



EAST AFRICAN COMMUNITY

EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)

Official Report of the Proceedings of the East African Legislative Assembly

30TH SITTING - SECOND ASSEMBLY: FIRST MEETING - SECOND SESSION

Wednesday, 18 June 2008

The East African Legislative Assembly met at 2:30 p.m. in the Chamber of the Assembly, Ngorongoro Wing, Sixth Floor, AICC Complex, Arusha

PRAYER

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

The Assembly was called to order.

MOTION

FOR THE CONSIDERATION OF THE BUDGET OF THE EAST AFRICAN COMMUNITY FOR THE FINANCIAL YEAR 2008/2009

(Debate interrupted on Tuesday, 17 June 2008, resumed)

The Chairperson, General Purpose Committee (Ms. Lydia Wanyoto-Mutende) (Uganda): Thank you, very much, Mr. Speaker, Sir. Before I present an addendum to the General Purpose Committee report on the EAC Budget for the Financial Year 2008/09, I must, first of all, declare that I have a very bad voice this afternoon because I developed a cold as soon as I got to Arusha on Sunday. I don't know why, but I hope that I will be able to make the presentation on behalf of the Committee.

Mr. Speaker, Sir, in accordance with Rule 79(5)(2) of the Rules of the Assembly, the General Purpose Committee is mandated, among other things to engage in the pre-budget function with a view to streamlining the EAC Budget. Pursuant to these provisions which are in line with Article 132 of the Treaty, the Committee, while in Nairobi during the Sixth Meeting received and scrutinized the EAC Budget for the financial year 2008/09 and felt that there was a clear disconnect between the proposed EAC Budget, the Budget Speech by the Chairman of Council of Ministers, the EAC Development Strategy, the Summit directives, Council decisions and Assembly resolutions. It also held that the Budget did not take into account the Medium Term Expenditure Framework (MTEF)

mandates and structures of some Organs and Institutions of the EAC and that its outlook focused more on travels, per diems, consultancies, meetings, conferences and there were glaring duplications of efforts and activities. Similarly, the units of measure and budget totals had a number of inconsistencies and, we did add, irregularities.

Using elaborate examples, the Committee urged the Assembly to withhold its support then so that the Council of Ministers submits the Budget in a new format taking into consideration the issues raised in the Committee report and those that had been raised on the Floor of the House.

Mr. Speaker, Sir, towards the above end, consensus was reached on 21st May, 2008 when Hon. Kingi, the Minister for East African Community affairs on behalf of the Council took cognition of the Assembly's concerns and successfully moved a Motion for adjournment of debate on the Budget.

In that Motion, he made several suggestions, one of which was to invite a select number of Members of the Assembly to attend a Budget consultative meeting so as to improve the Budget process and outcome. Whereas there was an effort to take the Members to the venue, which was Tarangire, the efforts were not very fruitful.

Similarly, the General Purpose Committee, as you may all be aware, was not able to meet the full EAC Council of Ministers as had been pledged in the Minister's adjournment Motion. Hon. Members all know that we arrived here on Sunday when the full Council of Ministers meeting took place on Saturday and they had actually left.

The EAC Council of Ministers discussed and adopted the amended Budget on 14th June, 2008 and was subsequently placed on this Assembly only yesterday, the 16th of June, 2008.

Notwithstanding the time factor, the Committee has gone out of its way to consider the Budget estimates in its new format and thus do report.

Once again, I want to apologise that we worked through late last evening but power went off. So, if there are issues in the report, bare with us, but that is how far we have gone as a Committee since the adjournment of the House yesterday at 4.00 p.m.

In our methodology, we were able to consider the following documents:

- (i) The General Purpose Committee report on the Budget for financial year 2008/09. The Nairobi report of the Committee was our benchmark document to see what had happened in the new developments.
- (ii) The Motion for adjournment of debate by Hon. Jaffah Kingi. I hope Members have a copy of that adjournment; it is an important document for us.
- (iii) The explanatory notes and assumptions on the EAC budget for the financial year 2008/2009;
- (iv) The MTEF and Budget figures (Annex 1 to the Budget);
- (v) Documents reviewed at Tarangire.

Mr. Speaker, Sir, on behalf of the Committee, I would like to commend the Council's effort in trying to streamline the EAC Budget. This brings the history back from the Nairobi Session. It was the first time ever in the history of the Budget process in the Assembly that there was a meeting of minds between the Ministers and the Assembly, that there was need to take care of issues that had been raised by Members of the Assembly. For that, I think as an Assembly, we want to recognize that spirit and work method and say that is the way to go so that in future we can do better than what happened in Nairobi.

Mr. Speaker, Sir, it is a known practice in Africa that we only praise people after they die. When you go to a funeral, you find that there are eight hours of speeches, yet people would have been better if they were told the virtues they have while they lived and we give them gifts and prizes. So, for us as the Committee and the Assembly, we would like to recognize that the Ministers have done a good job while they are still listening for themselves so that they can better the EAC Budget process and in that regard, I also recognize the applause from the Members - *(Applause)*

Mr. Speaker, Sir, having looked at the revised Budget, we have some general observations we would like to make. A quick look through annex in relation to the Minister's speech yesterday indicates that the EAC Secretariat has developed a new budget format in accordance with the MTEF framework. The new framework takes into account the strategic objectives in the EAC Development Strategy, Summit Directives and Council decisions. We did not see much of the Assembly Resolutions, although I am sure there is goodwill in the future to reflect serious Assembly resolutions

The second observation is that the new Budget as presented yesterday by the Chairman of the Council is different from the Nairobi version and indicates an increment in the total budget for FY 2008/2009 with an additional USD 9.99 million. Therefore, as I stand here today, we are looking at a totally new Budget document, different from what transpired in Nairobi in terms of figures.

Performance of Previous Budget was one of the issues that the Committee raised. The issues raised in the Nairobi General Purpose Report are still of concern to the Committee. The Secretary-General is urged to make a follow up to ensure that the funds approved by the Assembly are properly utilized and for the purposes for which they were voted. We are trying to avoid post-mortem stories.

The Committee, therefore, recommends that there be a medium term budget review to update the Assembly on the projects and activities being funded as well as the implementation modalities.

Mr. Speaker, Sir, details arose from the Minister's speech yesterday saying that often times, there are promises from the development partners but they are not implemented until later in the course of the Budget. So, the purpose of this recommendation is that in the course of the year, can Parliament have an opportunity to know those that have made their promises good, know the costs of implementation and also gauge the absorption

capacities of the funds that our countries have given, and also to check the performance and oversee the implementation of the activities. So, we hope this is a very strong recommendation. We should be able to in-build support and also realign activities and monies mid-way in the financial year.

Mr. Speaker, Sir, the next issue that we quickly looked at in terms of our report in Nairobi and the current position is donor funds and Resources mobilization. Most of the issues raised in the Committee Report were addressed. Disclosure of donor support in this sector has been done. However, there is need to ensure that the Secretariat takes the lead in the mobilizing resources for all organs in form of direct disbursements from the Partnership fund.

The Committee specifically recommends that in addition to the existing Memorandum of Understanding (MoU) on the Partnership Fund the Secretary General should put in place a clear resource mobilization strategy. In the speech by the Minister yesterday, he did mention that there is going to be a protocol on development funds. As a Committee, we believe that whether we have a protocol in place and we also have some existing MoUs. In the Minister's speech, there was also an elaborate observation in terms of how this fund is managed and how the Secretariat and the rest of the Organs participate through his leadership to access these funds. We really think that if we have a resource foundation strategy, then we shall know our allies and we shall be able to know the strategies. So, we think the way forward is to have, among others, a clear resource mobilization strategy so that all sectors and institutions feed in and then the outcomes have targets and research and outreach out there.

A remittance by Partner States was an issue that we did raise in our report in Nairobi. We are glad to report as a Committee that the Committee commends the commitment of Partner States in fulfilling their commitments and those that are yet to complete their annual contributions have presented a clear road map to do so as per the Minister's speech yesterday.

Hon. Members, you remember that in the Nairobi meeting, this matter came up because one of the recommendations of the F&A was that at the time of budget, if there are any monies that have not been expended by the EAC organs, it should be refunded to the Partner States. So, we had to grapple with the issue of whether it is absorption capacity or timely remittances of our monies. As Members of Parliament, if we get answers to such issues, then we are able to move and play our oversight role. So, we are happy that while monies are here in time, they should be able to be absorbed properly and have clear output on implementation so that the issue of F&A does not arise that money finds its way here and then at Budget time it goes back because it was not expended. That is an issue that has been addressed.

The next item is on budgetary allocations. We have struggled in the last few hours to get some specific observations. If you look at annex 1, the budget is structured into eight sub-sections as follows:

- (a) *Office of the Secretary General*: Most of the issues raised in the Nairobi session were addressed. We also recognize a few changes in the budgetary allocation to the office of the Secretary-General. However, it was noted that the ultimate goal of the office of (Defence Liaison Offices (DLOs) and the Department of Peace and Security in the Deputy Secretary-General, Political Federation (DSG/PFs) office is the search for stability of the region. The Committee recommends that these two departments be structured under one office. This has been a persistent issue since we began interfacing the budget process for two clear reasons. One is that when you look into the details of the mandates of these two departments, they have the same goal of achieving stability in the region. One core activity they are working on is the protocol for defence, peace and security and the activities they hold, therefore, will in a way have the same stakeholders and, therefore, you will end with duplication of activities.

So, it was noted that once these departments are structured under one office, it would go along way to avoid duplication of duties but also bring out the core competences of each of those organs. One of them deals with issues of defence; others handle matters of intelligence while the others deal with issues of police. But the ultimate goal for all these stakeholders is to achieve stability within the region. When you look at the budget allocations in the annex 1 of the MTEF, we are even proposing areas for revisits because we realize that there is duplication when we can actually find other sectors within that same framework to use those monies to achieve a better output with the money that those two departments have been allocated.

Mr. Speaker, Sir, under the office of the Secretary-General, I would now like to move to the department of Corporate Communications and Public Affairs, which has been allocated US\$415,000 for the re-branding project. But you will also recognize that some departments in the same departments in the Secretariat still have budget lines for media relations and publicity. These should be consolidated under this Department to enhance coordination and to promote efficiency gains. It was also noted that the current setup of the structure may not be in favour of the Assembly and the Court, which have media and publicity needs different from those of the Secretariat.

Honourable Members, you may have already realized that while we are under the same goal and family, we definitely have different mandates which could be mutually supportive but distinctive. Therefore, it is important that while we are working on the EAC re-branding project, the different needs for media and publicity for the Assembly be distinct to that of other organs of the Community, for example the Court and also the Secretariat, because one arm is the legislature and politicians are quite different from the Executive and technocrats. I don't have to give you clear examples, but a snapshot of the media clips since December will tell you a story that we are not the same and we do not therefore serve same media and publicity needs. Therefore, while we can work mutually together, I think we need distinct media and publicity structures.

On that note, the Committee recommends that the Secretary General puts in place a clear communication (media and publicity) policy for all the organs of the Community. We

recognize that in the budget, there is provision for a media strategy and experts. But as a Committee, we think that when there is a media policy, then all other organs will factor in and lodge in their needs so that we are catered for differently in our unique mandates, distinct as they are.

Honourable Members, the Secretary-General's office is made of three distinct departments; the Defence Liaison Office, the Audit Department and the Corporate Communications and Publicity Department; and of course, his general office as the Chief Executive of the Community.

I would now like to move to the Office of the DSG/PF. This is another important office as you have seen as the core centre in the budget. It was noted that the Office has a broad mission which includes the transformation of EALA to a regional parliament, review of protocols and documents from bodies such as the African Union amongst others.

It is the considered view of the Committee that the budget for this office reflects this by having clear activities geared towards achieving its mandate. This would include the federation of East Africa, preparation of EAC documents, output driven initiatives on peace in the region rather than hiring consultants to review documents from other jurisdictions and playing a lead role in transforming EALA into a regional parliament.

When you look in the annex documents we got yesterday, this department is planning to hire a consultant to review an AU charter on governance and democracy. This is not our document as EAC, although we have partnership with AU. So, as an Assembly, we were asking ourselves, why would anybody want to review a document for which you are not the core owners? It is hardly three years the one we have accessed. So, why is EAC planning to hire consultants to review this document? But if you look in the annexes there, it is a pertinent question we are asking and we think that this department is very critical. If we must build linkages of regional institutions, then we should be asking questions on how we get there, and we want to ask ourselves whether we should be able to formulate or to build on what already exists without necessarily bringing documents whose ownership can be questionable.

Mr. Speaker, Sir, there is a very close relationship between the office of the DSG/PF as earlier indicated to the Defence and Liaison Department. This sector has a department under it called peace and security and their mandate is closely related to that of EALA. So, at an appropriate time, you realize how it is very important to link this office to the mandate of EALA and then to build the synergies for governance, politics and political federation. If you look in our document, you don't see those synergies or linkages. It is critical that this comes out in the budget but also in the strategic plan and in the future thinking of how we want to build the political arm and the political governing institutions of EAC.

On the office of the DSG/FA, it was noted that the overall increment of the budget for this office was US\$1.5 million with the biggest allocation going to the Human Resource Department mainly for training. This was clearly raised in the speech of the Minister. The

relationship of this with the Committee's report in Nairobi is that we raised concerns under this department and we gave an example of training in ICT. But there were other issues we were asking of how much we want; the competences we need from the EAC in terms of training. We have hired professionals to do a job here and they have to do it to their capacity. But there must be a balance. If we are going to have an office leave the Community to train for four or five weeks, it is an issue to us and how much it will cost. At the same time, we want to understand how much they can do without that time limit.

It was however noted that the proposed expenditure of US\$103,500 (pg54) would be a waste of funds particularly for the travels to the EAC Ministries. You find that the department is planning to travel to the five Partner States to have consultative meetings with relevant departments under their jurisdiction. But when they finish those travels, they will have another meeting to harmonise what they have been discussing independently. We would like to echo the position of the House and the Committee in Nairobi that we engage the intranet services. We would like to see the Community discuss issues using email and internet and then meet to resolve the outcomes in one or two meetings. If you go to that page and you see the costs, we think this is not the best way to utilize this money. It came up in the Nairobi meeting and it still stands. This is just an example but I think at an appropriate time, Members will be able to show areas where we can save money and do a good job for East Africa.

Office of DSG /P&P: It was observed that over 43% of the budget for the Directorate will be used on consultants; an indication that there is over-reliance on consultancies, hence putting to question the competencies of the professional staff. Note was also taken of the colossal amounts to be spent on individual consultants. It is therefore prudent for the EAC to hire short term experts with fixed terms of service to do special assignments and the savings be utilized to fund priority areas.

I would like to draw the attention of Members to this department of Projects and Programmes. In our quick calculation with my colleagues, the meaning is that for every US\$100 that you bring to this Community, you are sure to have US\$43 of it going to a consultant. If you go to "Annex A" and quickly look through; those of you that are mathematics compliant, that is how it is. To us, we think this is an issue that the first Assembly fought so hard to get staff here because we had a lean and small Secretariat. Since then, the Secretariat has grown.

If you want to know the capacity of human resource, we have over 100 staff. So, we are beginning to ask why we have parallel staff in terms of consultants and consultancies. We might be wrong but I think as Members, this is an issue that we want to sit down and discuss with the Council of Ministers. Therefore, the meeting of Saturday was a big missed opportunity for us because we really that was the time to say, look, why are you hiring people at this cost when you are again paying people at this cost? Is it an issue of donors putting conditionality? Is it an issue of competences? Do we want to think too big as EAC? What does it cost us to bring East Africa to the people? Those are the small questions we were asking as Members of this House when we looked at the bulk that is going to consultants.

I want to add this: Each and every department of the EAC wants a consultant. There is the new wording of early warning. When you go to the department on food security, we have been struggling on the issue of availing food security in East Africa. They want money to hire a consultant to bring early warning tools so that we know when we are hungry as East Africans. But we know that there is hunger in most parts of East Africa. Don't we come from this Community? There is another one on early warning. They want a consultant to develop a tool that will be able to cite early warning on insecurity in the region. After that consultancy has been done, we will be bringing in a consultant to track when the early warning is likely to take place so that, that is mitigated.

We have had conflict in Northern Uganda for the last 21 years. We have conflict in Burundi. These are questions we are asking. If we are wrong, the Ministers should tell us. But really, I come from Uganda. If you ask me, I would not ask you to pay me as a consultant to tell you that there is a problem there. But there is also what we call the APRM. If you look at the APRM mechanism, it would tell you where there are potential areas of conflict in your country and all our countries have subscribed to the APRM which is an AU framework where we have gone most of the times as EAC. So, what is new that these experts are bringing to us?

We have the International Conference on the Great Lakes Region based in Bujumbura. The EAC fully participated in the formulation of this framework. It has a protocol on peace, stability and development. So, when you are getting somebody to get you a tool, why don't we utilize this Burundi framework? Each government of East African is paying to that regional body. We are paying money there every year, there are experts there doing the work; so, what is it that we want to do that is different from this regional network?

As a Committee, we have said, okay, we must provide money for people to travel within the region so that we can bring those synergies together. So, those funds are what we are now questioning because they still exist in the document in the annex A and with the support of the House, we want to ask the Ministers that let these funds be re-allocated in this financial year to other priority areas because we should not duplicate efforts.

I would now want to move to the Directorate of Customs and Trade. The Directorate received a further boost from Development Partners to run its activities. It is the considered view of the Committee that more effort should be geared towards establishing a fully fledged Customs Union by 2010 and therefore the activities should reflect this spirit.

The Committee however raised concerns over the continued delay in the implementation process of the competition law passed over 3 years ago and hopes that the available US\$30,000 will be used to operationalise the provisions of this law. That is a clear case.

The Customs Union is progressing; it has been in effect since 2005. When we were discussing this directorate and the monies under it, if you look at annex 1, it reminded me

of a Parliamentary heated debate back in Uganda where monies were allocated to build valley dams in the cattle corridor. At the appropriate time, money had been spent actually, but Members of Parliament in Uganda began questioning where the valley dams were.

There was a Committee that went to see where those valley dams were and whether they were operational and whether those cattle corridor people were no longer suffering from the problems of pastoralists. They did not see valley dams. So, they came back to Parliament and made a report to say that there were “air” valley dams; that they did not see valley dams and, therefore, the Ministry should account for that colossal amount of money. In his response, the then Minister said, “You see there is an issue of functional illiteracy. The valley dams are there but because you are functionally illiterate about dams, you do not see them!”

I have been having problems as a Member of Parliament to say that I see the Customs Union working. There have been issues of tariff and non-tariff barriers. In fact, even in our budget at home, issues are raised on the customs union. But we really want to see something visible as East Africans from the Customs Union before 2010.

In this budget, we thought that by now, we should be having at every crossing border some cooling terminals. You know, we are agricultural based economies. We have perishable crops. Why don't we surprise East Africans by one day having cooling terminals at every border so that when a trader comes with his milk, tomatoes or bananas, they would plug into that cooling terminal, because they take hours at the border! So, instead of revving their engines for three or four hours, they can put a user charge, but let there be cooling systems for the merchandise as they clear their documents to cross the border.

We have milk rotting and being poured in one part of the region and people starving of malnutrition in other parts of the region. Similarly, we have maize, bananas and tomatoes rotting in one side of the region. The reason is that we have not provided that support facility to ensure that fresh food reaches every part of the region. This is something that we should be able to do during the life of the Customs Union. I think it is a good way of re-branding the Community. That is something visible and beneficial to the Community. It is a real customs arrangement.

On the Lake Victoria Basin Commission the issues raised by the Committee in the Nairobi session are still valid. The concern of the Committee is that there were no Partner State commitments on funds. The development funds are there, but we think that if we have 30 million people living on the lake, and they have serious challenges that are being funded by donors, it is only goodwill and political responsibility that our governments put some money in these areas. We have been told that development partners have made commitments to fund the Lake Victoria Basin Commission, but as Members of this House, we feel that even if it is ten shillings from East Africa, it makes a difference. This is because whatever is in the Lake Victoria Basin Commission now is support from the

World Bank and other donors. These are our people; 30 million of them, that we are addressing their issues using purely donor support.

I would now like turn to the East African Legislative Assembly. The issues raised by the Committee in the Nairobi session are still pertinent and very little effort was made to address them. While funding has been provided to increase the number of Sitting days by 10, no funds have been provided for Committee oversight over EAC projects and programmes nor the Speaker's residence.

Mr. Speaker, Sir, yesterday, the Minister did give a substantive statement on the EALA and he did say that the issue of more sitting days has to be subjected to some study so that they are able to gauge as Members of Council, how many days can go to the Assembly. We have looked at the amount that was given to the Sitting Days. It is not enough to take this Assembly anywhere, even at the Committee level. So, I hope that those funds for the 10 days will be used for something else so that we do not lie to ourselves. It has to be put to something else and not Committee work, because then we are going to begin fighting one another. We have seven Committees. At an appropriate, people might be able to unpack the amount that was allocated to this activity. But we should decide as an Assembly that we welcome the 10 days, but we have to find a way of making it useful.

I can see hon. Kimura is looking at me because her Committee has not moved out of Arusha since the Customs Union was implemented. But Hon. Speaker, Sir, we would like to request the Council of Ministers not to spend so much time on undertaking a study to find out how many days we need, because the role of the Assembly is clear, that we play an oversight role.

If we are going to give US\$1.5 million, US\$2 million, US\$23 million to any department of the EAC, it goes without saying that those funds must have an oversight of the legislature. The most you can do is to do a percentage of those funds for oversight work. There must be something that must oversee those funds' implementation. This is now quick consultancy that we want to share without doing studies.

For every amount of money that you allocate, there must be an oversight function. For instance, if you allocate US\$23 million, 2 per cent of it goes to oversight organ of the Community. That makes a difference, because if it is 2 per cent or 1 per cent, then the relevant Committees of the Assembly will oversee the implementation of those funds. So, if that is okay, then the study by Council is concluded. The mandate of the Assembly is clear. This particular issue of oversight for Committees cannot be debated here. It is not a new thing; we are not reinventing the wheel. All Parliaments in East Africa have oversight function and EALA cannot be an exception.

The other issue the Minister raised was that they are going to develop a policy to see whether the Speaker can be resident. On behalf of the Committee, we would like to save the Council of Ministers the formulation of a policy. A policy takes long; you must consult people, hold workshops, and travel to capitals and so on. There is a history to how people become resident in Arusha. I would like to quickly share with the Hon. Members

and Ministers that since this Community began about 14 years ago, it has not been easy to get staff here, but somehow, it worked. I want to begin with the first Secretary-General, Ambassador Muthaura, a very distinguished East African, who is currently the Head of Civil Service in Kenya.

When he got here, the salary for the Secretary-General was less than what he was earning in Kenya. They did studies by eminent persons, they consulted and at the end of the day, there was the F&A, Co-ordination Committee and Council of Ministers. They said that, you know what, you cannot increase the Secretary-General's salary and emoluments because he is from Kenya. He has to deal with what the EAC can afford. It was a very difficult decision for the EAC then, because they wanted a Secretary-General who had gone to work on the Treaty and move with the Secretariat. At that time, it was decided that Ambassador Muthaura would earn his salary from Kenya to make him stay here and work, in all fairness. That is one example. That is now history because it taught us that you need to pay somebody well to do a good job. Today, it is no longer an issue of salary for our Secretary-General. It is not on the agenda of the Council of Ministers.

So, honourable Members, the Minister said that he takes cognizance of the Assembly's needs and requests to have resident ministers. I wanted to ask a question on behalf of the Committee. This is the Assembly's request and urge. What do the Ministers think? They are Members of this House and they decide about the privileges of the Assembly. In their own opinion, what do they think about their Speaker? The first Speaker of this Assembly was from Tanzania. He had a home in Arusha. When we began battling for him to be resident here officially, he said leave it. In the last Parliament, we tried to add money that we put in asking consultant studies so that we get to know what a Member of Parliament at a regional level should earn and what should be the Speaker's status. Up to today, that question has not been resolved. There is a saying that we are part-timers.

I also want to talk about what the Minister said here in terms of the legislature. We want to look at the status quo of the heads of the organs of the Community. The Chief Executive of the Community is resident in Arusha. All the heads and deputies of the directorates and departments are resident in Arusha; there was no policy on that. It goes without saying that when you give somebody a job, then you facilitate them to do their job. They are resident here. The only organs that are not resident here are supported in their capitals. The Council of Ministers are Ministers in our capitals; they have offices in our capitals, they are paid by our national Parliaments and get Cabinet allowances. So, that one is also covered. The Summit is an Organ of the Community. They have State Houses, they are catered for and they are comfortable. The President of the East African Court of Justice is serving in the Judiciary in his capitals and so are the judges. They are catered for under their respective judiciaries. So, the only office that remains is that of the Speaker of the EALA. So, are you going to write a policy for one person? *(Applause)*

So, the Committee is thinking that we want to save the Council the burden of writing a policy for one running office for seven years. Our Speaker comes from Kenya. We understand it takes only two hours to reach Namanga border. But our Speaker comes

from North Eastern Kenya, in Mandera. Recently, we were all at home, because when we close we all go home.

The Constitutional Court in Uganda nullified the election of the Uganda Members. But the Treaty says that for anybody to leave, he must be in touch. So, we began looking for him. In Mandera, there are places where there is network and others that have no network. We were calling our Speaker because we were ambushed by the media hype and all sorts of written communications around us. So, we wanted refuge. The only refuge we have as Members is our Speaker. So, when you talk about getting the Speaker... whether we can access him on network or in mail or an office, it is not business as usual. We want our Speaker here, and, thank God, there are windows.

We would like to propose that there is going to be a Summit on the 26th and we would like to save the Ministers from formulating policy on one person's office. We need to take this matter to Summit. It has been on the table for the last seven years, between the Secretary-General's office and the Council. Can we take it to Summit? It is a political decision not a policy issue. *(Applause)*

So, I want to recommend on behalf of the Committee that this issue goes to the Summit in Kigali. How it gets there is a matter of semantics, but to go, it must, according to us, so that come July, the Speaker is here. If I die, he will organize so that I am buried with honour because I am a Member of this House.

(Applause)

In the last Assembly, we lost two Members. One Member perished in a plane crash on his way to Marsabit to address issues of conflict. Another Member of this House died because he was sick. Because of the nature of our work here, we did not have a Speaker when those two incidents occurred and we suffered. The Clerk could not take decisions. We had to buy our own tickets to find our way to Marsabit to bury Gen. Aden because there was no way we could find the Speaker. The Speaker found his way there also, because we did not have the head of our organ to help us organize ourselves to bury one of our own in honour.

I am giving you clear examples where you cannot afford to have a head of an organ in absentia. I can go on and on, but that is it for the Speaker and I hope that this is a matter that should be put to a close. This is a political decision. We have exhausted all official channels at policy and Council level and I hope that the Summit will listen to us. I also hope the Ministers will support us so that they don't bother with the policy issue.

As I concluded on the Assembly, there is the issue of the Committees. The implication of this is that the Committees cannot carry out their mandate to oversee EAC activities. Similarly they cannot effectively support the plenary which therefore undermines the whole essence of a parliamentary institution. It is expected that once funding is guaranteed by the Partner States, the Committees will find time and space to carry out their oversight role and to provide the necessary checks and balances over the EAC activities driving for the integration process.

When you peruse the development strategy, you find that we need to review the development strategy in the sector of EALA. It does not come out strongly and, therefore, EALA must have its own strategic plan properly laid out and the mandate clearly comes out. So, we would like to recommend as a matter of urgency that EALA must have a clearly laid out mandate in terms of the development strategy and also move towards financial autonomy. It is a big irony that EALA must inflate its mandate of oversight when the same structures that gives this money. You will never get money to do oversight if you do not fight for financial autonomy.

I would now like to move to the East African Court of Justice. The court received additional funding of US\$200, 000 for sensitization workshops in the five Partner States. The Secretary General is urged to structure the workshops in such a way that the rural populations in East Africa have access to the court as well. There is lack of knowledge about the Court, so we hope that the Secretary-General will be able to help out and ensure that the intended output of these meetings achieve their goals.

General Recommendations

It is recommended to this Assembly as follows:

- (i) The Assembly do pass a vote on Account for four months to enable the Secretary General and the Council of Ministers have sufficient time to address its concerns;
- (ii) Any vote on account passed by this Assembly should exclude expenditure on consultancies until the process is streamlined; travels and per diems not directly related to the integration process and outside the EAC regional and funding for the EAC Ministries and/or Partner States.

Honourable Members, if you look in Annex A (1), the Secretariat has budgeted for Partner States. As a principle, this is the first time we are seeing the EAC budgeting for Ministries in the capitals. There are budgets for ICT bandwidth for Ministries of East Africa, and they have done that for only three countries and we do not know why. But for us, as a principle, we think that we should not budget for Ministries. I want to give the example of Uganda.

Uganda has a fully fledged ICT Ministry. I think my Minister would be offended to hear that we have budgeted for ICT in Arusha when the Ministry is doing all it can to ensure that we are all ICT compliant. So, I think if there are any ICT needs in the Ministries for East African Community affairs in our capitals, we should be told and then we can see how we can work within the budget ceilings of those Ministries at home to facilitate them, not to use our small ceilings to support Ministries of East African Community. We found that was not right as a principle. We could be otherwise advised, but that is an area that definitely we do not support as an Assembly.

It is a contradiction because your own institutions here are not yet well structured and facilitated: We do not have offices at EALA and you now want to give ICT support to Partner State ministries when your own do not have offices or residences?

There is also a budget item on per diems and subsistence allowance for fast-tracking Rwanda and Burundi into the EAC. But if there are ministries in those countries that are dealing with EAC affairs, the best thing to do is to recommend that they be facilitated as ministries to build their capacities as ministries so that there is that synergy and linkages for fast-tracking. The impression we have in this document is that people are going to be hired and then they become liaison officers and then they travel to Burundi and Rwanda. We might be wrong, but we want to have it the other way round; to build the capacities in Rwanda and Burundi on synergy so that there is a relationship, and then we make those ministries and departments to be compliant to the EAC integration agenda.

- (iii) The Audit Commission takes note of the concerns of the Assembly and to put in place control mechanisms to strictly follow on what the granted sums will be spent on.
- (iv) The next budget for FY 2009/10 should commence early in the financial year to enable the Council and the Assembly review the provisions at least 21 clear days before its passage in the Assembly. Hon. Members, you realize that our Committee did not emphasise so much we struggles we went through Nairobi and now because we did not have time. It was just difficult for us to make any serious input and lobbying. Therefore, we feel that time is of essence if we are to do budget. We also want to request that the Budget Bill be given the priority it deserves. Hon. Speaker, Sir, met the Chairman of Council in February this year and we had also met the Secretary-General over their input in the Budget. We were advised that we should write formally to the Council of Ministers for a formal input into this Budget. This is four months now. It is taking too long for us to have the budget framework in place. This problem we have seen since Nairobi is because we don't have a clear framework to do our own budgetary allocations. So, we are pleading as a Committee that let this issue find its way on the agenda of the Council of Ministers. There is going to be a meeting, I hope, before the Summit. There was a meeting on Saturday and I don't think it was on the agenda. It is such a critical item and we get the budget framework out of the way. The budget process begins in October and we might be too late now. If it had been agreed on by now, we would have had it in Kigali because all the Heads of State will be in Kigali. There is no better way to get Heads of State into one place, but that is an opportunity lost, I think, but I hope that this is going to help us move on.
- (v) The existing MTEF format should be maintained with necessary improvements and modifications. When you look at the document on annex A, of course, there are still glaring issues of coding system. But thinking of the time we took, we don't want to complain so much. We hope that this is the way to go and, therefore, we need to keep improving and adding modifications and it is going to help us to have deliverables.

- (vi) More funding be availed to sectors of the Secretariat organs and institutions including the East Africa Railways and Power Master Plan, industrial development, Agriculture and Food Security, Tourism and Wildlife sector, Education, Statistics, Library Services, Assembly Committees, the Lake Victoria Basin.

Hon. Speaker, Sir, I just wanted to share with Members the issue that we have as a Committee on the Minister's speech in relation to the document that they annexed. In Nairobi, we raised several, but we want to request that the preparation of these documents should take care of the sensitivities of consistency, because it creates a lot of mixed feelings and suspicions.

For example, on page 7 of the Minister's speech on the East African railways master-plan, which is a very crucial issue according to us, the Minister said that "the study has been completed; the relevant Committees are studying the report with a view of making recommendations to Council for a decision. The fund during this steering Committees approved US\$300,000 to undertake relevant activities relating to this project." Now, when you go to page 59 of the MTEF, annex, you go to output three, the strategic intervention reads: "To develop and implement an East African Railways Master plan. Output 3: East African Railways Master plan implemented. Activity: Hire a consultant to prepare a master-plan." Then, of course, the usual story; there would study, air ticket, subsistence and so on.

So, if the Minister reads this statement in a speech and then you go to the strategic plan and the intervention and activity is different and the speech is different; it is so difficult for any Member of Parliament to just say, okay, just pass this budget because it is read by your Minister. It is so difficult. We have political accountability to give. So, that is just one example that we think as Members, we owe accountability to our people. For every shilling that comes to East Africa, it should not only come in time but should also be utilized very well and that our documents should be consistent. If there are issues of competences, we can share as Members of Parliament and technocrats.

In conclusion, the Committee only received the final budget document yesterday and spent the entire evening reviewing the provisions therein. Some effort was made by the Council of Ministers and the Secretary General to address the Assembly's concerns. The Committee appreciates the limited time they had to streamline the budget and it is therefore only prudent that we recommend to this Assembly a vote on account totalling a third of the budget be approved for four months taking in our reservations, to enable more time for the Secretariat to streamline the EAC budget which hopefully will be passed in September 2008. We have attached as an annexure some of the areas of concern for ease of reference.

There was a similar annexure we did attach in Nairobi. We gave just one of the sectors, but all of them have a similar story. They all have consultancies and travels. We do not

have any problem with travels, but they must bring clear outputs. We have no problem with workshops, but they can never be an end. They must have an output.

I thank you, Hon. Speaker, and honourable colleagues. I beg to move. (*Applause*)

The Speaker: Honourable Members, I wish to recognize the presence of Her Excellency, Anne Barrington, the Irish Ambassador to Tanzania, Kenya and Burundi, who is based in Dar-es-Salaam. Ireland is one of the supporters of the EAC in our integration efforts and we thank them for that - (*Applause*).

Secondly, we also have a delegation from (??) who are at the EAC to work out modalities on how to support the EAC - (*Applause*).

Debate is open now.

Mr. Gervase Akhaabi (Kenya): Thank you, Mr. Speaker, Sir. From the outset, I wish to sincerely thank the Chairman of Council of Ministers for a few things. The first one, I wish to thank him for recognizing the need to improve the budgeting process in the EAC. As hon. Wanyoto has said, this is recognition of partnership and complementarities between the organs of the Community and this is something that we should be encouraged and institutionalized.

Mr. Speaker, Sir, I also wish to thank the Minister for seeing the need to enable the organs of the Community to work more closely in ensuring that the EAC presents a budget that is wholesome and focused. He has recognized that need in his address, but the question is; is this budget as presented to this Assembly wholesome and focused? This is a question that we are called upon to look at, examine and answer.

Mr. Speaker, Sir, the Chairman of Council has also identified and isolated eight strategic objectives of the third development strategy. The question is; even as revised, does the budget go out to meet the requirements of this development strategy?

He has also recognized the need for improvement of inter-organ co-ordination and relations and classification of the roles of the different organs. I think this is a very important development in the Community because as we have said several times in this Assembly, Articles 71(1) (o) and 14(2) contemplate this kind of co-ordination in the relations between the organs of the Community. But unfortunately, up to this point, there has been very little effort to promote this co-ordination in the relations and the clarification of the roles.

Mr. Speaker, Sir, the Assembly has very broad and specific functions. Among the functions that the Assembly has, if you may permit me to read Article 49(2)(d); which reads: "The Assembly shall discuss all matters pertaining to the Community and make recommendations to the Council as it may deem necessary for the implementation of the Treaty." The point here is, "discuss all matters pertaining to the Community." There is no exclusion. "as it may deem necessary for the implementation of the Treaty." With this

function in mind, it is regrettable that in his address, the Hon. Minister seems to suggest that the Assembly's work is limited to debate of Bills presented to the Assembly by the Council of Ministers. It is not - *(Applause)*.

The functions of the Assembly go far beyond legislative functions. There are legislative functions which are core. There are oversight functions which are very important as has been emphasized by Hon. Wanyoto. There are representation functions which nobody is talking about. I was elected to this Assembly by the Republic of Kenya through the National Assembly. I represent the Republic of Kenya in this Assembly. Therefore, I have a representative role when it comes to Kenya's position in relation to the affairs of the Community. I have a responsibility to report to my constituency; the Republic of Kenya. It is an important responsibility that cannot or should not be minimized.

Mr. Speaker, Sir, when you look at this budget as presented to this Assembly, you get a stinging impression that this Assembly is an ad hoc Committee of either the Council of Ministers or the Secretariat. This is not the position. The position is that this Assembly has a responsibility to the people of East Africa in the implementation of the Treaty. Now, how do we do this? We do it by legislating; putting in place institutional and legal framework to move this Community for the purposes of widening and deepening the integration process in the EAC, with a view to eventually achieving a political federation. This has to be taken extremely seriously.

Mr. Speaker, Sir, what is happening here is that there appears to be a case where a section of the EAC leadership appears to have lost a sense of where we should be moving. We should be moving towards attainment of the objectives of the Community; that is to help our people and create a prosperous and secure East Africa. How are we doing this? Are we going to do this by having seminars in hotels by bureaucrats and even Members of the Assembly? No. We must put in place institutions and legal framework and other mechanisms to enable the people of East Africa to benefit from the integration process.

Mr. Speaker, Sir, Article 55(1) of the Treaty states that; "the meetings of the Assembly shall be held at such times and places as the Assembly may appoint." It is the Assembly that decides when and where it should meet. It is not the Council of Ministers. It is, therefore, contrary to the Treaty to which we have appended our signatures for the Council of Ministers to say that they are going to commission a study to know how many sittings the Assembly should have - *(Applause)*.

Mr. Speaker, Sir, if you read Article 55(1) together with Article 60; again with your permission, if I may read it: "The Assembly may make amends and add or revoke rules governing the procedure of the Assembly." It is the Assembly that makes rules and those rules include the rules as to when it may meet and when it may not meet. The Assembly has made rules. Rule 11(o) is very clear. The Assembly shall sit for at least 80 days of plenary. Now, Hon. Speaker and Members, the Council and the Secretariat come and say, you can only sit for 60 days including Committee. The same Article says there shall be at least 40 days of Committee work. So, it is 80 and 40; at least 120 days. For Heaven's sake, let us respect the Treaty - *(Applause)*.

If we do not respect the Treaty, we are cheating the people of East Africa. This is the constitution. In Germany, they would call it the grand norm. This is the basic law that should govern us. You can do anything but do not abuse the constitution. Do not breach the constitution. I am very sure that the Hon. Chairman of Council, the Secretary-General and a number of Ministers in the Council, including the Counsel to the Community, are seasoned lawyers and they should be in a position to advise properly on what should happen.

Mr. Speaker, Sir, in the year 2005, the Members of this Assembly went to Court for interpretation. We don't want to go the East African Court of Justice again for an interpretation of Articles 55 and 60. Surely, it would be a waste of time and we would be demeaning ourselves. It is necessary that we simply agree that this House determines the time and places where it should sit.

Mr. Speaker, Sir, the issue of oversight is sensitive. The problem is that this Assembly does not have financial independence. The institutions and organs over which the Assembly should exercise oversight functions are in control of the purse. They don't want to have oversight done on them. I think this is an appropriate time to have this Assembly have its financial independence.

As has been said by Hon. Wanyoto, if our very good friends from Ireland, Britain and Germany are giving us funds, and we are not in a position to see how these funds are being used, we may be in a conspiracy to defeat the generosity of these good people. Do we want to do that? I believe that it is important that the Council of Ministers and the Secretariat take it upon themselves that it is important that they appear, even if they don't do it, to be doing things properly. It is very important that there is transparency. There can only be transparency if there is oversight.

This Assembly as we are seated here in plenary is not going to exercise oversight. That can only be done through Committees. It is Committees that are going to scrutinize. Now, if the Committees are told they cannot be funded, can there be any oversight? The answer is no. So, I take this to be a strategy to conceal what is wrong.

Mr. Speaker, Sir, the only constraint on this Assembly in terms of its legislative, representation and oversight roles should be availability of the work itself and the funds to facilitate those activities. It should not be the honourable Members of the Council or the Secretariat.

I wish to conclude by saying that I have briefly looked at the budget and it does not impress me as a big departure from what we had in Nairobi; it is not. There ought to be seriousness. I would, therefore, support the recommendations of our Committee that we only pass or approve such of the funds for activities that they have proposed and nothing else. Let this thing be done properly. Let us set standards for the East African region. Thank you, very much.

Mr. Wandera Ogalo (Uganda): I thank you, Mr. Speaker, Sir, for giving me this opportunity to contribute to the Motion, especially after the eloquent speech by the great Akhaabi - (*Laughter*).

Mr. Speaker, Sir, let me begin by commending the Council of Ministers for the step they took in Nairobi to have the budget reviewed to meet the expectations of the people of East Africa. It was a great step because this Community has come from very far to reach where you reached in Nairobi.

Mr. Speaker, Sir, and Hon. Members, that is how it should be; that the organs of the Community should work and consult together in order to commonly serve the people of East Africa. Whatever we do or say in this Assembly, we have East Africa at heart. We do not say it for ourselves, but for the people of East Africa. When we raise the issue of the railway master plan, it is because we want better transportation for the people of East Africa. When we talk of the energy master plan, it is because we want to address the small industries which can make people earn a living from the small scale industries. We say all these things for the good of East Africa. We do not say them for ourselves. Sometimes it is misconstrued when we raise these issues. Sometimes the Council of Ministers ignore the Members. I plead with you to judge us not by what you hear in the corridors but by what you hear us say on the Floor of the House - (*Applause*).

Mr. Speaker, Sir, the fact of the review of the budget has vindicated the Assembly. This is one of the reasons why I was thanking the Council of Ministers for taking that step. It is necessary for us to relate to each other; always looking at the common good at the end of the day. There are always very many obstacles in doing that. The appointment of you, Hon. Ministers as Ministers in charge of East Africa did not come easy. It was fought for by the first Assembly - (*Applause*).

It was opposed at every stage and the first Assembly took this matter to all the then three Heads of State; Presidents Mkapa, Moi and Museveni, to plead for the appointment of Ministers for East African in order to provide political supervision in Arusha - (*Applause*).

That is where the problem is – political supervision in Arusha. I plead with the Council of Ministers to help us; to help the people of East Africa and provide political supervision in Arusha.

Mr. Speaker, Sir, there is also some good which has come out of the board, and the goodwill of the Council of Ministers. We have now been able to look at this Partnership Fund. We have now been able to bring it under scrutiny. That is how it should be; that all funds that are put to the use of the people of East Africa have oversight by this Assembly. However, I will make a proposal for the Ministers to consider in their wisdom. Presently, the Partnership Fund is governed by a Committee which comprises, among others, of Permanent Secretaries from our Partner States.

In my humble view, these being funds between East African Community and development Partners, there is no role for Partner States' Permanent Secretaries. I think the role should be for the Community and the development partners. So, I would rather that instead of the Permanent Secretaries, the Council of Ministers should constitute part of that Committee or recommend two or three of them to go on that Committee, together with the Speaker of the EALA. That would give proper oversight over why that money should be looked out in terms of the organs of the Community.

What is the role of the Permanent Secretary in a fund where he does not put any money? The money is specifically put there by the donor community and the EAC. I would understand if our Partner States were to put their funds in this Partnership Fund. But to give it wider oversight and inclusion, I think that instead of only technocrats from the organs, we should have the heads of those organs, which would include also the President of the EACJ.

Mr. Speaker, Sir, on pages four to five of the report of the Minister, he states that the pledged funds are going to be allocated from this Partnership Fund; Common Market negotiations, US\$1 million; support for EPA negotiations; US\$1 million, capacity building for EAC Secretariat; US\$1.9 million, fast-tracking Rwanda and Burundi; US\$600,000 and support to studies US\$2.3 million; a total of US\$7.3 million. I have essentially no problem with that, but my only concern is the generality.

I would need to know more about the activities of this money. For example, I would need some assistance on the studies which include trade. I would need some assistance from the Committee on Trade to advise me about how this US\$2.3 million is going into studies. I would need some help from the Committee on Regional Co-operation and Conflict Resolution on what it means about fast-tracking Rwanda and Burundi at a cost of US\$600,000. I would need more assistance in order for me to commit myself and say this money is for proper use. As it is, US\$1 million for common market and I have also looked at the details in the budget; the activities or outputs are not clear. I would really need some help in that area.

Mr. Speaker, Sir, the Minister did raise the problem of delayed disbursements from the development partners. This brings me to what Hon. Akhaabi was saying. The Minister said that sometimes the promises sometimes are not honoured. The question we should ask is why? Why would Germany say we would give East Africa US\$3 million and then refuse to give it? Is it because the money is not there? Is it because Germany does not want to fulfil a promise it made? Or is it because there is a problem somewhere and that Germany is looking and saying, but this money is not having proper oversight to do the work?

These are the questions we must address, and this brings the question of oversight by the Assembly. We should address that because even the donor is getting this money their taxpayers and they also have to account. So, there must be in our plans and activities, details of the activities we are going to carry out. If they sense that the money that they are giving is not being properly planned for, then they will say, we had this problem or

that, we will think about it next year. So, I would call for proper activities being planned for, relevant to the people of East Africa and that will be able to encourage the donors not to pull back after they have made the commitment.

Mr. Speaker, Sir, the Chairman Council of Ministers also talked at page seven on the Committee of Finance and Administration (F and A Committee). He stated that it is going to be reviewed for purposes of equal and quality representation. I have been going through the Treaty to find out the status of the F and A Committee. I have been trying to see who sets them up, what are their functions, so that I would be able to know where we can have an entry point in order to improve the budgetary process. Because at the end of the day, we are told that the F and A Committee more-or-less makes the decisions on the budget of the Community.

Now, the F and A Committee is comprised of officers from our Partner States, and among other things they come here mainly to make recommendations on how the budget should look like. Experience has shown that there is normally no difference between what the F and A Committee has determined as the budget of the Community and what eventually we debate here in the House. Therefore, we may say many words about it – the budget prepared by the Secretary-General, determined by the Council of Ministers, approved by the Assembly, but at the end of the day, the reality is, are we not simply rubber-stamping what the F and A Committee has said we should do? Are we not really just giving effect to what the F and A has done? So, that took me to find out the status of the F and A Committee.

My personal view is that the F and A Committee ceased to have relevance in 1999 when the Treaty came into effect and that it has no legal status at the moment and that the Council of Ministers should review the whole process with a view of managing the budgetary process in terms of Article 132 of the Treaty - (*Applause*).

Article 132 of the Treaty, Chapter 28 headed “Budget” - which we are discussing, now - provides that “*the budget of the Community shall be prepared by the Secretary-General. It shall be considered by the Council of Ministers.*” Part (IV) says: “*The resources of the Community shall be utilized to finance activities of the Community as shall be determined by the Assembly on recommendation of the Council.*”

The process of the budget is in the law; the Secretary-General - Council of Ministers - the Assembly. I want to be guided. Where is F&A in these provisions? It is something which was there before the coming into effect of the Treaty in 1999 when we still had a tripartite arrangement. That is when it was relevant. But when the tripartite arrangement ceased and we got a Treaty, somebody forgot to tell them that please go home - (*Laughter*).

And because of that, they have consistently, year in, year out, turned up here, purportedly to make the budget. I plead with the Council of Ministers that let us put into effect the provisions of the Treaty. Let the Secretary-General prepare the Budget. All we need from the Partner States is just official communication; a letter to the Secretary-General saying our contribution this year will be US\$3 million. That is all! (*Applause*)

And then, the Secretary-General will prepare the budget according to what they have said they will make available. Now, the Partner States are five countries. You will find that may be four people are sent from each Partner State in form of F&A and that makes 20. They fly here to say, for example, that Uganda is bringing US\$2 million. To make matters worse, they now purport to take over the functions of the Secretary-General by purporting to prepare the budget for us. We must really streamline this, because the budget has not had that proper lens because we have not followed the law on how we are supposed to manage our budget.

I will ask the Council of Ministers, if it has problems getting these people out of its hair, to go to the East African Court of Justice under Article 36 and ask for an interpretation: is the F and A Committee known in East African Community? Under Article 36 of the Treaty, the Council of Ministers can go for an interpretation from the EACJ; they can say that we are having a problem with our budget because whereas Article 132 says one thing, there are other people who are also saying different things; can you help us? And the Court would help us. It need not even make arguments; just a written request by the Council of Ministers and we will streamline this. But as long as we have the F and A Committee, we will continue to have problems with the budget. We may start blaming each other for so many things, we blame the Council, the Secretary-General; we blame ourselves that we are rubber-stamping, but the problem begins in the illegality of F&A. So, I will plead with the Council to find a way for us to comply with the provisions of the Treaty.

Mr. Speaker, Sir, I did listen very carefully to my Chairperson about the residence of the Speaker. The fight for appointment of Ministers specifically for East African Affairs was also alongside the fight for the residence of the Speaker. We have achieved one. We now have Ministers specifically for East Africa. We want to plead with the Council of Ministers to make provision for the Speaker's residence because, if we have difficulties, it will be that those difficulties we have created them ourselves. Go to any of these Partner States; the Speaker of Tanzania, Kenya, Uganda, Rwanda or Burundi; do they work from their personal houses? The provision is made for them for residence, for cars and everything, because of the recognition of the importance of what the office of the Speaker means - (*Applause*).

I am puzzled by the statement of the Chairman of Council of Ministers that we should wait for a holistic policy so that we can address all organs of the Community at a go. So, I went to look at the Organs of the Community in the Treaty which the Council is going to plan for. I found that the Organs are the following: The Summit. Are we going to sit here and start making residences for our Heads of State? (*Laughter*)

Really, if we don't have a reason to advance, then we give in and say you have made a point. The Summit, the Council, Co-ordination Committee, Sectoral Committees, EACJ, EALA and the Secretariat; those are the nine Organs. It is only the EALA whose head does not have a residence. What kind of discrimination is this? Even if you want to argue, it is very unfair; it is obvious. How much more can we say that? Even the arguments of

the Council of Ministers on the organs of the Community are not borne out by the facts, because we cannot purport here to start providing State Houses. So, what then will you force us to do as an Assembly to make provisions for the Speaker? You will force us to move and pass a resolution asking any Partner State which is willing to accommodate our Speaker to come to our aid - (*Applause*).

And if any Partner State says yes, we can give residence and office for your Speaker, we will take the Speaker there, because this argument has been on for so long. Every time we think we are making progress, now we come up with another reason that we must wait until we make a decision for all the other organs. So, if this matter is not given consideration, we can make that resolution to request a Partner State to help us out of this problem. It will not be good, but because we will have been pushed against the wall, we may do it. In the Partner States, the office of the Speaker is open all working days. The Speaker does not conduct his business only in plenary. The Speaker has to be there to work with all the other organs representing the Assembly. So, what when our Speaker, for example, is in Mandera? Who speaks for this Assembly? If the Secretary-General wishes to consult with him, where does he find him? We are told there is no network in Mandera - (*Laughter*).

Please, Council of Ministers, do not push us to a position of where we shall have to ask any Partner States which is willing to help out with a residence

Mr. Speaker, Sir, I fully agree with the statement of the Chairman, Council of Ministers that budget formulation is the preserve of the Council of Ministers. Likewise, I would also like to invite all who are concerned to also recognize that in as much as budget formulation is a preserve of the Council of Ministers, debate and approval or otherwise, is a preserve of the Assembly. We recognize your role and respect it, but we also want our role to be appreciated.

Mr. Speaker, Sir, lastly, the Minister did say that there is a requirement in the Treaty, which is not being adhered to, namely mobilizing resources for implementation of projects of the Community. I expect that if there is any organ which is doing that and it falls directly under the Secretary-General that would be an administrative. But more important is that such statements sometimes cause anxiety when we do not mention them. Who is doing it? Then, the Assembly starts saying, is it he talking about us or what? It would be good to mention so that we know how to go about it. But in case the Minister meant this Assembly, let me put something on record, which I hope will be laid to rest once and for all.

In respect of the Assembly some time ago, an issue was raised by the then Secretary-General about European Parliamentarians for Africa (AWEPA) funding. We had some assistance coming in from AWEPA. This matter was considered and taken and reviewed by the Audit Commission. The Audit Commission put that to rest by saying it did not fall within the specifics of mobilizing funds for implementation of the projects of the Community and that was laid to rest. So, if the Minister meant the assistance we get from Frederick Ebert Foundation, National Democratic Institute (NDI), AWEPA and so on,

that does not fall among these because it has already been determined and laid to rest by the Audit Commission which comprises of all our auditors.

Which then brings me to the question of funding; how did we end up with AWEPA? How did we end up with...? Two months ago, the Nangale Committee was working on something about natural resources through NDI. How do we end up getting assistance from NGOs? We have ended up there because there is no provision in the budget for Committee work - (*Applause*).

So, what did we do? We said; let us look for people who can help us. So, this is how we handle it. We go there, we work under workshops, seminars, but in effect, we are doing Committee work. Let us be very sincere and clear about this. When the Nangale Committee on natural resources comes out of Nairobi, they will come here in one day and say they are presenting a Committee report which was done with the help of NDI in Nairobi. Is that how we want to work for East Africa? They have very difficult conditions.

Let me be very clear about what happens under those conditions. One, they say they cannot fund direct activities of the Assembly. They say they cannot fund Committees or plenary because those are functions which should be funded by our Partner States. So, we go about it by claiming we are doing seminars and workshops. So, all we do is to get them to buy for us air tickets. So, they say, present yourself at such and such a hotel. We dutifully present ourselves at a hotel; they pay directly to the hotel management; we do not see what they are paying. They even pay for our food; full board and then at the end of the day, each one is given US\$20 out of pocket expense. Those are the conditions under which we work for the people of East Africa in Committees because there is no provision for money in the budget.

Unfortunately, when we raise these things quietly, we are misunderstood. People go around saying these Members just want more money for themselves. So, let us put it on record how we are doing the work of East Africa; that we are doing it through NGOs – (*Interjection*).

Ms. Zziwa: On a point of information, Mr. Speaker, Sir, I thank hon. Ogalo for giving way. The information I want to give is that the Public Accounts Committee for the outgoing financial year made a very elaborate plan of action and at the end of it all, there is no activity which that Committee has undertaken because there is no funding for Committee work.

Mr. Ogalo: Thank you for that information. Now, if your own Accounts Committee cannot even sit to determine how the money is being spent, then where is the oversight role of this Assembly? Or we should put the question the other way round; do we need an Assembly? May be we don't. May be people prefer that that they work without oversight and that we are making a mistake in insisting on oversight of the taxpayers money.

Mr. Speaker, Sir, I would have thought it elementary that since plenary depends on work coming out of Committees, there would be money for the Committees in order to do the work. When, for example, the Chairman, Council of Ministers introduced the Lake Victoria Transport Bill, we were with him here when he said I now refer this Bill to the Committee. Now, if there is no money, what was he expecting the Committee to do? How are we going to handle all the Bills that are going to come before the House? May be we may have to find a way such that when we are referring to Committee, we may have to add a few words on where the money is going to come from.

Lastly, on paragraph 17 which is on page 11, this is very important and I think the Council of Ministers - *(a cell phone rang) (Interruption)* -

The Speaker: Order, honourable Members! Please switch off your mobile phones. Proceed, hon. Ogalo.

Mr. Ogalo: Mr. Speaker, Sir, he says: “We will have the occasion soon to discuss how best to improve inter-organ co-ordination and relation in the spirit of working together in pursuit of the EAC objectives. In particular, we will need to clarify the roles of the Organs of the Community pursuant to the Treaty provisions...”

I fully agree, and this is very important. But this thing has been there for a long time. There are two resolutions of this Assembly calling for exactly this. There have been Questions of this House talking about this forum. Now, the Minister is saying we will have occasion soon to discuss this. The first resolution was in 2003. Can we set up a forum of the heads of institutions; the Speaker, the Secretary-General, the President of the Court, the Chairman, Council of Ministers in order to address the day to day matters of the Community and also to streamline our roles in order to avoid unnecessary tensions and conflict? *(Applause)*

The first resolution was in 2003. The then Secretary-General did not give it much thought. Then, this House in 2008 raised Questions on the same issue. So, what the Chairman, Council of Ministers is saying here is something we have been waiting for in the last five years. I hope the Council will now move to put in place that forum so that we can iron out whatever small differences that may exist between the organs.

Mr. Speaker, Sir, turning finally to this same Article I referred to earlier, I will call upon the Council of Ministers, through Article 132(5) which says, “the resources of the Community shall be utilized to finance activities of the Community as shall be determined by the Assembly on the recommendations of the Council.” So, it means that the Assembly which determines and Council recommends. So, apart from pleading for a Partner State to house the Speaker, we may be looking at the possibility between the Assembly and the Council to utilize some of the finances for the residence of the Speaker - *(Applause)*.

In conclusion, in view of the generality of the monies I spoke about from the Partner Fund, I want to see activities vis-à-vis the money. I want to see more details. In view of the other concerns we have raised like for the residence of the Speaker, I will support the

position of the Committee that we have a Vote on Account for four months while we iron out some of these problems that still exist. I thank you - (*Applause*).

Mr. Mulengani: Thank you very much, Mr. Speaker, Sir, for the opportunity. From the onset, I want to declare my interest that I am a Member of the Committee. I did not have the opportunity to be appointed to be among the five-Member team that went to Tarangire. However, I want to say that I support the position of the Committee.

I want to acknowledge, first of all, the Council, for having considered the Committee's recommendations in Nairobi and went ahead to qualitatively revise the MTEF in the direction that the Committee is, to a large extent happy.

Mr. Speaker, Sir, I have concerns on the quantitative aspect. I believe it is a mockery to the House as shown by the EAC 2008/09 summary of the Budget after revision on pages 4 to 9, specifically the last column regarding the change.

Mr. Speaker, Sir, the increments on the Nairobi MTEF from US\$30,561,232 to US\$40,499,095, giving an increase of US\$9,934,863, represents a 32.5 per cent increase on the Nairobi Budget. In Nairobi, we had already been told that the Budget had a 10 per cent increase on the 2007/08 Budget. That was shown in the first MTEF in Nairobi. It, therefore, means that has been an increment of 42.5 per cent on the Budget.

To me, as a Member of the Committee, these increases signify a lack of commitment on the increase given in the revised MTEF as it is evidenced by the sources of the funds. This is because the larger increment is the component of the development budget not the recurrent budget. The development budget as correctly shown in the MTEF, the figures there are bracketed. In accounts, bracketed figures mean that they are negative or they are deductible from the totals given. This implies that no change or no reallocation or no partial reallocation has been done as per the request of the House in Nairobi in May, 2008.

Mr. Speaker, Sir, the Executive and the Secretariat were clear to the House that they could not predict the total funding from donors. Whereas the request of the House was to make reallocations or partial reallocations within the existing envelope, this has not been done. The status quo in the allocations remains as in May, 2008 in Nairobi. Really, the intention of inflating the budget to that percentage increase that I have raised above, yet on the Floor of this House we were clearly told that the budget increment is within 10 per cent, but it has blown out and gone to 40; is this increment a reality that we are going to attain so that we can make a jubilation? Is this increment a mockery to the House so that we pass the Budget and the Organs can go and do whatever they want to do?

Mr. Speaker, Sir, as a Member of the Committee and a person who has briefly read through the MTEF since yesterday, I believe that the position of the Committee be held by the Members so that further scrutiny of this document and sources of funding are considered by the relevant Committee of this House and the Members at an appropriate moment.

Mr. Speaker, Sir, the members within the Secretariat have various sentiments that they have been giving to this House about the development partner fund. We also know that the development Budget is not tenable usually in its totality; it has just been mentioned on the Floor here. So, portraying a picture like they are increasing the Budget; as if they are addressing the recommendations of the Committee in Nairobi does not make sense to me. They are aware that the Budget they are talking about as of addressing our concerns is basically from development partners, which is uncertain. Hon. Ogalo has just said here at times they fail to fulfil their promises. We need to iron out the reasons why they fail to fulfil and, therefore, that means that increment is not readily available with us.

Mr. Speaker, Sir, I propose that the position that could be tenable is if the Council had indicated partial reallocations. If they had shown the House where they moved funds within the US\$30 million Budget, it would be really very good and they would have addressed our concerns. In Nairobi, the Chairman of Council had indicated that making any deviation in figures would require calling the whole Council, which not only includes the five Ministers who sit here, but also the Partner States Ministers that are involved in budgeting. Did that take place in order to increase the Budget by 42 per cent? If not, what is it that they are presenting to us? It is a true picture of what we requested? Members, we need to be very sober on this and proceed the way the Committee is requesting this House. It is the only way. The time is now or never. We must not miss this chance.

Mr. Speaker, Sir, whereas it is seemingly becoming true that the Ministerial report says - and I want to quote from page 7: *“the Secretariat primarily undertakes a co-ordinating role and it involves mostly holding workshops and meetings at the headquarters and sometimes out.”* I want to say that it would only be pertinent for the Council of Ministers to recognize that it is also true for the Assembly that amongst its functions is the oversight role, which also may take place at the headquarters and out of it.

In the areas of EAC projects, the Lake Victoria Basin Commission, the Mt. Elgon Ecosystem and then Customs and Trade areas. If the Ministers can observe that the Secretariat is required to co-ordinate not only by sitting in Arusha but also by travelling out of Arusha to go and co-ordinate functions of the Community, it is equally important for the Ministers to recognize the responsibility of Parliament. We should not segregate in this. We are not saying all these things because we want it for ourselves. We shall go away when our time comes. We are politicians and you know; people may renew your mandate or not. But we want to leave a legacy. Personally, at my age, I have got a lot of things I want to see in the future. If I am available many years from now and the future generations will be referring to me; you see Mulengani was in the Community but at that time they were doing nothing.

So, really, it is my prayer that this time round, the Council should consider the issue of oversight role. In the Committee on Accounts, there are very serious issues that were raised but I am surprised that up to date, these issues cannot be seen. One colleague said possibly it is intentional that the Secretariat does not want to be supervised on the ground where as they can be supervised at this level, now they bring papers and they present to us, we have nothing to do with fact finding. It is very important and I will argue also

ministers to pull off time and use your oversight role and visit some of these institutions i have talked about - *(Applause)*.

Last but not least, one page 9, Mr Speaker; I want to agree with the report by the council that a policy needs to be decided upon to have a permanent residence for the speaker, but I wouldn't call it a policy, because Hon. Ogalo has debated in details about this one, but my version was, there is already precedence set, various heads have got houses in their various countries, others in the community. Possibly to add on what Ogalo said, is that I want members to notice or to be informed that our Speaker, when we go back to our homes or capitals which ever meeting he wants to hold, he holds it in hotels on his accounts.

Really, it is very shaming. Where we are copying people to copy functioning of the European Union, with all these travels, where we are sending people to copy ECOWAS functioning in western Africa, where we are sending people to see SADC – *(Interjection)*

-

Mr Sebalu: On a point of information, Mr. Speaker, sir, I want to say that it can be quite embarrassing. There is a lot of activity going on in the East African region. And you may find the Speaker getting an emergency and he has to meet people and the appropriate venue that he may want to hold is fully booked. The next thing you find is that the speaker is running around getting appropriate venue. That is quite stressing for some one of that status. And I can tell you these hotels can be unreliable for doing business.

Mr Mulengani: Thank you very much for your information. You can see all these things. It was very evident when we had a meeting in Dar-es-Salaam for the General purpose Committee. We were supposed to come to Arusha but we were told it was fully booked at that time. We had no choice but to go to Dar-es-Salaam. The issues we are raising are not for us as a legislator, it will find others. And we would really be happy, if the secretariat also prepares for others for soft landing for other to take over from them.

Lastly, Mr Speaker, and honourable members, given the issues I have raised and those that other colleagues have advanced, and those that are yet to be said I believe that I stand the position of the committee and I beg that this committee that will give the community a thirds of the budget to avoid the paralysis of activities with in the community as issues that members will raise there after and where possibly we have forgotten, we can give information so that operations continue. Thank you very much, Mr. Speaker.

Dr. Lwanyantika Masha (Tanzania): Mr Speaker, I deliberately refrained from speaking in Nairobi on this matter because of the trust and faith I have in the general purpose committee. We were appropriately guided by the conclusions of that committee. And today, I feel like showering praise to hon. Wanyoto for the manner in which she has presented her report, the tone she has used, I may have a difference in the details but she has surely shown that that committee has to be doing very serious work. And I want to commend them for the work - *(Applause)*.

As others have said, there is some change in the one year I have been with EALA; I am not seeing some change in the relationship between the council and the assembly. We are not there yet, where it should be and indeed it appears not only EALA has been pressing for this change but now the council is also pressing this change and even asking for a meeting as hon. Ogalo has said. May be there is some movement towards good working relationship between EALA and the council. It is my hope that the Council, EALA members and the secretariat take advantage to take advantage of this new mood even if it still very nascent. It will take advantage of this and nature it in to a real good working relationship.

With those said and having made the comments I made on the presentation by hon. Wanyoto, I am not a member of the budget committee but I have been following very closely the work they have done. I have read most of the documents even though I must admit that the one I received yesterday, was little too lengthy and quite detailed for an overnight thorough preview but I think I have a clear a reasonably clear picture of what is taking place and the kind of budget we have asked to pass. I have a number of comments before I come to what I think I would advise my colleagues to do.

We have a budget, we have been presented a budget of US\$40,499,095 of which USD16 plus millions is external funding. We call it in good language “development partner funding”. And I wish to, since some of them are present here, we are told, to express my appreciation for their willingness to support the Community. But this is about almost 40 per cent of the budget; 40 per cent of the budget depending on external funding for an institution which is governmental?

I always have a problem with my national governments when they are too dependent on external funding. And what are these funds that are sourced from externally to be utilized for? I have scanned the documents; some money is put in for peace and security. Whatever the percentage assigned to that we want to commit up the peace and security of East Africa to external funding. Promotion of defence, peace and security and even implementation of the customs union is machinery for revenue collection in as much as it is an integration mechanism as well. A system for revenue collection in order to operate depends on external funding. Then there is something wrong in that. I have said in another occasion, that we should be building institutions for the future. We have a customs union which is not for the future. If we had an east African customs administration, we wouldn't be seeking external funding for its operations.

There is something wrong in the way we are going towards this integration. And listen to this one; extern funding for the promotional of international trade negotiations, you want external funding to help you promote international trade negotiations, who are you going to be negotiating with; the same people that are funding you? And then you expect to be effective in those negotiations?

There is something conceptually wrong in some of these elements in here. They are even going to fund incidentally, the treaty which has been ably quoted by so many as the process of moving from customs union, common market, monetary union to a political

federation. These are kind on the pillars of the integration process as outlined in the treaty. But now we are going to leave it to external funding, to work on the common market by about half the budget required to that central pillars of what we are trying to do depends on the external funding. And we have been warned that some these things get delayed disbursements or may not show up at home. There is a problem there. Does that mean, \$1million doesn't show up and we will not have the common market in 2010?

I would suggest that any of the central instruments for integration including the central work of the assembly and its committees should be funded from the regular budget from partner states - (*Applause*).

Otherwise, we are vulnerable and we may never meet our targets at home, indeed as hon. Mulengani says, people may in the future wonder, and point fingers at us. In his case, they might point fingers at him, when he is my age, but for me they will be pointing fingers at my grave - (*Laughter*). I would not want that to happen.

On another item, and as I become critical in some of these, I am only lifting out those where I feel very strongly, that something needs to be need. The rest of them I think can go and I will be making a comment or two on one of these.

We want this to be a people centred organization. We want the people of East Africa to own the community in our decisions. If there is one area, where I claim, some knowledge or some expertise, it's in the area of communication and public information. I did say this when we were in Kampala last year, and I want to repeat what I said in different words.

You have a total of \$41,500 for communication. In my judgment it is already too puny for the amount of work that can be done to really promote this and make the people of East Africa own the community and our work. But listen o this: - about 85% of that money to tell the people of East Africa, what we are doing, to promote our work, about 85% of it is externally funded. And we said disbursement may be delayed. No wonder, a lot of people don't know what we are doing. Its only recently when I got a car with a label of EAC, when I go around people start wondering, where has Masha gone these days? They look at the car, because that's the only symbol of promotion and publicity, they can see - (*Laughter*).

For publications and promotional materials, you gave the department US\$25,000 per year. That is what is in these documents. No wonder when I come to Arusha, I find a lot of very beautiful and glossy documents distributed to us. But are they targeted for us? There is some money given for advertisement – you know it is fantastic; US\$50,000 for public awareness campaign. I don't know how that will be conducted in the whole of East Africa. I thought this is an area I claim little expertise. While here we are talking in English, if you did a promotional campaign for the Community in Rwanda and Burundi in English, you will be wasting your money. So, for purposes of the public information programme, they cannot rely on the kind of language we use here. In some cases, they would have produced materials in Kiswahili or Kirundi or Kikuyu - (*Laughter*).

The amount of funds required to do a serious public information work is enormous. I know one or two people in the information department. I don't know the others or the exact set-up of the information department we have. But perhaps, if there is any area where probably the Secretary-General might need some help with a consultancy, not with me though, is probably to have a consultant to help the Secretary-General design a serious information programme for the Community and develop a machinery to do that kind of work. What we are doing here – I would not want to say nonsense because some of the work is good – bit it has not impact.

Mr. Speaker, Sir, may I say something about this residence for the Speaker? I really find it difficult that this is an issue. That people must plead to justify for the Speaker to have a residence here – how many letters must we find which he answers or receives to justify him to have a residence here? We gave him a very good office on the 5th Floor. He has a full time Secretary with all the equipment and then we say he cannot reside in Arusha? So, let us get rid of the Secretary as well. Let us stop the correspondences going to him. To me, this should not be an issue. I am surprised it is an issue. If the problem is in the person of the current Speaker, too bad for those who cannot stand the person! (*Laughter*) For my part, I think we have a wonderful Speaker; a very effective Speaker and he needs to be supported to do his work effectively and he is doing a wonderful job so far - (*Applause*).

There is a lot of work that goes on. I have been to his office many times and I can see the amount of paperwork that he has to deal with. Sometimes he has to call some of us to make those serious decisions but I don't know where he calls from, may be from Nairobi in some hotel. The other day I was embarrassed to find the Speaker holding a meeting with some dignitaries in a hotel. I do not even know why we need to justify this.

To me, this is so straightforward, but for heaven's sake, if you need a consultant, get that consultant very fast, but you will have a problem if the consultant has to do the kind of work which the Chairman of Council has told us; to compare how the Speaker works and how the President of the Court works.

The President only works when there is a case and then when there is no case, I don't know what they do. But there is EALA all the time for five years. There are issues he has to deal with not just for the institutional machinery but for the Members. How do you make the comparison?

The ones for Heads of State has been elaborately stated by Hon. Ogalo. You know, when you don't want something, you find a way to hold it by sending it to Committee, getting more meetings, more paper work. But if you really want us to be effective, one of the essentials is ensure that the head of EALA in the name of the Speaker must be facilitated.

It is a little embarrassing to say these things in the presence of the Speaker himself, but I don't know how else. I just want to say I fully share the feelings of those who have expressed their comments on this and I hope something will be done soon. I have lived the last year as a Member of EALA with an office in my briefcase and sometimes at home and when people ask; where can we find you? I say, come to my home. And because my constituency in Tanzania and the person lives in Dar-es-Salaam, he doesn't

know, where is your home, I say Sengerema, how do I get there, I say that is your problem. It has forced me to have to, out of my pocket, get an office at my own expense. If a Member of EALA is forced to have an office, how about the Speaker? Let me stop there on that issue.

Mr. Speaker, hon. Akhaabi has been very eloquent and I fully share what he said. I think there is a problem of how some of our Ministers are advised, how much time they may have to read some of the documents that are necessary, and because of the home politics. But I think we should continue to insist that they reside in Arusha. This is where their job is. I am not a lawyer, but let me say something which I find a little inconsistent.

As a Minister in the Government in Tanzania, Burundi or Kenya, a Minister swears an oath to the constitution of that country. When we come here, he swears an oath to respect the Treaty. Now, what if the Treaty is saying we are moving towards a federation and back home they are not ready? Where does the loyalty of this Minister lie; to the Treaty or to the native constitution? There is a problem there.

For the Speaker and for us Members of EALA, we have no problem because we take oath to uphold the Treaty. I think there is a problem of loyalty on the basis of the oaths they are supposed to take because they have to take two oaths. That is why I am saying Ministers should reside in Arusha and they should be Ministers of the Community and not Ministers of the Partner States. That is how it was in the 1960s.

I remember the Hon. Malecela Odera Jowi and Robert Ouko were Ministers of the Community in Arusha and they did not take oath back home. They came here and resided and supervised work here. We have don't have to reinvent the wheel. Just I would advise the Secretariat not to reinvent the wheel in the manner we are going towards integration. We don't have to go through A, B, C, D of how to set up a federal postal administration or a federal customs administration or how to have an East African railways administration. These things existed before. They were there; all you need is to dust the files for pre-1977 and see where it was and how we can bring it back and at least, let's start from there and move on towards the total integration process to a political federation.

Mr. Speaker, Sir, having said all these and having essentially agreed with the position which the Committee is giving us, let me express a little problem I have in terms of the conclusions. In Nairobi, we had very specific elements. We said we don't want the budget because of A, B, C, D. We were very clear and the budget Committee was pleasant enough to call us and tell us exactly where things went wrong. That is why I had no problem supporting the position we had. This time, in terms of specifics, I am only seeing two areas which are missing. There may be changes or differences of detail in the others, but essentially, there are two areas where probably there hasn't been a response.

One is in the Speaker's residence and the other one is in the work of the Committees of the Assembly. The lack of provision of enough funding for the work of the Committee; those are the two specific ones that I see. May I say that those who re-drafted the budget

are not properly trained in public relations, because if this budget was coming to the Assembly and the thing that misses out are the things that relate to the Assembly itself, surely there is something missing in their public relations - (*Laughter*).

Now, my dilemma is whether to reject the budget because of these two elements which are missing or to say we have gone a long way, we think they have gotten the message and that they will next time round make sure they get these done, as well as, request, at least for a supplementary budget for the residence of the Speaker. I realize that we cannot get an ideal budget. All of us in our own heads have an idea what an ideal budget would be for the Community this year. A harmonized ideal budget cannot take place. The question is, is the budget as presented still so bad and yet I have been hearing all the praises for it, at least for the movement that has taken place?

When you talk of Vote on Account, which I really do not understand, as much as I have read, a Vote on Account is essentially rejecting the budget; that is the crude word for it. But we are trying to use euphemisms. Should we reject the budget? – (*Interjection*) -

Mr. Ogalo: On a point of information, Mr. Speaker, sir, the information I want to give is that Vote on Account is not a rejection of the budget. It is simply saying, use so much as you sort out the other problem. It is not a rejection of the budget at all - (*Applause*).

It is a language question. It is an issue of semantics. I still say that if you are given a budget which goes to the end of the financial year and you say no, no, it is not good enough but proceed for one month and then we will talk again, essentially you have rejected that budget which you are given. That is how I am interpreting it. So, I am saying, the euphemisms notwithstanding, I have a problem--- Hon. Ogalo might have a legal definition of Vote on Account. May I plead with him that I also have a sufficient understanding of the language to know what it really means?

Ms. Zziwa: On a point of additional information, Mr. Speaker, and just for purposes of having this issue of Vote on Account brought into perspective, in the respective national parliaments, they do not approve the budget until almost three months down the road. What happens normally is that parliaments approve a Vote on Account, which is about 25 per cent - (*Interjection*) –

Ms. Kamba: On a point of order, Mr. Speaker, Sir, is it in order for the Ministers to cross the Floor of the House? (*Laughter*)

The Speaker: The Ministers are already gone, so continue Ms. Zziwa - (*Laughter*)

Ms. Zziwa: Hon. Speaker, Sir, I thought I would bring this information for purposes of Hon. Masha to appreciate that this is Parliamentary; it happens all over. At least Commonwealth Parliaments do it because they know that when the budgetary date of 30th June comes, it may not be very possible for all the respective sectors or even Parliament to have appreciated what has been actually proposed in the budget. So, they give an opportunity to the respective sectors within the Committees of Parliament to go and study

what has been provided. I think in the respective period of about the first or second sitting, there is a Vote on Account which is normally about 25 per cent of the budget. That gives a chance to the respective Committees and the government to go and work out the Sectoral allocations to be in harmony with the medium term framework and other set targets and goals.

Maj-Gen. Muntu: On a further point of information, Mr. Speaker, Sir. I think let us not get lost in semantics as Hon. Masha himself has said. Let us look at the substance of the matter, because we would not really want to tear each other apart on the Floor of this Assembly by a war on words.

Let us find out, in effect, what is going to happen? I think that is a reasonable position, which the Committee presented. Come 1st of July, all the organs of the Community, if the Assembly passes this Vote on Account, no activity would be paralysed. For three months, all institutions will keep operating, only that within those three months, there would be an opportunity for all institutions to re-engage in the budget process and see if there are possibilities of reviewing the areas of concern. Let us not get lost in the semantics. That is the substance of the matter. Is it reasonable or not? That is the question that needs to be answered.

Dr. Masha: Mr. Speaker, Sir, had I not been interrupted, I would have probably completed my intervention by now. Let me say with some restraint, I appreciate the experience my colleagues have had or working in the national Parliaments. But if it may indicate also my experiences, I have been a Member of the national Parliament in Tanzania; way back in the 1960s by the way - *(Laughter)*

I am familiar with budgeting processes. I have been with the United Nations for more than 21 years also involved in budgeting matters. So, when I say this Vote on Account is a matter of semantics, I am not just being funny, and it is not that I don't know what they are telling me it means. But since I am forced to make a little more elaborate explanation, let me say that we are telling the Secretariat that this Vote on Account should exclude "expenditure on consultancies until the process is streamlined." What does "streamlined" mean in programming and budgeting terms? *(Interjection)*

Dr. Masaburi: On a point of procedure, Mr. Speaker, Sir, and just to add to what hon. Dr. Masha is saying, Rule 76 (3) reads: "*A Committee shall not attach a condition or expression of opinion to any resolution approving a vote.*" Therefore, what he is saying is correct, that we are going to put a condition, which is not allowed.

Dr. Masha: Mr. Speaker, Sir, in doing this, we are asking the Secretariat to exclude travels and per diems not directly related to the integration process. Now, which work of the Secretariat is not directly related to that? This thing is so vague – the conditions we are setting up are so vague. It is not even as precise as one Member said about 25 per cent of the budget. This is a very vague condition to the Secretariat. We are hamstringing the Secretariat with these kinds of conditions. I would be reluctant to get to a point where we are – *(Interjection)* -

Mr. Mulengani: On a point of information, Mr. Speaker, Sir. Just to put the record correctly on the Rules, hon. Masaburi has quoted Rule 76(3). I want to draw the attention of Members on the fuller meaning of that rule.

Rule 76(1)(a) is on Annual Estimates. Under Rule 76(1)(c), we have Vote on Account and it specifically says:

- (i) *consideration of the resolution may not exceed one day*
- (ii) *if it appears that a Vote on Account is unlikely to be fully considered by the end of one day, the Chairperson shall at any time he or she considers necessary to conclude the business relating to the Vote on Account put the question necessary to dispose of the Vote on Account*
- (iii) *upon the completion of the consideration of Vote on Account, the Chairperson shall put the question that the amount proposed be provided for the Vote on Account."*

What hon. Masaburi is raising would be true if we were passing the annual budget on votes.

Dr. Masha: Mr. Speaker, sir, if I knew that the point of information was to answer another point of information, I would have resisted yielding – *(Laughter)*.

However, let me again stress that the condition which we are attaching is too vague and will make work very difficult for the Secretariat during those three months and I am not sure we would be helping the Community. I think given the goodwill that has been shown by the Council of Ministers so far, we should perhaps have a separate resolution on the question of the Speaker's residence and the work of the Committees requesting a supplementary budget in the course of the year. Otherwise, my inclination is to go along with this budget with all the shortcomings, including the ones I did point out. Once again, we will never have an ideal budget, but we are moving in a direction where I think eventually, we will have something that we can all agree on. I thank you.

Dr. Didas Masaburi (Tanzania): Thank you, Hon. Speaker, Sir, for giving me this chance. I want first to declare that I am a Member of the Committee which presented the findings in the House. But I differ in certain facts.

I would like, first of all, to commend the Council of Ministers for ensuring that they have met what we wanted in Nairobi. May be to start with, I would like to react on the presentation by Hon. Mulengani that what is presented are figures which are not true.

Mr. Speaker, Sir, if you go to page 4 of the MTEF under change, we have development partners and Partner States. There are figures in brackets and there are those that are not in brackets. Those that are not in brackets imply, in my assumption, that there are savings somewhere in that item of budget, and those in brackets indicate that there is a demand in that item of a total amount from the Partner States or development partners. Therefore, if

you add those figures in brackets and those that are not in brackets, then you will get the answer.

Mr. Speaker, Sir, in our Nairobi presentation, we had about five critical issues. The first one was a request to align the budget to the strategic interventions. That is done. Secondly, we requested for re-allocation of funds to finance certain activities which we thought were very important. As hon. Masha said, the only two areas that are remaining are on the Speaker's residence and the Committee work. However, even under the Committee work, they have considered about 10 days, which can be re-allocated for the Committees to work here in Arusha. The only thing which is remaining now, and which I think is very important – (*Interjection*) -

Ms. Byamukama: On a point of Order, Mr. Speaker, sir, I have constrained myself a lot, but I am a little bit perplexed, especially as regards the procedure. In the first instance, the Chairperson read a report which I suppose is of the Committee. But when you look at the report, I also get even more perplexed and I need to be advised; I do not see the signatures of the Members of the Committee. I think on a procedural point of view, that needs some clarification.

Secondly, when a Member of the Committee has a dissenting view from the report of the Committee, normally, that Member of the Committee writes a minority report. But the way we are proceeding with this is not correct. We have a position of the Committee and we now have Members of the Committee with differing opinions and it is creating undue complications for some of us who are not Members of that Committee. Therefore, I would like to ask for the Chair's guidance on this matter.

The Speaker: Honourable Member, there is no specific rule that says he has to write a minority report. So, the Member is at liberty to express his views on the Floor.

Mr. Ogalo: On a point of information, Mr. Speaker, Sir, the information I want to give to hon. Masaburi is that as he has stated something very good has been done. We have 10 days for Committees. In effect, therefore, since we have seven Committees, each Committee over the next one year will sit for one day. I thank you.

Dr. Masaburi: Thank you for the information. Let start with that first. Simple arithmetic is that we have 10 days for each Member of the Committee. So, if we have 10 days for each Member of the Committee and we have 15 Members of the Committee and we have to convene a meeting, we will have 10 days to convene a meeting, because we are given 10 extra days for the sittings for the whole House. Therefore, if we have these 10 days, it is us who can plan on them.

If we want, for example, to come here all of us and sub-divide ourselves into the Committees for 10 days, or if we want to use the 10 days for three Committee meetings of three days each, you can come here in your Committee or go anywhere in that Committee and use the three days and another time three days, you add them to three Committee meetings and then you can perform.

So, there are 10 days for each Member, not that those 10 days are divided into the Committees. That is the misconception. We have to give them the credit where necessary. We have been given 10 days. Those 10 days can be used to work for the Committees. What is lacking now is on the visits on supervision of projects. But for the 10 days, you cannot tell me that you will divide that with the number of the Committees; no. Each Member has 10 days extra and we can plan on how to use those 10 days.

Mr. Speaker, Sir, on the allocation of accounts, the Council of Ministers have done what they could, except that they have requested for additional funds from the development partners of which some of the Members whether those funds will be available. But even with the contributions from the Partner States, up to now, we have not even received some of the funds from the Partner States. So, when we are estimating budget, actually what we are doing is to have promises from somewhere that we will get the money, including the Partner States together with the development partners. Therefore, if we go through the budget allocations, you will find out that there is, for example, the Customs Union where there is a saving of US\$89,000 being re-allocated to somewhere else. So, the re-allocation has been done – (*Interjection*).

Mr. Mulengani: On a point of clarification, Mr. Speaker, sir, I am a Member of the Committee, and I would not wish to keep on interrupting the hon. Masaburi but hon. Masaburi is misdirecting this House by saying that if we are given 10 days as an Assembly, it implies a day to each Member. If it is true that he did mathematics, it would only require him to multiply the 10 days by the number of the Members of this House, and it would mean we have got that number of days.

The clarification I am seeking from the Council of Ministers, therefore, is; is it true that the Council has given us 450 days since each Member is given 10 days?

The other clarification I want to raise is this; Hon. Masaburi is saying that Partner States have made savings on customs and trade. It is true. Could he highlight to us where that re-allocation has gone? To me, under the legislature, I see US\$147,000 (012). It is true, it is a positive; I have not denied. But when I was reading my figures, I wrote them in block. The difference I gave is true. If you add US\$132,000 to the US\$9,791,831, you will get the figure I gave.

The clarification I am seeking is, are you guiding this House in correct mathematics of figures or you are taking this House to your interests?

Dr. Masaburi: Hon. Speaker, Sir, if you take the 60 days which we have, did we divide that to the individual Members to get the days? We had 60 days and we were sitting here for 60 days. Now, they have added 10 days and that means 70 days. So, we are not talking of the multiplication of 10 by 45. So, you are the one who is misleading the House here. We have 10 days given by the Council and we can plan out of those 10 days to do the Committee meetings here – (*Interjection*) -

Mr. Akhaabi: Point of information, Mr. Speaker, Sir.

Dr. Masaburi: Can I refuse, Hon. Speaker? Let me finish and then he can give me the information later.

Mr. Speaker, Sir, we had requested for the cost centres and that has been done, with the exception that in the legislature, plenary and committee are still combined. But most of the cost centres for EALA have been given to us. What is remaining is the funding for the Committee work and I can also accept that may be the 10 days for the Committee work is not enough. This is because of the rules which say that we should have 120 days, at least. So, that is one thing. But the key issue is that they have tried to address what we asked them. The mathematical errors have been corrected. So, as Hon. Masha said, I think the right approach is not to pass a Vote on Account. Why? (*Interjection*)

Mr. Mulengani: On a point of order, Mr. Speaker, Sir. Hon. Masaburi is a Member of the General Purpose Committee. He knows that there are inconsistencies in mathematics in this document. I want to refer you to page 111. (*Interjection*) - I am raising my point of order, Mr. Speaker, Sir, if you could protect me. Page 111 to page 114 talks about the legislature and on page 113 specifically, whereas Hon. Masaburi says that the mathematical errors have been corrected, there are other errors that could be termed mathematical. When you look at the cost centre of legislative and committee services, under plenary sessions, strategic intervention, to enact legislation for East African Legislature; Output 1: Bills and reports debated and passed; Activity: Plenary Sessions; Members air tickets, persons, unit costs, US\$3,500, number of units, 45. Just before on page 111, the Speaker's office is catered for. I expect this document to have read 44 Members. Now, some of these things we are just covering. There are many more of the like. So, really, if a Member of the Committee is ware of this and other inconsistencies, is he in order to come and lie on this Floor?

The Speaker: That is un-parliamentary, Hon. Mulengani! Can you retract that?

Mr. Mulengani: I want to withdraw that one, Mr. Speaker, Sir, with your indulgence. Is he in order to tell this House and to insinuate that the document is perfect in terms of arithmetic?

Dr. Masaburi: Mr. Speaker, Sir, the errors that we were talking about in Nairobi were errors of multiplication, whereby we found, for example a figure multiplied by zero and we get zero. Here, we have 45 times 3,500, which gives the correct figure. To me, I cannot pass a Vote on Account because I will pass all those figures which he is mentioning and the Council will be allowed to use those wrong figures for the next three to four months. So, to me, the best approach, I think, is to sit in the Supply Committee and then those who see that there are anomalies, they will stand up on the individual budget item and explain there and seek clarifications according to the rules. It is from that angle that we can achieve what we want. But defending the argument based on the activities which are planned here in the Supply Committee, we can be able to cite the inconsistencies and may be, seek for amendments from the Council before we pass the

budget. Otherwise, we are going to pass something here, give them the 25 per cent, but that includes the anomaly which we would not want to pass.

So, I beg to differ and say that the budget be passed and then we sit as a Committee of Supply and we discuss item by item and those figures that have inconsistencies can be corrected at that stage. I thank you.

ADJOURNMENT

The Speaker: Honourable Members, I now adjourn the House until tomorrow at 2.30 p.m.

(The House rose at 5.00 p.m. and adjourned until Thursday, 19 June 2008 at 2.30 p.m.)