen any mention of political parties. I have been very active in a political party and I know that one way to mobilise public opinion is to use political parties and they will do it for you at very little cost. I am sure the Secretariat will look into ways of saving money, considering that the Budget lines are very low. They need to utilize the human capital that we have in this region.

I would like to end by supporting the Committee's recommendation that they be given more time, but as I have said, the technical support that they need can come from within the Secretariat itself. As I have said, I will support a concurrent process because the processes actually enrich each other. I am not saying that we sign the protocol without any system, but in terms of preparing documents that you need, you will find that as you discuss a common market, that process will generate for you a lot of other agreements that can enrich the other processes so that we can move like people who are trying to be efficient in managing our resources.

I want to make sure that I have emphasized that we do need a desk or an office within the Secretariat whose responsibility will be to pursue the issue of a political integration, to build the kind of background information that we were talking about; how has it worked elsewhere? Why do we need a federation and not a union? Why do we not have a confederation? What does each one mean? Which powers are we leaving at the sovereign state level and which powers are we going to leave at the federal level? So much has happened since the last report, the Munanka Report of 1975. That is about 27 years ago. The experiences of East Africa since then need to be collated because they will enrich us in building the foundation for what we hope will be the biggest decision East Africans have made.

Lastly, I note that the Committee has pointed out their financial constraints. I am sure these are likely to continue. So, I am assuming that we shall be more imaginative and creative. At the bottom of it, my own submission in supporting this Motion is that we need to work harder to build the confidence and trust that will enable us deal with all these challenges and take stock of agreements as they come. We should use mostly our own resources and our own East Africans who have lived through these times and have a lot to offer for this region. With that, I beg to support the Motion.

**Amb. Isaac Abraham Sepetu (Tanzania):**

Thank you, Mr Speaker, sir, for giving me the Floor in order to register my support for the Motion that is before us. At the outset, I would like to add my voice to that of my colleagues who have expressed their gratitude for the wonderful hospitality that we have enjoyed from the Republic of Kenya and the people of Kenya. I know that they are doing so because they are from a

Partner State in the East African Community. They have done it in a manner that is typical and traditional. It is traditional African hospitality.

Mr Speaker, sir, I would like to thank the President of the Republic of Kenya who has spent his valuable time with us discussing, in a candid manner, issues of the Community. This again has displayed his commitment and support of the East African Community. I am sure he has done so in his own capacity as the leader of one of the Partner States of the Community, and also as the current chairman of the summit of the East African Community.

Mr Speaker, sir, it would not be fair to forget the National Assembly of Kenya for the manner in which they have facilitated our deliberations here in Parliament Buildings. They also went out of their way to ensure that we have a pleasant stay in Kenya. The same goes to our colleagues, the Members of this Assembly from Kenya who have worked very hard to put up a programme so as to make sure that our stay here is comfortable. They have made sure that our tours and the seminar are a success. We thank them very much. The Kenyan media has been very supportive of our actions during our stay here. They have publicized what we are doing here and in doing so they are publicizing the Community and reaching the people who otherwise were in darkness about the Community.

On the report, I would like to first thank the Mover and the Seconder. They have ably presented and tabled the report. My colleagues have gone all the way to make sure that they make valuable contribution on this report. This is the first report and recommendations on the study and review

of the processes and stages of integration in the East African Community. As such, I find the report to be very good, and that is a good performance on the part of our Standing Committee.

On the issue of federation, my colleague who spoke before me has said a lot, but I would like to underline the fact that people in East Africa have been living together for a long time in the history of our country. As such, they have been traversing from one Partner State to another, to the point of even intermarrying. This shows that our people have been together for a long time. During the period of the colonial master, they also played a role that I would like to highlight. They did play a positive role. They effectively linked the people through the construction of the railway line in Kenya and Uganda in the late 19th Century and early 20th Century. I think that was a big contribution in bringing our people together.

The act of having a federation in place is a process. Institutions like common services came up even before we got our independence and after that the founding fathers of our independent states went out to establish the East African Community in 1967. We note that one leader, and that is the founding father of Tanzania, then Tanganyika, went out to explain that the independence of his country had to delay so that the other countries could have their independence and a federation. This is the extent to which the question of federation has been taken up and dealt with at this time.

Actually, a federation is not new to us. The togetherness is not new to us. This is an inherent part of the lives of the people of East Africa. During the last lifespan of the defunct East African Community, there

was an effort to do what we are doing now. The Munaka Report is a testimony to that. This report very clearly spelt out the wish of our people to federate. Of course, when the former East African Community collapsed, it left our people in sadness and disappointment because they were about to see the federation come about. When efforts were being made to bring up a new East African Community, the people's wishes and desires came up and there was a ray of hope that now, the federation could come about.

This time, our leaders were very careful not to repeat the past mistakes. They came up with a treaty for the new community, which is people-centred and market-driven. This means that the new East African Community is based on the people of the region. Of course, there have been stages of integration formulated in the Treaty, which have to be followed. So, this is important because if we do not do that, then we will have no direction or vision. In those four stages of integration, that is; customs union, common market, monetary union and ultimate political federation, this federation aspect comes up again. Therefore, I consider these transitional stages as the expression of the people's will to unite through a federation. As I said, federation is a process.

The Committee that produced the report before us has done a good job. They have looked into ways of going about this federation. I would like to suggest that these three ways of approaching the federation be spelt out in the form of a questionnaire as stated in the *modus operandi* in the terms of reference for the Committee so that the people will be informed of what our Committee is thinking. This is a very important stage, apart from the capacity building of the Committee. Our people will

be enabled to make fair contributions and thereby facilitate the work of the Committee. So, I think it is important that the two phases spelt out in the report be strictly adhered to.

It is necessary that there be involvement of the secretariat and even the Council of Ministers to enable the Standing Committee perform its duties well. Consequently, when they come to present the report, it will be a comprehensive report with specific recommendations as obtained from the public so that we can make the final decision regarding what should be done. I am sure that by then we will be in a better position to say whether we need a referendum or there could be another option, which would override the referendum. Therefore, much depends on the work of this Committee. We should use this period to sensitise, educate and inform the public of the three countries about the benefits of the East African Community and so forth.

Mr Speaker, sir, the report speaks about financial constraints. Personally, I do not think this should be an obstacle. As I said, there is need to involve the Secretariat of our community. I hope the Council of Ministers will also be of great help to ensure that this Committee performs its duties in order for us to make the final recommendations as to how we will go about this federation issue.

Equally, I would like to join my colleagues who spoke about the time frame. It is important that the time frame be given. If the Committee can come up with a time frame, considering the bulk of the work involved, then it is good that we know the period of time within which this work will be completed. I would strongly suggest that it does not take a long time so that we do not become irrelevant when enacting our decision.



Having said that, I hope that the Committee will do its work. In that spirit, I fully support the Motion. Thank you.

**Lt. Gen. Abdullahi Adan (Kenya):** Mr Speaker, sir, thank you for this opportunity. Let me begin by thanking our political leaders, the Heads of State of Kenya, Uganda and Tanzania who in their wisdom have found it best, in the interest of the people of East Africa, to re-start the East African Community. In this endeavour, they were not alone. They were assisted by ministries who worked on many areas of co-operation so as to have a well thought out way forward and the best process for the East African Community to survive.

Those of us who are Members of the East African Legislative Assembly are familiar with the two main documents, that is the East African Treaty and the East African Development Strategy. These two documents provide the thrust and the direction that then maps out the route we have to follow into the federation. In actual fact, I believe that it left no doubt in the minds of the leaders or anybody else who had the opportunity to look at that document. It is clear that the ultimate goal that our leaders were going for is federation, and I believe all Members will agree with me on this.

History bears testimony to one fact. Let me say here that for years, even before we attained our independence, there was the spirit of co-operation and unity. We had a dream of an organization of East African States, which involved the three states uniting into one at independence. Unfortunately, we did not achieve this dream and there is a price we are paying for that. There is no doubt that there is an indestructible everlasting dream for the East

African Federation. This is a spirit which neither ignorance nor poverty can conquer. That spirit is with us and it will be with the next generation.

History points out that way back, KANU backbenchers felt that we should federate, not in the future, but right then, at independence. It was said that Mwalimu Nyerere, in his wisdom, even offered to delay the independence of his own country so that the three East African States gain independence at the same time and merge. That was the desire then, and it points out the urgency of this issue. It was urgent to federate; that was the feeling then. Unfortunately, time has over-taken that, and now, many years later, we are still struggling to achieve that federation.

Mr. Speaker, sir, with your permission, may I quote a paragraph from the Munanka Report? It reads: -

*“It is equally evident that the economic and political benefits derived from the East African Common Services Organization and the Central Legislative Assembly will gradually disappear because the failure to establish a federation will inevitably lead to the disintegration of the Common Services Organization, the break-up of the common market and the emergence in the four countries of widely differing policies in their domestic and foreign affairs.”*

In actual fact, they recognized the obstacles that would be created if we did not federate early enough; that the countries of East Africa would develop policies, rules and procedures that would be at variance. It would be difficult to bring harmony. Today, our ministries are struggling in all the fields to bring harmony in our education, trade and other sectors of our lives. Today, the trend in the world is co-operation. Daily, we see

countries coming together. We witness business corporations merging. This is because in the current situation, you cannot survive alone. You have to come together to form bigger entities in order to survive in the environment of today.

There are challenges to be faced. When our leaders thought about the federation, the challenge facing them at the time was freeing the continent from the colonial yoke. That was their major concern. Today, our major concerns are economic. These include the rising poverty levels in the countries of East Africa and possible economic marginalization in future. I believe that if today you had the opportunity to seek the views and opinions of the people of East Africa on federation, the answer would be in the affirmative. What is still to be worked out is the process and modalities of federation, and the benefits that will accrue from coming together, and the resultant disadvantages if we do not come together.

In brief, the alternative to federation will be marginalization and perpetual poverty for the rest of our lives. As recognized in both documents, that is the East African Treaty and the East African Development Strategy, the emphasis and the main pillar is the economy. There can be no political strength or technological development without a strong economy. That strong economy is the pillar, and what we are saying is that let us come together, strengthen our economy and have a wider base so that we will have a chance to compete with the world.

In the paper, which is presented by the Committee on Regional Affairs and conflict resolution, there are major highlights that the Committee wanted this august Assembly to look at. First, it is suggested that before we move into the details of federation, we need to discuss with persons or individuals

with knowledge on the process of regional integration. First of all, we must learn the process. How do you go about it? Is it relevant to us? Can we borrow that idea and make use of it? We also wanted individuals with expertise in the realm of regional integration to help us understand what it is all about.

Finally, before we go anywhere, we need to collect the views of the leaders of the governments of the three East African countries and Members of Parliament. We need to put out notification to all East Africans through the print media. I am sure that the easiest and quickest way to get to the people is through the media. Unfortunately, not much has been put in the media to educate the common people on what is contained in the East African Treaty or the East African Development Strategy. Many of our countrymen are not aware and the challenge is for the media to get those documents and make their contents known to our people so that they know what is envisaged.

It is the desire of this Committee that we open up to all the citizens of East Africa and give them the opportunity to present written memoranda of their views and recommendations. We are not saying that we will federate now. In actual fact, we need to ask the people of East Africa whether they want a federation or not. What is the process? Do we go and ask them today or do we need to do some homework before we ask them? This is what we are debating in this august House.

Mr Speaker, sir, the speaker on the Floor before me mentioned that there must be a time frame. Yes, we should have a time frame. However, we should also understand the magnitude and the importance of the subject we are discussing. It is not a trivial

matter; it will take a long time for us to have an opportunity to listen to the expertise of those with expertise. It will take sometime to seek the views of the common people before we can say this is how we are going to proceed with the process towards federation. So, it has really been difficult to put a specific time frame. But I would suggest for the Committee to be allowed to continue with the work they have started and complete it as soon as they can. While they are working on it, they could come back to the House to seek the authority if they need a longer time than probably envisaged by all of us.

Mr Speaker, sir, thank you for the opportunity, and with those few remarks, I beg to support the Motion.

**The Speaker:** Hon. Members, before I call the next speaker, I wish to recognise the presence in this House of hon. Sammy Leshore. He has been the Member of Parliament representing Samburu East since 1993. He is also the Chief Whip of the ruling party, KANU - *(Applause)*. Unfortunately, at one time he found himself in the hands of bandits who shot him, and that is why he is on a wheelchair. I wish to extend to him my prayers and that of the Assembly for his quick recovery. I now call upon hon. Mwakyembe.

**Dr Harrison Mwakyembe (Tanzania):** Thank you very much Mr Speaker, sir. May I begin by associating myself with my fellow legislators? I see that my colleagues are surprised that today my voice is a bit dignified. This is as a result of a soar throat, but I hope it will regain its normal tone in the course of my presentation.

I was saying that I wish to associate myself with my fellow legislators who have expressed profound gratitude to the

Government and the people of Kenya for the warm reception they accorded us upon our arrival, and also for facilitating our stay here in Nairobi.

As we grapple with the question of federation or African unity, I feel compelled to pay tribute to three gallant sons of Africa, who I can say, were the architects of this East African dream: the late Mzee Jomo Kenyatta, the late Mwalimu Julius Nyerere and Sheikh Abeid Amani Karume. Allow me to express my position regarding this Motion at the end of my submission, but I think this does not preclude me from congratulating the Committee on the good job done.

Mr Speaker, sir, since yesterday the discussions have been very exhaustive and very rich in content. So, I will simply dwell on a few salient features of the discussions in a typical brainstorming fashion. Let me begin with the question of sequencing of the integration process.

I wish to join hands with my colleagues who spoke yesterday very eloquently; hon. Kaggwa, hon. Zubedi, even my senior brother here, hon. Kanyomozi and many others who have even spoken today against tampering with the present arrangement of the integration process as provided for in the Treaty.

Article 5 Clause 2 and Article 2 Clause 2 of the Treaty put the federation question at the end of the entire process. I would be very much reluctant to tamper with it because of two reasons: The first reason is that the Treaty that we are using now is the product of long drawn-out negotiations and discussions among the three partner states. It has been a painstaking exercise, which has taken more than five years. But just two years after signing, we are proposing to re-

do this sequencing, which means bringing down the entire Treaty. As I said, I would be very, very careful to tamper with the sequencing in a Treaty, which is a compromised document.

Compromised documents are complicated. For example, those who have read the African Charter on Human Rights, it is also a compromised document of so many countries. I remember the late Justice Kiyeria of Nigeria; the former President of the Information Court of Justice was trying to tell Africans "You should be satisfied with the Treaty in this Charter because it is a compromised document." He equated it to a woman's proper dress. He said: "The Charter is long enough to cover the subject matter and short enough to remain interesting".

In our case, the Treaty we have is a compromised document which, I think, is long enough to cover the subject and it is short enough to remain interesting to excite us, intrigue and make us look into it even further in order to expand it.

M. Speaker, sir, my second reason against tampering with the sequencing in the Treaty is that the draft to the Treaty, which is before us, was a matter of public discussion in East Africa. Yes, the people of East Africa discussed, not just for one month, but also for twelve months - from May 1998 to April 1999 and many hon. Members of this House took part in the discussions. The Secretary-General is here to testify. Many East Africans from all walks of life participated in the public debate, and many of their views and positions were taken aboard, and today, we are talking about tampering with an arrangement, which has been worked out, on a democratic platform. I would hesitate very much to tamper with

such an arrangement.

As I noted earlier, tampering with the sequencing as it is in the Treaty would mean tampering with the ideas and notions East Africans made, as I said, on a democratic platform. There are other reasons which appeal to us not to tamper with the process provided for in the Treaty. I would like to remind this House that the Treaty we have, including the two development strategies, are two important community documents that project and underscore economic integration as the immediate objective of the East African Community. They also emphasise economic co-operation, not federation, to facilitate this process of economic integration. So, any attempt to re-arrange this pattern will mean we should sit down again to re-do the Treaty, the development strategies - I do not know where we will get the funding!

Mr Speaker, sir, the positioning of the federation issue is not accidental at all; it is in line with the concrete political conditions, which exist on the ground. Experts researched all the provisions in the Treaty for a long time, and we have spent millions of dollars doing the research.

Yesterday, I enjoyed listening to my friend, whom I respect so much, hon. Mbeo. Unfortunately, I was not there when you met His Excellency the President, but he told the House that the President was very enthusiastic about political federation, and that he even said that he had even formed a Committee - I do not know if I am quoting hon. Mbeo properly. So, we are together and this is the spirit.

Most of us have worked with our respective governments; he could be saying that there is a committee in place, which has the message: "keep off it, we are doing it

ourselves". It is not our agenda. I have never seen in any government system the Executive and Parliament doing the same thing at the same time. If the summit has decided to look into the matter, I would hesitate very much to do anything that is competitive. No, it is part of the process in the Treaty. Our main duty as a Legislative Assembly is to make sure that the implementation timetable is adhered to.

Mr Speaker, sir, yesterday hon. Nangale talked about "a lost opportunity" and this afternoon, Lt. Gen. Abdullahi has talked about it too. I think the case of the East African Federation is the typical case of the "lost opportunity". What exactly do I mean by that? Maybe I should explain through the thinking of Mwalimu Julius Nyerere, probably Africa's most ardent and consistent advocate of African unity.

Mwalimu Nyerere's strategy to unite Africa can be seen in two phases: There is a phase of pre-independence up to 1964 and the post-1964 period onwards. His strategy is changing because of the realities on the ground. Before independence, even my fellow legislators here have testified, Mwalimu Nyerere's commitment to an African unity was unquestionable, unmistakable and unequivocal. We have heard that he was even prepared to delay Tanzania's (Tanganyika) independence to wait for Kenya and Uganda so that the three countries - plus Zanzibar - could to independence as a federal state; the Federal Republic of East Africa. That was Mwalimu Nyerere's commitment.

There had been so many meetings between Mwalimu Nyerere, Kaunda, Banda, Mzee Kenyatta, Obote and Karume to discuss about these things. Mwalimu Nyerere is quoted, from time to time, in 1961 as saying: "What is Tanganyika, after all?"

That was his slogan. "East Africa makes more sense to me". That was before and immediately after independence.

Let me ask, why was Mwalimu Nyerere, whom I have described as the most ardent and consistent advocate of African unity, so enthusiastic to having a political federation immediately after independence? Why? There are two reasons: The first was that Nyerere believed that poor nations could not survive without unity, because unity is where our salvation lies. Nyerere believed that political federation was the logical response to the realities on the ground.

What were the realities on the ground? There was widespread poverty, disease, illiteracy and ignorance! Subsistence agriculture was the mainstay of the economies, which my brother Lt. Gen Adan Abdullahi calls soil disturbance, because you are just disturbing the soil. That was the picture on the ground at the time of independence, and Nyerere thought that if that was the scenario, independence was a time bomb. That it was better we faced the challenges as East Africa and survive. That was his strategy at the beginning.

To Mwalimu Nyerere, at that the time integration was not a question for discussion, but a political imperative. He would look at the border and say the colonial masters arbitrarily drew the borders, and that was his main argument in total disrespect of the local circumstances on the ground. They simply said: "This is now Tanganyika and this side, hon. Marando, you are a Tanzanian", his brother, "hon. Mbeo you are a Kenyan", just two kilometres away. Then they forced Harrison Mwakyembe, 1,500 kilometres from where hon. Marando comes from to be both Tanzanians. That was the illogical consequence of the border determination by

colonial masters. They were looking at their own interests. When we called ourselves nation states, Mwalimu Nyerere thought that that was very fragile.

Mr Speaker, sir, we look at the question of governance, there was no independent judiciary; there were no elections and political parties. Actually, all these things were introduced in the dying days of colonial rule.

The judiciary in Tanzania, just like in Kenya, was based on racial lines. There were native courts for the natives; we were the natives and there were other courts for non-natives. The judiciary was part and parcel of the Executive. There was no separation of powers at all! We had military officers who were judges.

At the top, even at the supreme court level, the judges were appointed at the pleasure of the Crown in total disregard of the Act of Settlement of 1700 of Britain itself and they could be dismissed at the pleasure of the Crown without even showing any cause. Those were the judicial systems in our countries. We knew about the elections at the dying hour. Even political parties were created at the dying hours of colonial rule!

Mr Speaker, sir, it was, to any visionary leader, important to emphasise on immediate federation because the same people who were ruling our countries like military barracks were the same people who, at the time of independence, came with ready-made constitutions. The Orders in Council met at the Court of St. James in London, came up with documents they were calling constitutions. We had the same in Uganda, Kenya, Tanzania and Zanzibar. All these constitutions wanted us, just overnight, to become democratic with the rule of law, separation of powers and the

independence of the judiciary, among other things with all these high-sounding doctrines of the western world. That was the situation at independence.

Mr Speaker, sir, the second reason, which made President Nyerere so much emphatic that the countries should federate immediately after independence was that we were all young nation-states, which were yet to cultivate the requisite sense of national pride, loyalty and belonging in our people. It was the time when the iron was red and we were supposed to hit it there. What happened?

The colonial masters were not interested in this programme that East Africa should become one. They started sowing seeds of discord among East Africa countries. There reached a time when President Nyerere had to go out in public saying: "It is not because I am hungry for power. No! In actual fact, I even offer my brother, Mzee Kenyatta, to become the President of the Federal Republic of East Africa. Appoint me as an ambassador of the Federal Republic to the United Nations." That was President Nyerere's wish. But you all know that no federation took place. It was only Tanganyika and Zanzibar, which united. It is only this union, which remains the symbol of African Unity to date.

Mr Speaker, sir, one may say "but Dr. Harrison, the Zanzibar-Tanganyika Union is characterised under currents of discontent!" Who said creating a new entity is a tea party? Even President Nyerere was very prophetic. Let me read one sentence from Munaka's Select Committee Report. It is very prophetic even to date regarding the federation of East Africa. It says:

*"However carefully the inauguration documents are drawn up and the*

*institutions of the unity are prepared, strains and stresses are inevitable at the beginning of any federation or union. Neither will there be any shortage of people who will try to make capital out of any form of difficulties in East Africa. It will be our children's children who will really see the great benefits of the federation. We ourselves are quite likely to see as many of its difficulties as its advantages."*

Mr. Speaker, sir, it is so sad because it was a lost opportunity. Now this refers to us; that our children's children will be the ones who will see the benefits of a federation and not ourselves today. It was a lost opportunity. I said; look at President Nyerere in two phases. After 1964, President Nyerere's emphasis changed from immediate political federation to economic integration. Why, because these countries were already independent! Two or three years, people are in power and they were enjoying that power. It was so difficult to tell them, "Please, let us unite and leave those mansions and limousines for the sake of the African Unity"! It was not easy. Some of his colleagues like President Banda were busy declaring themselves life-President and surrounding themselves with sycophants. President Boguiba immediately declared himself life-President. Indeed, after 12 years, because of senility, he was removed. This was the scenario after 1964. This is now more than 40 years from 1960.

It is sad that after 40 years, these countries are operating independent of each other. National pride, national loyalty and national identities have hardened. We allowed them to grow. What do you expect from 40 years? Today, you want just a referendum and you have a political federation; is it impossible? That could happen only in 1961 to 1963. National selfish interests have been left to grow and they are now

ruling the day!

Mr Speaker, sir, if we do not come up with a fast track political unification process, we shall end up nowhere. As I said, the picture on the ground is not conducive for such speed. I would say that let us proceed with the process as stipulated in the Treaty, and then we shall eventually see the end of the tunnel because we need each other and we need this chance.

Mr Speaker, sir, let me touch on one issue very quickly, which has been mentioned two-three times by my colleagues in the House and outside the House in public meetings. It is about the reluctance of Ugandan and Tanzanian businessmen to give Kenyan businessmen access to their jealously guarded markets. There have also been proposals to educate these businessmen in Uganda and Tanzania on the virtues of regional co-operation, and also to sensitise them so that they see that if they are willing to trade with South Africans why can they not trade with their brothers? This is the picture.

I want to be very frank with the House today: This position is very risky and dangerous. It is very risky and dangerous talk. First of all, Tanzanian, Ugandan and Kenyan businessmen do not do the on-going negotiations in Arusha on the Customs Union. I do not know how they come in. Even the draft report has not been presented to them to discuss so that we know their true position. In tourism we are waiting for the expert report up to now. Tour operators in Tanzania have no picture of what is contained in whatever research has been done by the secretariat; even Kenyans. It is simply suspicion, which should not be allowed in this House.

Mr Speaker, sir, I have been in Uganda and

Tanzania. I talked to many affluent businessmen. The idea of educating those young men about the virtue of business is self-defeating. These businessmen in Tanzania and Uganda know what they are doing. Let me be very frank. They are not ignorant of the virtues of co-operation and economic integration in East Africa; they are not opposed at all to one East Africa, but they say that in the previous regional arrangement they were given a raw deal. Now they are saying they will make sure that in the present arrangements in the present Community, they do not get a raw deal again.

The present Community should create a win-win situation for everybody. This is what they are discussing and we are saying that they are anti-East African Community. No! They are serious, but they simply want to have a fair deal. Let the discussions continue for even three to five years because we are building a permanent relationship here; we are building a formidable House, not a grass-thatched house which will need a fast track process for everything.

Let us not forget that the Tanzania and Uganda of today is not the Tanzania or Uganda of 20 years ago. Twenty years ago, Tanzania and Uganda had no middle class. Today there is a middle class. It is also jealously guarding its own kingdom. So, we should expect that. So, if the Kenyan businessmen, who are so much welcomed in other parts of East Africa, find that those people are now arrogant, they should understand that they are their counterparts. They are on an equal footing. They should discuss issues and not go there with an arrogant attitude of 20 to 30 years ago. They cannot make it! We have said very clearly in the Treaty that for our East Africa Community, the engine is the private sector. We have to understand the Tanzanian and

Ugandan private sector as we understand the Kenyan private sector.

Mr Speaker, sir, let me conclude by saying that if you meet a social person, Mr. Kileo, for example, the President of Tanzania Business Council, and tell him. "Mr. Kileo, you people you do business with South Africa and you are not very open to your colleagues", first of all he will say: "You do not have the data." If we go back to our records, the trade between East African countries has increased more than threefold over the past ten years. Where are these complaints coming from? For example, just two weeks ago, the report in Tanzania was that Kenya is the leading investor in Tanzania. Where is this talk coming from?

Lastly, Mr Speaker, sir, Tanzania and Uganda emerged from independence statehood in tatters economically. They were in a very bad shape. Let me speak for Tanzania. It was extremely in bad shape economically. I think we had one or two import substitution plants there in Dar es Salaam. Socially, we had about three hospitals in the whole country. There were two schools and we had an ailing business community. This is what Tanzanian businessmen are saying. So, when the East African opportunity window was opened, of course, it was an opportunity for Kenyan businessmen to do business in Tanzania and Uganda and they did business. But what we are saying is that the attitude of the Kenyan businessman was just as worse as that of the European.

So, today if there is a South African and a Kenyan businessman there, do not talk about brothers because they are saying in business, they have learned from their Kenyan brothers that there is no brotherhood. This is what we have to change ourselves. We should not do politics



here, but we should change these attitudes here in Kenya, Tanzania and Uganda; that this is the new East African Community. The aim of the new East African Community is to create a win-win situation for everybody.

Mr Speaker, sir, let me come to the Motion now. I support it only to the extent of keeping the debate on federation alive. All these other aspects let us leave them aside. Let us come up with the new ideas. I do not need to be sensitized on the virtues of regional co-operation. Every one of you, all East Africans above the age of 50 to 65 do not have to be told. We have to invest in the young generation Mrs. Rose Waruhiu talked about. We should think about ways to invest in the new generation, which does not know about some of these things.

Mr Speaker, sir, I thank you very much for giving me this opportunity. It appears it has even cured my sore throat!

**Mrs Sarah Nanziri Bagalaaliwo (Uganda):** Thank you, Mr Speaker, sir. Allow me to add my voice in expressing my gratitude to His Excellency the President of Kenya for having given us an amicable audience, the Speaker and the Parliament of Kenya, for their facilitation, various ministers of the Kenyan Government and organisations which have hosted us, and to our colleagues, for their kind hospitality.

Mr Speaker, sir, the resolve of this House and hon. Members to meet the aspirations of the East African people has been manifested in the zeal with which the Committee on Regional Affairs has prepared and presented the Motion before the House, which is commendable. Likewise, the debate and discussion by various hon. Members has reflected their resolve again to work towards building the Community.

We have had the Munanka Report retrieved as we have seen the 1920s Nile Agreements and notes tabled before this House. I am sure that with this effort, more documents and more information is likely to follow. Anxious as we are, I would wish to implore a caution so that our anxiety to perform does not transcend legislation that will ensure that we give legality to this process of integration, and also integrate the speed of applications of the objectives of the Treaty and ensure that we build a strong legal base so that this regional co-operation remains solid.

In support of the recommendations of the Committee on Regional Co-operation, we note that this is an interim report. I am sure all Members realise that it has given this House some insight into the varied nature of the issues that this House will have to tackle; the magnitude of the debate, the work ahead and the likely contradictions that may arise as we go along. It has also given us an opportunity to focus on how we shall trade.

Having listened to the various debates, I reflected on the role of the legislature. We are here to legislate for the public good. The Treaty itself has indeed given our critical path, and similarly, the Development Strategy 2001-2005. I am of the view that it would be prudent for this House to establish our agenda for our tenure. We have to have an agenda for our five years so that at the end of the five years, there is work that has been done and there are results that will be seen.

This agenda should envisage an order or realistic priority that enhances the spirit of the Treaty and minimizes the likely conflicts with the organs with which we must work, as we steer to attain the objectives of the

Treaty for the aspirations of the people of East Africa. Again, this agenda must relate to some expected output within the time frame of our tenure.

Looking at the objectives laid down in the Treaty, and also the plan of action under the Development Strategy of 2001-2005, I think we can envisage three areas. We have to note that there are existing policies, there are envisaged initiatives and there are pertinent issues. But in all these areas, there is a duty of this House to legislate.

During our experience in the previous sittings, we noted with concern our inability to contribute to the Budget. What do we do?

We need to be practical and get the Budget Bill in place. We have looked at the customs union as the starting point of this regional process. We cannot sit here and wait for the protocol to be finalized while knowing that it will not stand on its own. There are areas for legislation that are imperative to ensure that the effects of a Customs Union that will affect the different stakeholders are taken care of in advance. This would include areas like mergers, amalgamations, acquisitions and monopolies. This is the fear that we are now talking about. I would request this House to start looking at the possibility of putting into place a mechanism of preparing legislation for these areas.

The pertinent issues that have been belaboured do not only include the federation. There are also other socio-economic areas like health, education and information technology. All these areas also require legislation by this House. I would like to request this House to start concentrating on finding an adequate legislation that will ensure that we have a common syllabus that will ensure that we are minimising pollution and one that will

ensure that we are caring for the health of our people. As we intend to provide further time for the study of this area of federation, we have equally to find time to start preparing and give urgent consideration to all these areas.

My last appeal to the hon. Members of this House is that we must give meaning to our authority. Our deliberations here must show that we understand the issues of regional integration. Our direction must be logical, purposeful and developmental. I wish to appeal to Members to strive to build an efficient and result-orientated Assembly with which we would like our tenure of office to be associated. Thank you, Mr Speaker, sir.

**Ms Sheila Kawamara Mishambi (Uganda):** Thank you very much, Mr Speaker, sir and the hon. Members of the East African Assembly. Allow me to add my voice to the many voices that we heard yesterday afternoon and today afternoon. We would like to thank our Kenyan colleagues for the good hospitality that they have shown us. It is good that you have “revenged” as you promised that you would do after visiting Kampala and Dar-es-Salaam. We sincerely do not have any regrets, and we are waiting for hon. Zubedi's promises.

Mr Speaker, sir, I would also like to thank the Committee which has provided us with the report within the limited time they had; they have kept to the deadline. We thank them very much for the good work done.

Mr Speaker, sir, I strongly support the issue of having a political federation for the three East African countries, however, like the previous speakers - hon. Zubedi, hon. Mwakyembe and others - I also have reservations on the sequencing. What do we

start with? Do we need a political federation first, or the customs union or the common currency in our economies? What comes first? I think that with an economic background, we should get the economics right first. We should have strong economies to be able to sustain a strong political federation. I fear that if we do not get our economics right, then politics will definitely go wrong.

If we look at the sequencing so far in the Treaty, to me, a lot of consultations, as hon. Mwakyembe has said, were done. It was felt right that first and foremost we should have the customs union, then we would move to the common market, subsequently to a common monetary union and then we have a political federation. There was reason for that sequence. I think we should try as hard as possible to ensure that, that sequencing is followed. We see a snails pace movement of the customs union. Why are we having that? We are told that there are technocrats standing in the way. We cannot have the Customs Union because some people feel that we are not ready. Why is that the case? Let them give us the reasons in this House. We debate them and then say if they are the inhibitors of the Customs Union, then we move.

Secondly, in terms of our economies, when I look at the political federation we are aspiring to have, I think there are a lot of things that are going wrong and we need to address them and then we start pushing hard for the political federation. If we truly want to reap the benefits of integration in the world economy, then we have to follow in the footsteps of China, Vietnam, Mauritius and Thailand, but not the IMF and the World Bank. Currently, our Heads of State, their Cabinets and other government officials are really on their knees following the World Bank wherever it goes and leads

them to.

Why am I quoting those countries? These are countries that have not followed the prescriptions of the IMF and the World Bank. If we want to have a strong federation, I would say that our economies should be now looking towards a strong export orientation. We should be looking at restricting foreign investments.

I know our countries are now all saying "we need foreign investors". Maybe if we sat and thought seriously, we would find that we do not need foreign investors. How come other people have managed to develop without foreign investors? We need to subsidize people involved in the export industries. We need to really put in place local content requirements.

We should not follow the World Bank when they tell us that we are going to produce textiles for the American market when the thread to produce those textiles is coming from America! I think we are not getting the economics right. I know that we are talking about removing tariffs, but countries like China have developed as a result of having relatively high-level tariffs and no tariff barriers! We need to be advised on that.

Mr Speaker, sir, I am also one of those East Africans who have not yet grasped what a political federation requires. I am in this Assembly, but I kept on wondering as the hon. Members went on talking about the political federation. If I do not understand it and yet I sit here with you, how will my sisters and brothers outside - that is the common person - understand this whole animal we are talking about?

So, I would also like to add my voice to all those who have advocated for increased

sensitization, not only of the political federation, but also I feel that we need to understand the East African Community. Those of us in the Assembly maybe are beginning to understand it, but I am sure people out there do not understand the East African Community, and hence the need to strengthen the public relations of the East African Community to ensure that people understand what we are talking about.

Again, I want to go back to the World Bank and the IMF. I am not a very strong advocate of theirs. I feel that as we think of a political federation, we should be thinking of how to get rid of World Bank and IMF. Their prescriptions for rapid trade liberation and other new and liberal policies, I think, are not the best of prescriptions if we are aspiring for a political federation. They have brought the economies we are aspiring to federate to their knees. I believe their policies are increasing poverty rather than reducing it. If we are looking at political federation, we are saying that we want to be able to compete at the global level. How are we going to compete when our poverty levels are being raised by non other than the IMF and the World Bank? We need to think carefully about that.

Mr Speaker, sir, we have been advised that our governments should stop being actively involved in the economy. Which country has ever developed without government involvement in the economy? Talk about Britain and America, what did they do? They were able to develop to the levels they have due to heavy government intervention in the domestic economy as well as in the foreign sector.

I think this Assembly should send out a strong appeal to our national governments to stop this - allow me to say this - nonsensical following of the IMF and World Bank

prescriptions. I feel that if we are going to develop and form a strong political federation, we need to fiercely protect our national industries until they are big enough to compete in the world market. Right now, this idea of saying "let them go alone to the world trade", I think is not proper.

In the recent times, we have heard about the world tigers of the new emerging economies in Asia. In Taiwan, for example, the government used tax revenues to invest heavily in both the agricultural and industrial infrastructure. State owned companies controlled the supply of raw material, for example, steel and plastics, at low prices. We are being told that our States cannot do that, and we are talking about federating a strong economy to be able to compete with America, Britain, Taiwan, Singapore and Malaysia. How do we do it? I would strongly also say that poor countries like Uganda, Kenya and Tanzania cannot blindly follow policies that have never worked anywhere and are not likely to work anywhere anyway.

Mr Speaker, sir, I feel that if this Assembly, a strong advocate for a political federation, does not advise our governments not to sell our economies and natural resources, then we shall have done a big disservice to the people of East Africa; the people who are living in extreme poverty; the people that are full of diseases and ignorance. We talk about these things and they are real! It is the duty of this Assembly to protect these people.

We know that certain resources are being privatized. I thought that some of the things that were free to all men and women or humankind were air and water, but water is being privatized. We are in the process of privatizing water in Uganda and yet there is evidence that in countries that have gone

ahead to privatize such a vital resource like water, for example, South Africa and New Guinea, cholera and blindness has resurfaced. Now, we are just following that because the World Bank and IMF say that we should privatize our water and tell everybody to pay for it, yet the same governments will come out strongly - as we heard hon. Ogalo say - to say, "No, you cannot tamper with the waters of the River Nile, it is not your historical right!" Then, what are our rights? If we are not going to stand out strongly and defend these rights – *(Inaudible)*-

Again, as advocates for a political federation in East Africa, we should be looking at the World Trade Organization policies. In East Africa and Africa in general, what we need is fair trade and not free trade. When we say “fair trade” we need a levelled ground. What the World Bank, IMF and our big brothers the other end are telling us is that we need free trade. We should be championing for a fair trade! Our position in the World Trade Organization, as it stands now, is that we have signed trade agreements and we have agreed that we shall be bound by such unfair or archaic positions as giving national treatment to foreign investors and following their dispute settlement mechanisms.

If we are going to follow that kind of arrangement, then our own countries will be unable to regulate their own domestic markets in the future. So, if you are talking about federating, let us spell out the terms at the political level. Let us defend our future markets. How are we going to participate in a global economy when we agree to play under unfair terms?

Mr Speaker, sir, on the process given to us in the report about how views will be collected, I have some comments I would

like to give to the Committee.

Allow me to quote Article 7 of the East African Treaty, which is guiding us. This is the part that refers to the operational principles of the Community. In part 1(a) it reads:

“The principles that shall govern the practical achievements of the objectives of the Community shall include:

- (a) people-centred and market-driven co-operation;
- (d) The principle of subsidiarity with emphasis on multi-level participation and the involvement of a wide range of stakeholders in the process of integration.”

Mr Speaker, sir, when we look at what is proposed in the report, the Committee says it will invite persons with knowledge on the process of regional integration not limited to East Africa. I feel that the best experts are the ordinary people themselves. Those are the people that should be involved in the process.

I know that the academics will come in with their jargon, but the people know why we want to integrate. I do not know how many experts you will invite. I feel that whoever will participate in this process should be thinking about how we will reach out to the people, and not how the people will come out to us. We should move out to the people and enable them to participate.

I come from a civil society background, and I know that in the past, we were told that there was "people participation". However, in actual fact, in a number of cases, even we the educated ones rarely participated. Some people just come up with documents and ask

you: "Do you agree or disagree? Where do you want to put your input?" As a result, you do not actually participate. So, I would advise this Committee to recommend a mechanism that will involve the people.

When I look at page 2, regarding the collection of views, the Committee proposes to hold meetings with the various leaders of the governments of the partner states. Again, this contravenes the Article I quoted which specified that this would be people-centred and market-driven. I do not think the people who drafted this Treaty failed to recognize the fact that we had Heads of State. If you look at the Munanka Report, I think the whole problem is at the Heads of State level. They talk about Heads of State and Members of Parliament, not the people of East Africa.

It is my view that first and foremost we should get the views of the people of East Africa, not the views of the Heads of States. Secondly, we should hold meetings with Members of Parliament and, finally, we should give a public notification to all the citizens of East Africa and request for written memoranda.

I also happen to have been involved actively in women's rights activities. I realized that each time they told us to produce written memoranda, many women tended to shy away. Even the poor men also tend to shy away. The rich men have always produced their memoranda but not the poor men. So, I would appeal to the Committee to consider targeting other mechanisms. I know that legally, the lawyers will say a written memorandum is legally binding, but what about people who can express themselves verbally? The people of East Africa know what they want and they will tell it to those who can write it. It could be misrepresented but not to a very large scale. So, the process

should ensure that, as much as possible, views are collected from ordinary East Africans.

Mr Speaker, sir, I would like to appeal to this House not to lose focus for a political federation because I aspire for that for my sons and daughters and their great grandchildren. We cannot move far without coming together. Thank you very much.

**The Speaker:** The last speaker is the Third Deputy Prime Minister and Minister for Foreign Affairs and Regional Co-operation for Uganda, hon. Wapakhabulo.

**Member of the Council of Ministers, Uganda (Mr James Francis Wamboko Wapakhabulo) (Ex-Officio):** Thank you very much, Mr Speaker, sir, for giving me the opportunity to contribute to this debate. Before I make my contribution, let me first of all thank and appreciate the Members for the very warm welcome the Secretary General and I received when we came in. We are very much touched by your appreciation.

Mr Speaker, sir, I must apologize for the fact that I was not able to attend the previous session. I had intended to do so but I had to attend to a very urgent job assigned to me by my Head of State, which made it impossible for me to come. But this time I made sure that I find my way here. Although I am slightly late, I will be able to join the hon. Members in debating this very important subject matter, which is before this House right now.

Mr Speaker, sir, having enjoyed fully the hospitality of my Kenyan hosts, I would like to thank them very much. As an East African bureaucrat, the Kenyan people looked after me very well. They have continued to look after us in that capacity.

Therefore, even before I go out to enjoy the hospitality of my brothers and sisters, I can say I have always enjoyed it, so I look forward to further enjoying it.

It gives me a lot of personal fulfilment that after sitting in the Speaker's Chair for seven years, I am now able to stand here and address the East African Legislative Assembly. The events of January 1971 invariably made it very difficult for the East African Legislative Assembly of that time to meet in Tanzania and Uganda. So, invariably this Chamber was actually the Chamber of the East African Legislative Assembly for many years following the events of January 1971 in Uganda. I am very pleased that the people and the Government of Kenya have kept this Chamber the way it is and we have re-captured it on behalf of the people of East Africa.

Mr Speaker, sir, I had a quick read through the report of the Committee and I would like to congratulate and thank Members of the Committee for being very conscientious in their work, and for making sure that come the month of June as per the instructions of this Assembly, they report back to the House. Very few Committees do so in many Parliaments, including national ones. We must therefore keep that spirit of being timely and acting in a manner that makes us a small but very efficient East African Legislative Assembly.

I did not have the benefit of listening to the entire debate that has gone on concerning this particular Report, but luckily I have been able to catch the tail-end of the debate, and from that, I have been able to understand what this debate is all about. The debate is about whether or not East Africans should federate.

I can see we have varying interpretations of the wishes and desires of our people, given our history and other factors. The remarks that I am going to make will be in two aspects; one as an East African, and the other one as a Ugandan who is also the Minister of Foreign Affairs and the Minister in charge of Regional Co-operation in the Government of President Yoweri Kaguta Museveni.

I will start by raising this question: I understand His Excellency President Moi did share with Members of the Assembly information to the effect that the Summit is looking into the question of how to go forward in our integration. In that process, there are plans to set up a committee to assist in starting that. If I am correct in that interpretation, then that is good, but I would not go so far as to interpret the Treaty to mean that because the East African Summit is seized of the subject matter of how to go forward, then it precludes this Assembly from also continuing on another track. Why do I say this?

First, whereas the Treaty says in Article 11(3) that the Summit shall review the state of peace, security and good governance within the Community and the progress achieved towards the establishment of a political federation of the Partner States, definitely that is a function of the Summit. They must review how far we have gone from time to time in relation to the desire of the people of East Africa to federate. But I think Article 49 also talks about this august Assembly. It says:

“The Assembly shall be the legislative organ of the Community. The Assembly shall discuss all matters pertaining to the Community and make recommendations

to the Council of Ministers as it may deem necessary for the implementation of the Treaty.”

So, yes, the Summit is seized of the subject matter of how we are proceeding in relation to our federal ambitions, but this House can study, discuss and make recommendations to the Council of Ministers, and through this Council, finally to the Summit. In fact this Assembly can, if necessary, prompt the organs of the partner states as to the need to move fast to achieve the federation of East Africa.

The second reason why this Assembly is crucial in my view with regard to the question of federation is that we do not have an immediate strong enough pressure group within East Africa to pressurize for a federation. As we stand now, we have got fears that are more predominant than the mechanisms for pushing forward, and yet nothing gets achieved in society without pressure groups pushing things forward. In my view, this Assembly is but one of the most important pressure groups.

First, it is East African; secondly, it is made up of well-endowed East Africans, education-wise and so forth. Thirdly, it is made up of people with a broad understanding of the problems that face us. Finally, it is clothed with authority by law. We are all clothed here with authority from the Articles I have just read, to be a pressure group in the interest of East Africans. I wanted to clarify this, and I hope I have clarified the issue of whether or not there is a contradiction. I know that there is none.

The question then is: Do we need to federate? We do not have to answer this question because it is already included in the Treaty. It is already covered. The question

of federation is not an issue. The question is how and when. That is my view. The Committee is recommending to be given more time to come up with recommendations. The Summit is moving to set up a committee to look into the question of the way forward. Now, the Assembly, in its debate, has got different positions. To me that is healthy because we did not come here to agree on everything.

The issue of the East African Federation is difficult, and it requires caution. We have had a history that we know. Attempts have been made before to form a federation. There was the Munanka Report, which was given a short time. As I did indicate, I do not know whether my name does appear there, but I was secretary to that Committee. We did meet the top leaders of the three countries and other leaders and wrote our report. Unfortunately, it was one of the last but most important documents debated. After that, come 1976, we had to put a lot of “fires” out.

The East African Airways was about to collapse; money had not been remitted from Kampala to the headquarters of the East African Posts and Telecommunications, which was near collapse. Money from Mombasa had not found its way to Dar-es-Salaam; payments and prepayments were another problem. So, we spent a whole year putting out these “fires”. The East African Telecoms could not pay its overseas debts because money had not arrived. It was embarrassing hiding away from creditors. Therefore, the federation report was one of the most important documents discussed in this Assembly here.

The view then was that unless we move in the direction of federation, we shall move backwards, and it shall be very difficult to move forward. Dynamics were in place



then. Other dynamics are in place today. Whether we like it or not, small players have no future in the international trade arena. Small players are small and beautiful but not marketable. That is a fact, whether we like it or not.

If we became 100 million people and begun talking with East Africanness, if we talked about the way forward and togetherness, I do not see how our detractors can actually ignore us, even if they wish to do so because we shall not be a small factor, but a reasonable one. In doing this, we must remember that we cannot just rely on the goodwill of our peasants. As I said earlier, they require a pressure group. Our businessmen are a very interesting lot. If you went to the Ugandan businessmen and told them that we want to cut off the Western part of Uganda, they would be very, very annoyed because they want to sell their goods to that area unhindered. They want one common market called Uganda.

When we say that let us have a common market of East Africa, then they have other allies. Those allies are within the Ministries of Finance, who link up with businessmen and begin talking of who shall be destroyed and who will benefit. But if we create an East African Common Market before even we reach federation, the market will rationalise things on their own - (*Applause*).

There are some goods you can profitably manufacture in Mombasa, but not in Kasese and the market will do so. While there are some goods you can manufacture in Kasese, but not in Mombasa, the market will do so. In the final analysis, we shall have a proper East African market. Therefore, let us find a way of creating an East African market, either through this integration process or through federation so that we have got a businessman who gets annoyed when you

say "let us cut off parts of Kenya from you", because he would say: "I want my East African Market", like they do when they are in Kenya, Tanzania and also in Uganda.

That is possible because, as I said earlier, for us to look at small markets and protecting those markets on a short term may appear to be reasonable now, but in the long run, it will not be reasonable. As reasonable people, our focus should not be on the immediate, but on the strategic nature of the whole thing, and how we in East Africa see it.

So, that was my message as a Ugandan East African. But how do we see the direction as Government of Uganda? Yes, Uganda is land-locked, and someone may say that maybe that is the driving force behind our position. Two, I want to dispel any view that maybe our desire for federation is romanticist; it is not. It is based on reality and what is good, as far as we are concerned, for the East African people. Therefore, the position of the Government of Uganda - but of course we do not act alone, we are three, so you must talk and tailor your approach to how the whole body moves. But our view as a Government is that we should not wait to go through the programme set out here.

Our view as a Government of Uganda is that we should set up a mechanism to discuss the constitution and structure of an East African Federation today. That is the policy and position of the Uganda Government. Today or tomorrow, we can agree with the others if they were to so agree, we set up a committee, mandate them to come back with a federal constitution, which we can put to the people of East Africa for the reasons I have already given - (*Applause*) - the reasons being the realities in the international market.

We must have big markets because we can only be taken seriously as a unit in this region if we federate. You tell me any reasons why we should not. If I was to ask: Can anybody stand here and say for reasons one, two and three, we cannot? The question of leadership, structures, obligations and all those are not insurmountable because we can sit down as serious and reasonable people and discuss them.

So, for us in Uganda, we are encouraged by the recommendation that the issues should be put to the people of East Africa to give us an indication. My only caution on that one is, do not put the question for its own sake. Ask them: "Do you want East African Federation?" To put that question you must be prepared to go a step further, otherwise you discredit yourselves. I do not agree that we should convert this House into one that keeps fires alight but keeps the debate continuing, but for how long?

You cannot come here, and for one year we are keeping the debate going on the East African Federation, and we all declare that we love it! Then we serve five years and we go home, another set of East Africans come and keeps the fire alive. I do not think that, that is fair. If you want to keep the fire alive, keep it against the programme. If we can agree on a programme - and this is what I think the pressure group should do - Parliament or the Assembly, as an important pressure group with legal authority should pressurise for a timetable.

That is my view and it is more realistic. It will include the point at which you put the question to the people. Do you put that question in form of a draft document or in form of a general question that can be discussed along the way? But I do not agree

that we should keep the fire burning for the sake of it. We should set the fire burning and act as a major catalyst. As I pointed out, our businessmen are confused because they are looking at immediate protection, and it is we to liberate them out of that and show them the most strategic way forward. In this way, we will have achieved, if we can be the products of a timetable that can be presented to the Summit. If the Summit agrees, then we combine a mechanism that can go forward to talk about how we move in a more concrete sense, and through that timetable, hopefully, we will be able to come back with a federal arrangement, which will be peculiar and suitable to our people and for our good future. Thank you, Mr Speaker, sir.

**Ms Kate Sylvia Magdalene Kamba (Tanzania):** Hon. Speaker, sir, I would like, in the first place, to join my fellow members of the Assembly in paying tribute to the Head of State, Hon. Daniel arap Moi for his generosity and time he gave to this Assembly. We relaxed at State House and felt very much at home. I also thank the people of Kenya whose generousities have been over and above our expectations.

Mr Speaker, sir, in the first place, I would like to thank all hon. Members of the Assembly who have joined us in supporting this Motion: Hon. Mugisha Muntu, hon. Kanyomozi, hon. Shamala, hon. Ochieng-Mbeo, hon. Mwatela, hon. Mabere Marando, hon. Med Kaggwa, hon. Zubedi, hon. Ogalo, hon. George Nangale, hon. Lydia Wanyoto-Mutende, hon. Capt. Ddudu, hon. Rose Waruhiu, hon. Sepetu, hon. Lt. Gen. Abdullahi, hon. Dr. Mwakyembe, hon. Sarah Bagalaaliwo, hon. Sheila Kawamara and hon. Wapakhabulo. I am sure you would agree with me that the debate was really a good one, and we are grateful to all those who participated. We

thank the Committee that has been taking notes, and definitely the *Hansard* team will be there to assist us in our deliberations.

As you have seen, the members enriched what was presented. Most of them have supported the Motion, and I believe all of them are for the federation. That is actually agreed. It is only the methodology, and that is precisely what this Assembly is being asked to do. The Committee is actually asking the Assembly, first of all, to adopt it as an interim report, then secondly, to give us the time to deliberate it this way. As most of you have been saying, where is the time frame?

We have not actually provided the time frame, but definitely we are giving ourselves sometime within this budget year to work on the modalities and bring it back to the Assembly and show you how we want to proceed. We are going to consider all that has been said - the need for capacity building, which will involve all the stakeholders - but the Assembly will be taking the lead as a pressure group as hon. Wapakhabulo has rightly said. We are the ones who are very much interested to see this thing growing. Not only that, we are not experts in this, and that is why we want also to get experts involved through our Secretariat. Fortunately, we have the Secretary General here around and he knows we need to be given the necessary expertise so that we are earmarked and geared towards making this thing a reality, and not a dream.

As I said, we are going to draw a work plan to guide our way. Now we are requesting interested members of the Assembly, as not all members are in our Committee, those who have not had time to speak are also invited to give us their input towards enriching this report. As a member of the

Committee, we did not expect such a big debate, but if one read correctly the whole report of hon. Bhoke Munanka - and Mr. Wapakhabulo was one of the Committee members then - you would realise that what we are actually doing is a debate of what was almost - I would not say it was dead, but it was dormant in a way, and now we are bringing it to life. Hence, the debate was so much alive to the extent that some of us thought we should have had the federation yesterday and not tomorrow.

But others, as you have realised, have shown some of their reservations, which is very light. But it is up to us who believe in the federation to convince the others of the benefits entailed in the federation.

However, I am not here to summarise and give replies to all that has been said. What has been said has been taken on board and we are going to look into it seriously and we are going to work towards the realisation of the goal. I am glad that hon. Wapakhabulo has just given us the clarification that we are not stepping on anybody's toes. As an Assembly, we in the Treaty are allowed to take an initiative. Therefore, we are going to discuss this issue of a federation as the others are going to discuss the Customs Union.

These things do not have an end to themselves because they are overlapping. Now we are not going to pre-empt the outcome of the Customs Union discussion. So it is the Customs Union, the Common Market, the Monetary Union and the Federation. But for us to reach to the federation, we have to start now and not tomorrow because we will be late. I am just giving caution. If we wait for the Customs Union, it will take more than four year to take off, and then another three years for the Common Market. I do not know how many

years for the Monetary Union, and finally the federation. We will be dead by then! That is not the idea.

The idea here is to work together. All things should be happening, and those who should make these things happen are we. We are neither stepping on the Summit nor the Council, but doing our duty. I just wanted to put that correct in its perspective. Let us not fear, we are on the right track, so let us work together towards the realisation of that goal. I thank you all for the support and for your contribution. I am sure we are going to take them seriously. I beg to move the Motion.

**The Speaker:** Hon. Members I now put the Question that this House adopts the First Report and recommendation of the Standing Committee on Regional Affairs and Conflict Resolution on the Study and Review of the Processes and Stages of Integration in the East African Community laid on the Table on Tuesday 4 June 2002.

The House shall decide on this Question as provided in Rule 55 (1) and (2) of the Rules of Procedure, which states as follows:

“When the Question has been put by the Speaker or the Chairperson on a decisional matter, the votes shall be taken by show of hands or by electronic voting and the results shall be declared by the Speaker or the Chairperson.”

I will ask you to raise your hands in the voting and I will request hon. Mwatela to count the votes on my right hand side and hon. Capt. Ddudu to count the votes on my left hand side and report the figures to the Clerk, who will then hand over the total

figures to me.

*(Voting carried out by show of hands)*

**The Speaker:** The House has adopted the Motion: We have 25 votes for the Motion and none for the contrary opinion. Therefore, the Motion has been adopted - *(Applause)*. I now suspend the House for 20 minutes until 5.00 p.m.

*(The House was suspended at 4.45 p.m. and resumed at 5.10 p.m.)*

## COMMITTEE OF SUPPLY

### MOTION

THAT SUPPLEMENTARY ESTIMATES (RE-ALLOCATIONS) FOR THE FISCAL YEAR 2001/2002 BE AUTHORISED

*[The Speaker left the Chair]*

*[The Chairperson Presiding]*

**Member of the Council of Ministers, Uganda (Mr James Wapakabulo) (Ex-Officio):** Mr. Chairman, sir, I beg to move:

“THAT a sum not exceeding US\$101,760 made up in the manner set out in the Supplementary Estimates of Expenditure laid before the House on Wednesday, 5th June 2002 be authorised to meet the expenditure necessary to carry on the services of the organs of the East African Community during the Fiscal year ending on 30th June 2002.

In moving this Motion, I would like to make

a statement to the August Assembly. This Assembly will recall that during the presentation of the Budget of the East African Community for the year 2002/2003, I promised this House that I would be presenting the Supplementary Estimates based on the outcome or recommendations of the study on the terms and conditions of Service in the Community, which was still awaiting finalisation.

Mr Chairman, sir, the Council of Ministers, at their Third Extraordinary Meeting in Arusha on 16th and 17th May 2002, considered the report on the organisational structure and terms and conditions of service of Judges and staff of the East African Court of Justice; the organisational structure and terms and conditions of service of Members and staff of the East African Legislative Assembly and came up with the recommendations that would call for a supplementary budget for Members, Judges and staff of these two organs.

In discussing the report, the Council of Ministers has taken note of the rate at which the Budget of the East African Community is expanding. While appreciating the expanded scope of the regional organisation, the Council is also acutely aware of the need to manage the growth of the Community expenditure structure within the levels that the partner states can manage and sustain.

Mr Chairman, sir, taking cognisance of Article 25 of the Treaty, on the requirement by the Council to recommend the terms and conditions of service of Judges of the Court to the Summit for determination, the Council has forwarded their recommendations to the Summit as stipulated in the Treaty. Likewise, as stipulated under Article 51 of the Treaty, the recommendations of the Council on the terms and conditions of service of the

Members of the Assembly have also been forwarded to the Summit for determination.

Mr Chairman, sir, notwithstanding the Council's deliberations on the terms and conditions of service of the Court and the Assembly, the Council decided that the complexities and financial implications of the recommendations of the consultant on the study and terms and conditions of service of staff of the Secretariat call for an in-depth analysis and longer period of review by the Committee on Finance and Administration. This is in the interest of doing justice to the report as well as coming up with a structure that is lean and sustainable in the long run. In addition, arrangements have been made for the consultant who conducted the study to be present during the review so as to respond to the issues that may arise over the contents of the report. In this context, a subcommittee of experts is now working on the report, and their recommendations will be referred to the Committee on Finance and Administration for deliberation and tabling before the next Session of the Council.

Mr Chairman, sir, on account of the foregoing, the Supplementary Estimates to the Budget of the East African Community for the Financial Year 2002/2003 will be presented to the House after approval of the terms and conditions of service of the Assembly and the Court by the Summit, and the determination of the terms and conditions of service of the staff of the Secretariat by the Council of Ministers. I have just explained that all these matters are either before the Summit or are being reviewed.

Mr Chairman, I am also happy to bring to your notice that there has been a very positive response by the partner states in settling their outstanding contributions for

the Financial Year 2001/2002. At the time of presenting the Budget of the Community for the Financial Year 2002/2003 on 2nd May 2002, I did mention that only 38 per cent of the contributions had been paid. I am pleased to report on behalf of the Council that as at today, 87 per cent of the contributions have been paid, and the balance of 13 per cent will be paid before the end of this month. So you can see we are taking the Community very serious. This is a clear indication of the serious commitment by the partner states to the East African Community and its policies.

Mr Chairman, in accordance with the decision of the Council of Ministers at their Third Extraordinary Meeting, I am tabling before this House the request for reallocation of the budgetary items by the three organs of the Community. The items affected are mostly in the capital expenditure category, especially furniture in all the organs of the Community; and travel and subsistence vote in the Secretariat's Budget.

The reallocation has been necessitated by the need to furnish the temporary offices of the Court and Assembly to a commensurate level befitting the East African Court of Justice and the East African Legislative Assembly. The allocation required for the purchase of capital items can be derived from other items of capital expenditure. Further, the travel and subsistence item of the Secretariat had been exhausted due to travel by members of staff to the Summit meeting held in Kampala on 12th April, 2002 and the workshop for Permanent Secretaries on Customs Union held from 13th to 15th April at Mweya Lodge in Kasese region in Uganda. Therefore, there is need for reallocation.

The total reallocation required is US\$101,760 made up of US\$56,500 at the

Secretariat, US\$19,200 at the Court of Justice and US\$26,060 at the Legislative Assembly. The amount required for reallocation can be availed from other items expected to have surplus at the end of the financial year. So in essence, no additional resources are required. In other words, we are not going to call upon partner states to send in more money, but we are reallocating what is already available to be able to meet these very important and urgent expenses.

Mr Chairman, sir, before I conclude, I wish to inform you that during its Third Extraordinary Meeting, the Council also considered progress report on the finalisation of the protocol for the establishment of an East African Community Customs Union. The Council noted that a lot of ground has been covered. The on-going work being addressed by specialised technical sub-committees is to regulate the working out of the EAC rules of origin, the programme for the elimination of internal tariffs and the establishment of an EAC common external tariff. Those are the three issues that are before the technical experts.

A draft protocol has also been prepared by the Secretariat, and this, together with reports on the outstanding matters, shall be considered during a meeting of the high level task force on implementation of Article 75(7) scheduled for end of July 2002. The expectation of the Council is that all the outstanding matters shall be resolved during that meeting.

Mr Chairman, sir, with those few remarks, I beg to move that the Supplementary Estimates as proposed do receive the support of this House. I beg to move.

**Mr Med Sozi Kiwanuka Kaggwa (Uganda):** seconded.

*(Question proposed)*

**Mr Yonasani Bankobeza Kanyomozi**

**(Uganda):** Thank you, Mr Chairman, sir, for giving me this opportunity to support the statement made by the Minister representing the Chairman of the Council of Ministers. I have a few observations to make.

While I agree with the changes and the need for reallocation, I am worried about the areas, which have been affected. The area which is of main concern to me is that of reallocation. It seems that the reallocation is meant for computer and telecommunication equipment. While we were debating the main Budget figures, various Members expressed their concern on an issue that was happening, for example, in the Finance Department of the Community and the level of work that they needed because they were doing their work manually. We were told of the casualties that, that section of the Community had suffered.

At the moment I see a total of US\$24,220 being drawn from that allocation. I hope that the Secretariat and the Minister have taken care of that section because once there is a problem in it, then it becomes a problem for all of us, and you know money is a sensitive issue. I hope that issue has been dealt with and the remaining provision will be able to cover that section adequately so that work can continue.

Equally on telecommunication, that is, communication between the Partner States and us, we are not going to complain about our inability because that is beyond us. That area of telecommunication where US\$8,550 is being drawn is not adversely affected. The only other thing out of the statement by the Minister which was of great help to me, and I am sure to the House, is on the move

on the Customs Union Protocol. It was enforced in the debate we were having here yesterday and this afternoon.

It is good that the Minister is giving us an assurance that soon in July the whole thing will have ended. We will welcome that and we want to encourage you to have it done. My only area of concern where the Minister and the Secretariat should exercise caution is that of the levels; the bands. Bands are very important to us all in East Africa, and especially the upper limit. If the bands are too low and they are accepted, then we are restricted by the rules of the WTO to waive them. We need to take care of these things. I hope an analysis is being done properly because if the bands are too low, say by a figure of five or something, WTO cannot allow you to raise them. Once you raise it, you are penalized.

Areas that are industrializing or are being left out should also take note of that if they want to protect the infant industry, given the period the Treaty allows us to do adjustments because of arithmetic provision and compensation arrangement. So, in that way, I would like to ask the Minister not to be carried away by the events of the moment. He should look at the future profile of the system that we are going through in the next five, six or ten years. We can definitely go down, but going up will be very difficult for us.

We are anxious as a House to be able to get involved in the proceedings of this exercise on the Customs Union. I hope that the document on this will be availed to us at an early stage so that our own internal Committee can look at it and have an input, if we can. Article 151 of the Treaty provides that once the work is finished, it goes to the Council of Ministers and from there we bring it to the House for legislation. Once it

has been passed by the Summit and the Council of Ministers, it is finished. That provision ties us, and that is why we would like to improve it and say that the draft should come to us so that we can give our opinion.

Equally, Article 75(2) to (5) actually leaves the whole matter in the hands of the Council of Ministers. Our role is limited to legislation when it comes to establishing the institution. In actual fact, even in the Treaty, if the institutions were established by the Council of Ministers, our role would be advisory. I would like our involvement to be stepped up early so that we can contribute adequately.

I support the Motion. Those ideas that I have given are very important if what we want is to happen. Thank you.

**Mr Sozi Kiwanuka Med Kaggwa (Uganda):** Thank you, Mr Chairman, sir. I rise to support the Motion on the Floor of the House, but accompanied with three observations. The first one arises out of paragraph 6 of the minister's presentation.

I do appreciate the efforts made by the three Partner States in paying their contributions to the Community; however, I would like to call upon the Partner States to endeavour to make these payments in time so that programmes are not delayed. Mr Chairman, sir, we often blame the Secretariat for no fault of its own. If they get money late, it means that the programmes will also delay by that period. And I am not aware of any provision allowing them to borrow.

The second observation arises out of paragraph 7, where the minister has said he is seeking reallocation, which I have no problem with. However, I would want to observe that when the Budget was being

made, and these provisions were provided for, I hoped that all the necessary study had been made and the conclusion was reached that these were the funds that would be needed by the various portfolios. I am disturbed because the minister did not mention that this was a provisional arrangement; of reallocation, and to this end, I would request that since the minister has alluded to the fact that he will be submitting another additional Budget, that the Partner States do consider to replenish these budgets that are now being reduced.

Thirdly, I would also want to add my voice to what the previous Member said regarding the Customs Union. I am sure this will go a long way in assuring the business community, and indeed the private sector that the three Partner States are committed to seeing business move in the three countries. With those remarks, I beg to support the Motion.

**Mr Jared Benson Kangwana (Kenya):** Thank you, Mr Chairman, sir. First of all, I would like to associate myself with the remarks made by the two previous speakers, hon. Kanyomozi and hon. Kaggwa, in supporting this Motion. Also, I would like to comment on the comments made concerning issues that should be taken into account. I have only one observation to make in addition to those that have been made and that relates to paragraph 2.

I note that the Council of Ministers at their Third Extraordinary Meeting in Arusha on 16<sup>th</sup> and 17<sup>th</sup> May 2002 considered the Report on the Organizational Structure and Terms and Conditions of Service of Judges and Staff of the East African Court of Justice; the Organizational Structure and Terms and Conditions of Service of Members and staff of the East African Legislative Assembly and came up with



recommendations that would call for supplementary budgets for Members, Judges and staff of these two organs.

Mr Chairman, sir, I recollect clearly that when we debated the Budget, which was presented to us in Arusha, Members made it clear that they would like to be involved in the preparations of Budgets and supplementary budgets so that their input is taken into account by the various organs and Committees that are concerned with finalizing the budget. I note from this paragraph that a report was received by the Council of Ministers. Members have not been afforded an opportunity not only to look at this Report, but also to make comments to the reports.

These are matters that affect the welfare of Members of this House and also members of staff of all the organs of the Community. It is imperative that our feelings and contributions should be taken into account so as to minimize criticisms and conflicts when it comes to agreeing with the final budget.

I would urge the Council of Ministers and the Secretariat to once again consider the sentiments that were expressed by Members in Arusha which I hereby repeat that in future, matters relating to the welfare of Members of this assembly, the Court of Justice and members of staff of those organs should be taken into account before final submissions are made to us. With those remarks, I beg to support the Motion.

**Dr Harrison George Mwakyembe (Tanzania):** Mr Chairman, sir, I am seeking your guidance. If you look at the presentation made by the hon. Minister, the title is "Reallocation of Budgetary Items". It is simply reallocation of budgetary items. The duty of this House is to pass budgets.

Reallocation of already passed budgets is an administrative question. If you go down to the introduction, the Minister talks of "Supplementary Estimates to the Budget." And then on page 4 paragraph 5, we now realize that the Minister talks about Supplementary Estimates to the Budget, and they are not here before us. So, you realise what is here is simply reallocation, which is not reflected in the Motion. The Motion talks about Supplementary Estimates. I am seeking your guidance; otherwise, we should be able to extend our time for tea.

**The Chairman:** Hon. Members, "supplementary" means reallocation by reduction, by increment and alteration. Any reallocation that is to be done by any institution will have to have the authority of the House, and for that reason it has been brought here.

**Member, Council of Ministers, Uganda (Mr Wapakhabulo) (Ex-Officio):** Thank you, Mr Chairman, sir, for your very wise ruling when the hon. Member asked for clarification. I was worried that this House would have wanted, through the Member, to surrender its authority. If that was to happen, I am sure the Secretary-General was waiting to grab it. So, I would like to thank the Members for the massive support that I received during the debate on this Motion.

I wish to assure the Members that the Council will always seek to work together with the Members of the Assembly as a team. But of course in doing that we must also keep in mind the provisions of the Treaty itself, which say that so-and-so, shall do this by such and such a time. But the idea of consultation and briefing is important. I take note of the suggestion that you have made.

The fears expressed were due to lack of

involvement. I will report to the Chairman and we shall sit as a Council and come back to seek for the way forward on the question of how we shall work together as a team on all these issues, notwithstanding that the Treaty may not have provided for them. Nothing is wrong if we can consult and move together as a team.

I do realize that apart from the question of involvement and moving together, all the other issues like the need to make contributions on time - Yes, Members of the Summit were very emphatic when they were in Kampala that states must make their contributions on time, hence the improvement you have noted in the contributions. It will continue to be the view of the Council that member states make their contributions on time so that we do not stifle the work of the Secretariat and other organs of the East African Community. Mr Chairman, sir, I thank the Members for their support. I beg to move.

*(Question put and agreed to)*

*(The House resumed)*

*(The Speaker, Mr A.O. Kinana in the Chair)*

#### **REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE**

**Member, Council of Ministers, Uganda (Mr Wapakhabulo) (Ex-Officio):** Mr Speaker, sir, I beg to report that the Committee of the whole House has considered the Supplementary Estimates in great detail and approved them without amendment.

*(Question put and agreed to)*

#### **ADJOURNMENT**

**The Speaker:** Before I adjourn the Assembly, I have two announcements. You will all remember that we have an invitation to dinner from FIDA, Kenya, at the same hotel where we were, that is Hotel Intercontinental. The time reads 7.00 p.m. It is very early, but that is what they have decided. I hope we will all be there by 7.00 p.m. Secondly, the House Business Committee will meet tomorrow morning at 11.00 a.m. in Committee Room No.9

I now adjourn the House until tomorrow afternoon at 2.00 p.m.

*(The Assembly rose at 5.45 p.m. and adjourned until 6 June 2002 at 2.00 p.m.)*