



EAST AFRICAN COMMUNITY

IN THE EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)

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

45TH SITTING - SECOND ASSEMBLY: THIRD MEETING – SECOND SESSION

Monday, 15 December 2008

(The East African Legislative Assembly met at 9.00 a.m. in the Chamber of the Parliament of the Republic of Uganda)

PRAYER

(The Speaker, Mr. Abdirahin Abdi, in the Chair.)

The House was called to order.

MOTION FOR A PRIVATE MEMBERS' BILL

The Chairperson, Committee on Legal Rules and Privileges (Mr. Abdullah Mwinyi) (Tanzania): Mr. Speaker, I beg to move a motion that this Assembly, pursuant to the provisions of Article 59 (1) of the Treaty for the Establishment of the East African Community and Rule 64 of the Rules of Procedure of the Assembly, do grant me leave to introduce a Private Members' Bill entitled, "*The East African Community Customs Management (Amendment) Bill, 2008*". I beg to move.

Ms Dora Kanabahita Byamukama (Uganda): Seconded the motion.

(Question proposed)

(Question put and agreed to.)

Mr. Mwinyi: Mr. Speaker_

WHEREAS Article 59 of the Treaty for the Establishment of the East African Community empowers Members of the Assembly to propose any motion or to introduce any Bill in the Assembly;

AND WHEREAS the provisions of Article 59 of the Treaty are translated in the Rules of Procedure of the Assembly and particularly rules 26 and 64;

RECOGNIZING that the East African Community Customs Management Act, 2004 which was enacted by this Assembly provides for preferential tariff treatment to goods imported under the SADC and COMESA arrangements for a period of up to 3 December 2006;

AND FURTHER RECOGNISING that the Act was amended by the East African Community Customs Management (Amendment) Act, 2008 to extend the period to 31 December 2008;

NOTING that by the 31st December 2008, the need for preferential tariff treatment on trade will still be necessary since the Community has not resolved the Partner States multiple memberships to regional trade arrangements;

NOW THEREFORE, This Assembly do resolve to grant me leave to introduce a Private Members' Bill entitled the "East African Community Customs Management (Amendment) Bill, 2008."

Ms. Dora Kanabahita Byamukama (Uganda): *Seconded the motion.*

MOTION

FOR AN URGENT BILL

Mr. Mwinyi: Mr. Speaker, I beg to move_

"That This Assembly, pursuant to the provisions of Rule 62(1) and (2) of the Rules of this House, do determine that the East African Community Customs Management (Amendment) Bill, 2008 is of an urgent nature, and that the Bill may be introduced without publication, and that the Bill be taken through all its stages today, notwithstanding anything in these Rules."

Ms Byamukama: *Seconded the motion.*

(Question Proposed)

The Speaker: Debate is now open.

Ms. Dora Kanabahita Byamukama (Uganda): Mr. Speaker in seconding this motion, I would like to rally support by extension, and to note that this is the second time this date is being extended. It is my humble prayer that after we have effected this second extension, there will be no other extension because I believe that the principle is justified

in the fact that we are a Customs Union and we intend to move on to the other stages of economic integration, therefore, the fact that we continue to belong to other economic trading blocks definitely negates the whole purpose of having come together to integrate on an economic basis.

Having said this, my humble prayer is that this House fully supports the motion.

Mr. Dan Kidega (Uganda): Mr. Speaker, I would like to thank the Council of Ministers for the fast action they took to deal with this situation, and I thank the Chairperson of the Committee on Legal, Rules and Privileges for the great work he has done.

The question of multiple memberships of countries in regional communities is a big problem not only to East Africa. It is a big challenge that many regional communities on the continent of Africa and elsewhere are experiencing. If the Council of Ministers gives this matter critical attention and deals with it, it will sort a lot of problems ahead of several other communities on the continent.

Mr. Speaker, in addition to what hon. Byamukama has just stated, we have just extended this deadline for the second time, and it is a bit of a shame for us to work as if we do not know the deadlines for what is ahead of us. I wonder how the Council of Ministers operates, and moreover with the advice of the CTC. It is like this thing has caught us by surprise.

We had adjourned the House *sine die*, but we have had to come back, and now we have to work in a fire-fighting manner, which I think is not befitting for this Assembly. I would really implore the Council of Ministers and the institutions and organisations that irrigate it with advice, to always work ahead of time so as not to push the Assembly into a situation where we have to work as if we do not know the programme ahead of us. I think it is important that we do not come into this House again looking for an extension of this deadline. Mr Speaker, I second the motion.

The Speaker: Hon. Members, I would like to advise you not to exhaust what you would want to say in the Second Reading of the Bill. I think this motion is just about the urgent nature of this Bill. So, I would not want you to finish all that you would want to say. You can say more on the Second Reading of the Bill.

I now put the question.

(Question on the Motion put and agreed to.)

BILL
First Reading

The East African Community Customs Management (Amendment) Bill, 2008

The Chairperson, Committee on Legal Rules and Privileges (Mr Abdullah Mwinyi (Tanzania)): Mr Speaker, I beg to move that the *East African Community Customs (Amendment) Bill, 2008* be read the First Time.

Ms Dora Byamukama (Uganda): *Seconded the motion.*

BILLS **Second Reading**

The East African Community Customs Management (Amendment) Bill, 2008

The Chairperson, Committee on Legal Rules and Privileges (Mr Abdullah Mwinyi (Tanzania)): Mr Speaker, I beg to move that the *East African Community Customs Management (Amendment) Bill, 2008* be read a Second Time.

Ms Dora Byamukama (Uganda): *Seconded the motion.*

Mr Mwinyi: Mr Speaker, the objective of this Bill is to amend the *East African Community Customs Management Act, 2004* in order to facilitate the discharge of the functions of the Community as provided in the Act, particularly in the Directorate of Customs, and to facilitate a smooth implementation of the Act.

Mr Speaker, Clause 2 of the Bill seeks to amend Section 112 (2) of the Act in order to extend the application of preferential tariff treatment under COMESA and SADC from the 31st December 2008 to the 31st December 2010.

This extension, once granted will, amongst other key activities of the Community, enable the following:

- 1) The East African Community to develop and conclude comprehensive trade arrangements as a block with COMESA and SADC. This will be pursuant to the directive of the Tripartite Summit of the EAC, COMESA and SADC during their meeting held on the 22nd of October 2008 in Kampala to establish a free trade area between the three regional economic communities;
- 2) It will enable the undertaking and completion of a study that will incorporate a roadmap and the legal and institutional framework for the operationalisation of a free trade area between EAC, COMESA and SADC;
- 3) It will enable the Partner States to continue trading with the member states of COMESA and SADC without any disruption of the long established trade relationships. A disruption in trade would have negative effect on the economies of the Partner States and the economic development of the Community.

- 4) The EAC will be able to consolidate its position as a configuration and a single block in the ongoing negotiations on the Economic Partnership Agreements with EU scheduled to conclude in July 2009 of which the implementation will commence in 2010;
- 5) The further expansion of the market of EAC products and enhance competitiveness of the EAC firms in the sub-region covered by the three Regional Economic Communities.
- 6) It will enable harmonization of customs and trade programmes between EAC, COMESA and SADC, which will create synergy and deeper cooperation on cross border programmes, including infrastructure development.

Mr Speaker, I beg to move.

The Speaker: Hon. Members, debate is open.

Mr Bernard Mulengani (Uganda): Mr Speaker, I rise, first of all, to support the initiative of the Committee, and also to highlight the concerns that I have with the Council of Ministers.

Mr Speaker, why did the Council of Ministers -just like hon. Kidega has said- wait for the House to be adjourned, then they remember that there is a burning issue so that they cause the House to be called again urgently after the Speaker has adjourned the House sine die? And, they have gone ahead to run away from their own mistake by convincing the Committee to bring a Private Members Bill. They would have brought this amendment as Council of Ministers! It is not good to operate in this manner, so, we should really request the Council of Ministers to sort out such problems.

The other issue I want to raise is the period of extension. This is the second time that we are extending this deadline, so why are we considering two years, when we know that even in the coming two years we may not be able to achieve the conclusion of the multiple memberships for the Partner States of the EAC? Mr Speaker, this is exposing the inability of the five Partner States to agree.

I would propose, therefore, if it is agreeable to the committee, that we consider putting the deadline to a period of, say, four years, so as to give them ample time because in 2010 we shall be here; it will be this same House moving to amend the deadline to 2012. I just pray that that does not occur, but in case it occurs, I will be on record to have proposed that we do not expose our inability to agree by extending it to four years. Possibly within the four years we shall have agreed.

The issue of multiple memberships, just like hon. Kidega has said, is not a problem within the EAC alone, but I want to say that multiple memberships brings a lot of problems within the region in respect to trade. We the politicians may not be feeling the impact, but the business Community outside will be facing it rough if we do not solve the issue of multiple memberships urgently.

With those few comments, I want to thank the Committee chaired by hon. Mwinyi for taking a very good initiative to amend this Act. *(Applause)*

Ms Patricia Hajabakiga (Rwanda): Mr Speaker, I would like to support this motion and to congratulate the Committee for agreeing to bring this Private Member's Bill in order to allow the Community to run without a legal vacuum, which would have otherwise been a problem; we would not be sitting here today to deal with this situation.

Mr Speaker, I would like to propose that while we are amending this Bill for the second time, and now that a roadmap has been drawn in the tripartite agreement between the three regional groupings, consultations on this issue should be carried out as soon as possible so that in case we cannot conclude this by 2010 as proposed by the Committee, a proper amendment is brought to the House rather than continuing to extend the deadline, if we think that we will not be able get out of those multiple memberships. With that remark, I wish to support the motion. *(Applause)*

Mr Clarkson Otieno Karan (Kenya): Mr Speaker, there is no other way but to support the motion because, otherwise, we will have a crisis. I want to mention two things: one issue is the recalling of the House, which highlights a weakness in the Secretariat. The Secretariat has a directorate dealing with customs, and they would have known well before that there is a problem, and the matter would have come to this House during the normal times of sitting. *(Applause)*

The other issue is the manner in which the House is recalled. I have not studied the Rules of the House, but I think we must look into this and find a better way of recalling the House, because if we allow for the recall the House – *(Interruption)* -

The Speaker: Hon. Karan, are you questioning the authority of the Speaker to call the House?

Mr Karan: Mr Speaker, I am not questioning the prerogative – *(Interruption)* -

The Speaker: Have you read your rules Mr Karan?

Mr Karan: I apologise, Mr Speaker. It is this House which gives the prerogative. I apologise and withdraw my statement.

I want to ask the Secretariat that in future they should be able to prove to the Assembly that they are on top of things by being able to bring such issues before the House when the House is in its normal sitting.

Mr Speaker, as you will recall, the Council of Ministers has not been comfortable with the issue of Private Member's Bills in the past, and this has been a bottleneck to this Assembly on a number of occasions. But, I hope they will realise from today that a Private Member's Bill can sometimes help the situation. So, when a normal Private

Member's Bill is brought before this House, I want the Council of Ministers to be open and support it, depending on what it is bringing before the House. We have a number of Private Member's Bills coming before this House, and I hope this time the Council of Ministers will support those without any problem. I support the motion.

Mr Gervase Akhaabi (Kenya): Mr Speaker, I stand to oppose this Bill because I have conceptual difficulties with it. The first difficulty I have with it, just like hon. Mulengani, is that this is an amendment Bill that ought to have been brought by the Council of Ministers. The Council is responsible for the lack of progression towards the withdrawal from multiple memberships from the regional economic communities, of the EAC Partner States. The Council of Ministers is not explaining to us what difficulties they are having in withdrawing from the multiple memberships in the regional economic communities, despite the clear provisions of the WTO on multiple memberships in these communities. It was therefore incumbent upon the Council of Ministers to justify the continued memberships of the EAC Partner States. They are not doing so – *(Interruption)*

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Mr Kidega: On a point of clarification, the member holding the Floor who is opposing the Bill has emphatically stated that the Bill should have come from the Council of Ministers, and I would like to seek clarification from him. If there is good leadership of a Committee whose foresightedness supersedes that one of the Council of Ministers, and foresees a situation which is likely to jeopardize the smooth running of the Community, should that good leadership of the Committee sit and wait for the reluctance in the Council of Ministers? That is the clarification I am seeking.

The Speaker: Honourable Member, according to the Treaty, a private member is allowed to bring a Bill to the House, so there is no question of whether he can or he cannot bring it.

Mr Akhaabi: Mr Speaker, the fact that a private member has a right under our Rules and under the Treaty to bring a Private Member's Bill does not mean that I have no right to express my view on what the Council of Ministers ought to have done.

Having said that, the issue of multiple memberships cannot be resolved by us coming to the Assembly on an ad hoc basis to extend time so that – *(Interruption)* -

The Speaker: Hon. Akhaabi, are we here on an ad hoc basis?

Mr Akhaabi: Mr Speaker, we are not here on an ad hoc basis, because the Speaker has correctly called the Assembly, but what I am saying is that the manner in which this is being done suggests that the Partner States of the East African Community are unable to decide on which economic community they should belong to. This indecisiveness is not going to be helped by extending this period to 2010. If we are unable to decide, then the best thing would be to move an amendment to Section 112 of the Act to remove that deadline completely, so that we do not have to come back. Because, even if -as I fear- we pass this motion, we are likely to face a similar situation and we are likely to keep on

repeating this because the Partner States are unable to make up their minds, which is not acceptable. And even the fact that there has been a tripartite summit does not address the issue of multiple memberships, so, I think what we should do is to ask the Partner States to address the issue of multiple memberships in a much more comprehensive and decisive manner than is being done. I oppose this motion.

Ms Wanyoto: Mr Speaker, I would like to support this motion in the spirit of the current working relationship between the Assembly and the Council of Ministers. I would like to begin with the issue of the timeframe.

I think we all know that the implementation of the Customs Management Act should be fully into course by 2010, when we expect to have the fully fledged Customs Union. In that respect, I think this is an opportune time, if we cannot meet the deadline by the end of this year, to give this issue of multiple memberships in the RECs another two years.

I support the proposal to extend the deadline for the next two years, although I do not know why, since 2005, our countries have not yet decided to belong to one customs union block and interface with other regional blocks as a block. Mine is a pledge to the ministers to tell this House, at an opportune time, why they are having problems of implementing this particular provision of the law to get East Africa to work as a customs union in its own right and then go to the other blocks – SADC, COMESA or whatever- as EAC. This does not require any technical support or studies; this is purely a matter political will and commitment.

Last week we had an opportunity to get answers -from the Minister on the qualitative and quantitative implementation of the Customs Union- to a question which I was honoured to ask, and this was one of the areas that we had expected an answer on. Answers need not always be in the positive. We also want to hear the challenges that you have had as the Council of Ministers, and I think the supplementary question that has brought this matter today was asked by hon. Ogalo.

Sometimes we do not have access to Council decisions and meetings, which is okay, but by the end of the day we hope that through the questions that we ask as a House – because we have heard silence; we do not see actual vibes of the implementation of the customs union. We cross borders more often than you can imagine, and we do get the actual feel, both qualitative and quantitative, of the Customs Union. That is why we are asking some of these questions. So, in your answers in future, we need to hear both the challenges or the negatives and the positive trends you meet.

Mr Speaker, I would like to applaud, first, the quick response from hon. Mwinyi, to be able to come up with this motion to amend the Act, and, second, the support we have from the ministers. I feel that having the presence of the ministers, who are also members of this House in the House this morning, gives the Bill the support it needs, and the spirit of working together to correct the wrongs of the past - (*Applause*). I think the Ministers were in a comfort zone, thinking that they had jumped over the provision, but they had

actually flouted a mandate required by law. I would like to thank them, for that is the way to go. If we make mistakes, we should step back and correct them.

I support the motion, and I would like to tell the ministers that this is the spirit of working together and, in future, we should get questions that reflect both the challenges and the progress they have made so that at the end of the day, the progress in the implementation of the customs union is not only on paper and in their decision making in the boardrooms, but it is also felt by the people in the trading communities and for all of us who are actors in this respect.

I support the motion. *(Applause)*

The Minister for EAC Affairs, Rwanda and Chairperson of the EAC Council of Ministers (Ms Monique Mukaruliza): I stand to support this important motion. I thank hon. Mwinyi for initiating this Private Member's Bill on a matter that is very critical to our integration process in general, and our collaborative effort with other regional blocks in particular.

I also applaud you, Mr Speaker, and the House Business Committee, for finding space in the Assembly's programme to handle this matter. This action attests to this House's concern for the observance of legislative processes. The effective and timely implementation of the East African Customs Management Act 2004 is a condition precedent to our full realisation of the Customs Union. Indeed, it is such observance of the existing laws that serves in part to lay down the substratum for the Common Market. It is under this guise that I deem the amendment of Section 112 of the East African Customs Management Act, 2004.

This amendment will enable the Council of Ministers to expedite the implementation of policy decisions pertaining to the resolution of Partner States' multiple memberships in regional blocks.

Following the tripartite COMESA, SADC, EAC Summit meeting held on 22nd October 2008, efforts to address the Partner States' multiple memberships and to consolidate EAC's growing position in multilateral trade arrangements will be intensified. Efforts are underway to implement the decisions of that summit in a timely and purposeful manner.

Mr Speaker, the Council has noted the concerns of the members during this debate, and necessary decisions will be taken in order to address them.

I support this motion. *(Applause)*

Maj. Gen. Mugisha Muntu (Uganda): Mr Speaker, I rise in support of this motion, much as I would like to have an amendment done to it. First I take the opportunity to thank the Chairperson Council of Ministers for the response to the concern which was raised last week by one of the members of the Assembly concerning the critical nature of the reason for us to have this amendment done before the expiry of the period that was built within the law.

My main concern, though, is the number of years that we are giving. At an appropriate time I would like to have an amendment to give an extension only to the end of 2009, rather than giving a *carte blanche* to the Council of Ministers until the year 2010, having looked at our history, and the manner in which the executive branch acts.

It is fortunate at this point in time that we have got a Council of Ministers with a responsive chairperson - (*Applause*) - and we would really like to take this opportunity to thank them for that, but the executive branch has the powers to change ministers whenever they want to. So, while today we have got a chairperson and a council that is responsive, no one can say with any certainty that down road we will not have a council that is as unresponsive as the ones we have had in the past. (*Applause*)

So, for us to give two years when in fact when we built the two years earlier on into the law, we had hoped that the executive branch would be able to respond, which they did not. Even what has happened today is because one of the Members of this House saw the anomaly that there was going to be if we did not carry out this amendment; and we would like to thank the Council Ministers for being able to see the critical nature of the situation that there would be if this amendment was not done. They responded, and here we are, on a Monday doing this amendment when we are supposed to be doing other things.

That means that apart from the Council, there must be weakness elsewhere, possibly in the Secretariat. I do not think that it would be correct for us to release the only leverage that we have in terms of bringing those who are supposed to be held accountable if we build in two years. The parliament that will sit two years down the road is more likely to be faced with the same situation. But you must realise that within the two years, we literary will not have any leverage.

I would like to convince or to appeal to the Members of this Assembly that much as we desire to work hand in hand with the Council of Ministers, and much as we are appreciative of the Council of Ministers that is in place as of today, we should retain some leverage in terms of bringing those who are supposed to do their work do so. I would, at an appropriate point in time, like to move an amendment that instead of two years we do it for one year.

Last week one of the members, if I recall maybe it was hon. Mwinyi, I heard him make a comment on this saying that whoever was responsible for this should be held to account, and I heard him propose the setting up of a select committee. If he is serious on that, many of us are equally serious and would back him up on that. Why do I say so? We are building foundations for a block that we all would like to believe is going to end up integrating to a level of a federation; five countries coming together, with a population of about 120 million people. Whoever is engaged in that enterprise must be equal to the task that is before them! If they are not, they have several options, either to relinquish the duties that they do have if they are not able to carry them out, or we hold them to account ourselves. (*Applause*)

Most of the countries that we see are involved in activities of instability is because most times many people who are supposed to do what they are supposed to do never take their work seriously. Here we are, trying to build a legal framework that will build stability for this regional block, the enterprise that we are trying to build!

Here is an Act that was written and passed by this Assembly three to four years ago, and there are people who are supposed to follow it up, there are people who are supposed to say, this is supposed to be done at this point in time! Had this matter not been raised by a member within this Assembly, what were we bound to see? 30th December would have passed and then we would have ended up with a breach of the law! So, what would happen thereafter? Going to courts again and matters are left to pass? Do we care about what happens or don't we? All of us have got duties to carry out and we must carry them out. If we are not able to carry them out, we must all be held to account.

Mr Speaker, it is our duty as an Assembly to perform our duties. We must hold those who are supposed to do their work accountable. Besides passing this Bill, with the necessary amendments if they are acceptable to the members, I would like to propose that whoever was responsible for bringing the Council of Ministers to know that they were supposed to act and they did not, must be held to account.

Mr Speaker, there can only be three options as to why we have ended up facing this situation. Either it is a matter of incompetence or gross irresponsibility or arrogance. It can only be one of the three things. And whatever it is, we need to find out what it is, and the appropriate action needs to be taken. Mr Speaker, if others cannot perform their duties, we must perform ours.

I would like to thank you – (*Applause*).

Mr Mwinyi: Mr Speaker, I would like to thank all the members who have supported this Bill, and hon. Mulengani, hon. Akhaabi and hon. Muntu for their proposals to change the date. I would like to offer my humble reasoning as to why we placed 2010 as the date of extension.

The reasoning behind our date of 2010 is premised on the fact that the EAC will have a fully fledged customs union by 2010. Further more, hon. Members will appreciate the complexities involved and the challenges that have been faced by the Council of Ministers of aligning and consolidating themselves to a multiple membership agreement. I believe by granting them the two years, they will have sorted out all the issues and resolved the issue of multiple memberships by 31 December 2010.

Further more, I would like to state that in future the advisors to the Council of Ministers, the relevant directorate and the Counsel to the Community in particular should keep track of the events that are unfolding to be able to advise the Council of Ministers appropriately so as to avoid such – I would not want to repeat the word “ad hoc”, but to avoid such urgent and emergency changes to a law.

With those few remarks, I urge all members to support this Bill as is. I beg to move.

The Speaker: Hon. Members, I now put the question that the East African Community Customs and Management Act (Amendment) Bill, 2008 be read the Second Time.

(Question put and agreed to.)

THE ASSEMBLY IN COMMITTEE

(The Chairperson, Mr. Abdirahin Abdi, in the Chair)

BILLS Committee Stage

The East African Community Customs and Management (Amendment) Bill, 2008

Clause 1, agreed to.

Clause 2

Mr Muntu: Mr. Chairman, I beg to move an amendment to Clause 2 to substitute *31 December 2010* for *31 December 2009*. I beg to move.

The Chairman: You have the proposal hon. Members.

Mr Kidega: Mr Chairman, I really do sympathise and understand the feeling of hon. Muntu and the people who associate with that amendment. The question of the period of two years has been befittingly justified by the Chairperson of the Committee and hon. Wanyoto. What has characterized most of the regional blocks in the world today is not only the question of political will and political statements; it is an intricate matter of economics, which involves how regional blocks relate and how countries are associated with each other.

Why we find ourselves in some of these multiple memberships is not just for political reasons but sometimes because of geographical proximity and the shared interests that the member states have within the blocks. If you look at the case we are handling now of COMESA and SADC and the reasons why Uganda, Kenya and Rwanda are in COMESA, if you study the statistics of the trade between these countries and the rest of COMESA, it is so enormous that it is very difficult to just declare in a statement that we are moving out in one year!

Unless the Council of Ministers tells me of a mechanism which is very practical of how they are going to deal with this matter, but if they are banking on the tripartite move, the tripartite move is just a statement of intention of the blocks coming together. They have

not yet even operationalised a free trade area, from which they have to go to a customs union, which is the most complicated thing.

So, I think we may find ourselves in trouble if we give them such a very short time that they cannot really solve this matter. So, I strongly implore the mover of this motion, if possible, to let us give these people the two years because the matter is very intricate. I thank you.

Maj. Gen. Muntu: Mr Chairman, I think most of us who are political actors in this region need to make up our minds - that is the critical question. Do we want to integrate at all levels; at the customs union level, at the common market level, at the monetary union level and eventually to become a political federation or not? If we make up our minds on that, it will be very easy for us to make the necessary decisions that will enable us to achieve all those. If we still have questions in our minds - that is the only time we will be confused as to which direction to move. And that is the state of affairs we are in right now, and some of us want an end to that.

We must know which direction we are moving. We cannot be left to be like water lilies; they do not have deep roots so they float on water. When wind comes from one direction, it blows them to the direction to which it is moving. If it comes from that very direction where it was moving towards, it will change direction. We must make up our minds. What do we want? If it is integration at all the levels, then we must consolidate, and if you want to consolidate, you move in the direction of consolidation. And when you are moving in that direction, it is not in conflict with cooperating with other bodies.

We passed a joint trade negotiations Act to act as a block and in concert in whatever we will engage in. If we are going to act consistently in that manner, we have no other alternative other than to consolidate.

I appreciate what hon. Kidega has just said, but you must consider that there is also the issue of political direction and will; and moving out of a block does not take much. In fact we have a precedent on this. A few years back, the United Republic of Tanzania thought that it was not necessary for it to be a member of COMESA and it acted on that. It is on record. If today Uganda said it wanted to move out of COMESA and wanted to move into SADC, it would make an application to SADC, and it would be up to SADC to accept or reject it, but to move out of a body like COMESA, there are laid out procedures that you will need to follow to be able to do that. I understand you have to give warning of a certain period in time and then you can walk away.

What we are saying is that this regional block of five countries needs to consolidate a decision on whether it goes along with SADC, whether it goes along with COMESA, or whether it belongs to both, but as a block. That needs a political decision; that requires political will; that requires people to see in the same direction.

The problem is that many of our political actors are not honest; they do not bring up their cards on the table and say, which direction do we want to move! That is the question we

must force on the table so that we know and so that we do not waste our energies and time moving up and down. What we are asking for is to give them one year, and within that year, we will keep on monitoring and if it becomes necessary to have an amendment for an extra year, then we would be able to do that. I appreciate the reasoning which the Chairperson of the Legal Committee put in this amendment.

One of the critical issues brought up is the free trade area that apparently the regional countries are working towards. I wish them luck in moving in that direction of trying to put in place a free trade area negotiating amongst the 25 countries of COMESA and I do not know how many of SADC and the five of the EAC when there is not even a secretariat in as far as I understand, when most of the members who were involved in that meeting do not even know what this is about, and if we are going to tag the future of the integration of EAC on some of these initiatives which simply pop out of the blue without prior arrangements involving all the countries in a systematic manner, I fear for our future! We need to make up our minds if we want to integrate. Let us do that and let us make the necessary decisions that are consistent with that.

With that I would like to subject this proposed amendment of one year to further amendment, and I would like to appeal to the members that we go ahead with one year; there is no problem, but if it is necessary after that one year to amend, we will do the necessary amendment, but at least we will have in our hands the power to monitor, to question. The moment you release that leverage, we have nothing.

The Chairman: I think you have heard hon. Muntu. He is saying that we give one year and he is saying we also pass the East African Joint Trade Negotiations Bill. But when will that take effect? Will we wait for another two years for that Bill to take effect if we go by the proposal that Mr Mwinyi has? Those are the questions he is raising. Why not put 2009 for them to work on? There is a proposal for 2009 and another for 2010. It is for members to decide. Maybe I will call the Chairman of the Committee to hear from him.

Mr. Mwinyi: Mr Chairman, that is the exact spirit; we are working as a team and we want to accommodate the Council of Ministers as much as possible so that they have room to manoeuvre and to make the necessary decisions that need to be made in order for the entire EAC to work as a single block. In view of the complexities as earlier pointed out by hon. Kidega, I would urge members to support my Bill as originally drafted, and to give the Council of Ministers until 31st December 2010.

The Chairman: Now that we have two proposals, of 2009 and of 2010, I will first of all put hon. Muntu's proposal to vote; whether we should have an amendment and from there we will go your decision. I put the question on hon. Muntu's amendment.

(Question put and negatived.)

- (Interjection) -

The Chairman: If you want a recount, then we have to go into a division, and you have to stand up and ask for a division. Well, I do not see anyone standing on division; I will proceed to the next one.

I now put the question that Clause 2 be part of the Bill.

(Question put and agreed to.)

Title

The Chairman: I put the question that the Title be part of the Bill.

(Question put and agreed to.)

MOTION FOR THE HOUSE TO RESUME

The Chairperson, Committee on Legal, Rules and Privileges (Mr. Abdullah Mwinyi)(Tanzania): Mr Chairman, I beg to move that the House do resume and the Committee of the Whole House do report thereto.

Ms. Dora Kanabahita Byamukama (Uganda): Seconded

The Chairman: I now put the question that the House do resume and the Committee of the Whole House do report there to.

(Question put and agreed to.)

(The Assembly resumed, the Speaker presiding)

BILL Report Stage

The East African Community Customs Management (Amendment) Bill, 2008

The Chairperson, Committee on Legal, Rules and Privileges (Mr. Abdullah Mwinyi) (Tanzania): Mr Speaker, I beg to report that the Committee of the Whole House has considered the Bill entitled “*The East African Community Customs Management Amendment Bill, 2008*” and has approved it without amendment.

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

The Chairperson, Committee on Legal, Rules and Privileges (Mr. Abdullah Mwinyi) (Tanzania): Mr Speaker, I beg to move that the Report of the Committee of the Whole House be adopted.

Ms. Dora Kanabahita Byamukama (Uganda): Seconded

The Speaker: I now put the question that the Report of the Committee of the whole House be adopted.

(Question put and agreed to.)

BILLS
Third Reading

The East African Community Customs Management (Amendment) Bill, 2008

The Chairperson, Committee on Legal, Rules and Privileges (Mr. Abdullah Mwinyi) (Tanzania): Mr Speaker, I beg to move that a Bill for an Act of the East African Community entitled the East Africa Community Customs Management (Amendment) Bill, 2008 be read a Third Time and do pass.

Dr. Didas Masaburi (Tanzania): Seconded

The Speaker: I now put the question that the East African Community Customs Management (Amendment) Bill, 2008 be read the Third Time and do pass.

(Question put and agreed to.)

Bill read a Third Time.

The Speaker: Hon. Members, we have come to the end of business today. I would like to congratulate hon. Mwinyi and the committee for the good work they have done. I would also like to congratulate the Chairperson of Council for coming together and agreeing to do some amendment so that we will not have an anomaly at the beginning of the year. I would also like to just say that, that happened from the Floor of the House, but what surprises me is that we do not see anyone in the Treasury Benches from the respective directorate or from the Secretariat, and yet these are the people who are supposed to advise the Council of Ministers in this particular issue. It shows the kind of advice they give to the Council. I think from now on the Council of Ministers should not come to meetings in Arusha just to sign documents but to read them and understand what goes on and also to get advice from these officers of the Community. *(Applause)*

Hon. Members, I would like to thank you for coming early this morning; it was abrupt but it shows your commitment to the integration process. *(Applause)*

I would like to say that we will be leaving on a journey to Mbarara and we will leave here by 11.30 a.m. because we have a long journey and we want to catch up with time. So we will see you at 7.30 a.m.

ADJOURNMENT

The Speaker: I now adjourn the House sine die

(The House rose at 10.25 a.m. and adjourned sine die)