



**EAST AFRICAN COMMUNITY
EAST AFRICAN LEGISLATIVE ASSEMBLY**

PRIORITY QUESTION WITH WRITTEN ANSWERS

1. QUESTION: EALA/PQ/OA/3/03/2016 – Hon Christophe Bazivamo.

In the Malabo Declaration, African Countries committed to allocate at least 10% of their respective budgets to agriculture, and to eliminate hunger by 2025.

The EAC region took agriculture as a priority and increasing agriculture production is of high importance.

Having in mind that increasing availability and access of inputs to farmers is one of the most important strategies to increase agriculture, livestock and fisheries production:

Can the Council of Ministers explain to this August House;

- 1) Whether the region has fertilizer production plants in every Partner State;**
- 2) What is the level of production of fertilisers in the region to fulfil the demand by our farmers?**

3) What has been done to address the consistent problem of lack of sufficient quality and quantity of livestock and fish feeds?

Answers:

Mr. Speaker,

Whether the region has fertilizer production plants in every Partner State;

The Kenyan government is currently in the process of constructing a US\$ 1.2bn fertilizer plant in Eldoret under a public-private partnership involving Toyota Tsusho East Africa Company. The project construction will be implemented in two phases, where the first phase will see construction of a Nitrogen Potassium Calcium (NPK) production plant, while the second phase will see Toyota construct a plant for the production of Diammonium Phosphate (DAP), urea and Calcium Ammonium Nitrogen (CAN) fertilizers - the first production for the latter is expected to be commissioned later this year. It is expected that the plant will contribute towards significant reduction in the cost of the fertilizers to be manufactured and distributed in Kenya and the EAC the region.

Mr. Speaker Sir,

Minjingu Organic Hyper Phosphate+ is produced in Tanzania. Minjingu is a high grade and reactive natural fertilizer. It is rich in minerals such as Silica and Calcium. The Minjingu phosphate deposit is located 106 km southwest of Arusha, Tanzania along the Arusha-Dodoma highway. As part of the privatization program by the Government of Tanzania, Minjingu Mines and Fertilizer Ltd was established in 2001. The mines has a capacity of 100,000 tons per annum.

The Minjingu Rock Phosphate, due to its unique composition, has proven to be very beneficial to cash crops like coffee, tea, tobacco, and sugarcane, particularly in the acidic

soils found in large parts of Tanzania. Minjingu currently exports the beneficiated rock phosphate to South Africa, Zambia, Kenya, Uganda, and Rwanda. The mine recently added a granulizer plant that adds value by converting the beneficiated rock phosphate into a ready to use fertilizer. The plant will produce 30,000 tons of fertilizer annually.

Mr. Speaker,

With regard to the question of the level of production of fertilizer in the region to fulfil the demand of our farmers:

Apart from the on-going initiatives in Kenya and Tanzania, the region still relies heavily on imported fertilizers. The Republic of Uganda, Republic of Rwanda and Republic of Burundi currently have no fertilizer production plants.

Mr. Speaker,

With regard to what has been done to address the consistent problem of lack of sufficient quality and quantity of livestock and fish feeds

In the EAC, the issue of quality and quantity of livestock and fish feeds is critical in the enhanced performance of the livestock industry. The livestock sector contributes to food security and income generation leading to overall economic growth of the region.

In the promotion of safe trade, EAC, has developed a Protocol on Sanitary and Phyto-Sanitary Measures (SPS) that is undergoing ratification in the Partner States, which also address animal feeds sanitary issues. The said SPS Protocol in Article 5(2) provides for harmonization for the inspection, certification and approval of establishment, hatcheries, breeding centres, abattoirs, dairies, animal products and feedstuffs.

Further, animal feeds standards are being developed under the EAC Standardization, Quality Assurance Metrology and Testing Act of 2006. In this regard, a number of standards have been developed. The animal feeds standards in the final stage of development include: cattle feeds; poultry feeds; goats and sheep feeds; fish feeds; and compounded fish feeds.

The draft standards on animal (livestock and fish) feeds have been developed by the EAC Standards Committee in liaison with the EAC Livestock office. The standards will enhance safe trade in livestock and fish feeds.

Nevertheless, the livestock and fish feeds quantities produced in EAC are determined by amounts of raw materials produced and the demand for the feeds by the livestock and fish industry. Currently, only the Republic of Uganda has a factory producing fish feeds while one more factory on fish feeds is currently under construction in the Republic of Kenya. Nevertheless, the demand of animal feeds has increased substantially overtime. This is linked to the increasing demand for food of animal origin and intensification livestock production systems in EAC.

Mr. Speaker,

In summary, the EAC is promoting safe trade across animal feeds value chains as provided for in Article 45 of the EAC Common Market Protocol and in line with Malabo Commitment on boosting trade.

2. QUESTION: EALA/PQ/OA/3/04/2016 - Hon. Abdullah Mwinyi

As you are aware, Section 10 (g) of the East African Community Immunities and Privileges Act, 2004 read together with sections 13 to 16 of the Diplomatic and Consular Immunities and Privileges Act, No. 5 of 1986 of the United Republic of Tanzania are in line with sections 2 and 3 of Article VII of the

Headquarters Agreement between the Government of United Republic of Tanzania and the Secretariat of the EAC.

You are further aware that the provisions provide the right to staff of EAC to purchase ex-bond or import free of duty their furniture, personal effects and other articles for personal use or for use of their members of family forming part of the household including articles intended for their establishment provided that, the articles so imported shall not be sold or otherwise disposed of except as agreed with Government.

Paragraph 7 of the Guide on Diplomatic Immunities further states that, Tanzanian citizens employed in international organisations are exempted from payment of customs duties. Furthermore, the EAC laws allow exemption as returning residents for EAC staff on termination/end of their contract where they were posted in another Partner State. *This facility should be extended to EAC staff who work for EAC within their home Partner State.*

Therefore, Can the Chairperson of the Council appraise this August House:

- 1. As to why Tanzanian citizens (including EAC Staff and EALA MPs) who are in the service to the Community and therefore exempted from payment of duties under the Tanzanian and EAC laws, continue to pay duties for vehicles they purchased duty free at the end of their service to the Community?**
- 2. What is the Council doing about this discriminatory tendency towards Tanzanian citizens (including EAC Staff and EALA MPs) upon completion of their services despite EAC's legal position that they shall be entitled to equal treatment irrespective of political inclination, gender, colour of skin, religion, culture, education, social status, ethnic affiliation or nationality?**

Is the government of the United Republic of Tanzania ready to refund the duties it collected from the staff and Members of EALA who were wrongly forced to pay those duties upon completion of their service with the

RESPONSES TO QUESTIONS

Mr. Speaker

- 1. As to why Tanzanian citizens (including EAC Staff and EALA MPs) who are in the service of the Community and therefore exempted from payment of duties under the Tanzanian and EAC laws, continue to pay duties for vehicles they purchased duty free at the end of their service to the Community?**

The exemption of taxes on vehicles by EAC Staff and EALA members is premised on the Headquarters Agreement which the EAC concluded with the Government of Tanzania. Under the agreement the staff of the EAC are entitled to two motor vehicles tax free. This is because EAC enjoys diplomatic status in Tanzania.

Upon expiry of contracts, staff are granted exemption of duty for only one vehicle under the EAC Customs Management Act 2005 as returning residents to their home countries. The exemption is accorded to any returning resident to his home country or on first arrival so long as the person has owned the vehicle for more than one year outside the country. This is an international practice in customs. Proof of return and ownership has to be provided. These include stamped passport showing arrival in the country, certificates of ownership, conformation of contract abroad.

In the case of staff and EALA members from Tanzania, the customs law does not cover them because there are not returning residents since they have owned and driven the

vehicles in Tanzania. They are therefore requested to pay taxes when they register the vehicles from EAC numbers.

Mr. Speaker,

- 2. What is the Council doing about this discriminatory tendency towards Tanzanian citizens (including EAC Staff and EALA MPs) upon completion of their services despite EAC's legal position that they shall be entitled to equal treatment irrespective of political inclination, gender, colour of skin, religion, culture, education, social status, ethnic affiliation or nationality?**

This is a matter that needs to be brought to the attention of the Tanzania Government which can give a special dispensation to Tanzanian citizens upon completion of their tour at EAC based on the fact that other staff who are from other countries enjoy the duty free facility for one vehicle upon returning to their homes. EAC Secretariat will bring the matter to the attention of United Republic of Tanzania for redress. The United Republic of Tanzania has a Treasury Voucher System which can be extended to EAC staff, however, this is purely under the jurisdiction of Tanzania.

It is however important to note that staff of the Community working in institutions hosted in other Partner States and are citizens of those host countries also do not enjoy the facility when they finish their tour. Similarly, Kenya citizens returning to Kenya are not allowed to register vehicles they have owned if they are more than 8 years old.

Mr. Speaker,

- 3. Is the government of the United Republic of Tanzania ready to refund the duties it collected from the staff and Members of EALA who were**

wrongly forced to pay those duties upon completion of their service with the Community?

Given that the EAC Customs law is specific on this matter and the Government of Tanzania is following the law, it may not be possible to get refunds for those that have paid taxes. The Tanzanian Government and other Partner States will be requested to consider giving a special facility to EAC staff that end their tour from EAC institutions and are citizens of those host Partner States.