



## **EAST AFRICAN COMMUNITY**

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### **EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)**

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

#### **FIFTH MEETING– FOURTH SESSION – SECOND ASSEMBLY**

**Tuesday, 24<sup>th</sup> May 2011**

*The East African Legislative Assembly met at 2.30 p.m. in the EALA Chambers, AICC Buildings, Arusha, Tanzania*

#### **PRAYERS**

*(The Speaker, Mr Abidrahin Abdi, in the Chair.)*

*The Assembly was called to order.*

#### **PAPERS LAID**

**The Chairperson of the Committee on General Purpose (Ms Nassor Sebtuu):** Mr Speaker, Sir, I beg to lay the report of the General Purpose Committee on the East African Community Annual Budget Estimates for the Financial Year 2011/2012. I beg to lay.

*(Applause)*

## CONSIDERATION OF THE STATE OF THE EAST AFRICAN COMMUNITY ADDRESS

### MOTION

**The Assistant Minister of the EAC Affairs, Tanzania (Dr. Abdallah Juma Abdallah Sadalla):** Mr Speaker, Sir, I would like to move a motion that this House do commend the Chairperson of the East African Community Summit of Heads of State for the concise exposition of the East African policy contained in the state of the East African address to this Assembly on Tuesday 5<sup>th</sup> April 2011.

**Mr. Wilbert Kaahwa:** Seconded.

**Dr. Sadalla:** Mr Speaker, Sir, I thank you for according me this opportunity to debate the State of the East African Community Address that was delivered by H.E Pierre Nkurunziza, Chairperson of the Summit of EAC Heads of State during the 4th Meeting of this August House's current Session that was held in Kigali in March this year.

Allow me to first of all reiterate the Council of Minister's total support for the institutionalisation of the State of EAC Address. These addresses are of invaluable assistance in indicating to the organs and institutions of the Community the overview of the Chairpersons of the Summit on our integration agenda which is undergoing a steady but purposeful metamorphosis. Indeed, judging from the past State of EAC Addresses, this process is a Microcosm of the Summit's discharge of its function to give general directions and impetus as to the development and achievement of the objectives of the Community.

Mr. Speaker, Sir, I applaud the Chairperson of the Summit for having delivered a focussed State of EAC Address. In the first instance, the Address took note of the democratic processes that had taken place in our region. These processes, whose far – reaching impact on the integration agenda cannot be again said, include the elections in Tanzania, Burundi, Rwanda and Uganda; and the constitution making process in Kenya. As correctly observed by the Chairperson these processes serve to strengthen our political resolve and commitment to good governance which is a *sine qua non* for integration. We ought to take pride in such processes as we aspire for peace and political stability in the region.

Mr. Speaker, Sir, the Chairperson's articulation of the components of the five-Year Development Strategy (2011-2016) were quite timely. This is because this is a strategy that should serve to streamline all our efforts to the growing demands of an integration process that has entered into its second decade of growth. It is a strategy whose pursuit will enable us in assessing where we are and where we are going as far as major milestones of integration are concerned. These milestones, as well underlined by the Chairperson, are establishing a single trade and investment area, technological innovation, agricultural transformation, harmonisation of municipal laws, entrenching the Customs Union, implementing the Common Market and establishing the Monetary Union, among others.

In this regard, it is important that all the organs and institutions of the Community discharge their functions bearing in mind the Chairperson's counsel on some key aspirations. The aspirations currently include the proposed establishment of a Grand (COMESA/SADC/EAC) Free Trade Area, easing of cross border movements, strengthening of socio economic development (including re-affirming the role of women in socio-economic development) and

vigorous regional infrastructure development, among other aspirations on the horizon of our regional development.

Mr. Speaker, Sir, there is no doubt that the establishment of the East African Community into a remarkable regional organisation is a big challenge to the Partner States the Organs and Institutions. This is especially so in view of the fact the Partner States are still sovereign entities. However, our aspirations are not a Herculean task to achieve. With resolve and commitment, especially given the general undertaking under Article 8 of the Treaty, the Partner States and the people of East Africa will progressively see the realization of a people-centred and private-sector driven integration process. And this is the gist of the State of EAC Address as ably delivered by the Chairperson of the Summit.

Hon Speaker, Sir, finally allow me to applaud the Chairperson of the Summit for laying stress on the need to promote and strengthen inter-organ collaboration and co-operation. Much as different organs and institutions have different functions and responsibilities all of these organs and institutions have to work together towards a common goal – the strengthening of the regional integration process. As the old and time tested adage goes *Umoja ni nguvu, Utengano ni udhaifu*.

With these few remarks, Mr Speaker, Sir, I beg to move.

*(Applause)*

**Dr. Said Bilal (Tanzania):** Thank you Mr Speaker, Sir for giving me the opportunity to be the first speaker in commending the Chairperson of the Summit, President Pierre Nkurunziza for the speech he made on the 5<sup>th</sup> of April in Kigali. Before I begin I want to assure you that *Umoja ni uhuru* is still carried because *Nguvu ni uhuru*, help each other.

Mr Speaker, Sir, I am very encouraged indeed by the speech that was delivered by the Head of the Summit and it is gratifying to note that the Chairperson of the Council of the Summit, His Excellency, Pierre Nkurunziza in his wisdom, reminded on the need to focus on the integration and he highlighted what he called the drivers of this integration that we need to take note of.

On page 4, paragraph 10, he said ‘in maintaining already gathered and moving the EAC forward into larger growth and deeper integration, it is important that we then direct great attention in getting strategic drivers right and one of them is to increase the flow of intra-regional trade which I really applaud that this is one of the primary drivers. We, the legislators have been very vocal on this and have urging that for us to move as a region, we need to reinforce all the factors that will contribute to the expansion of the regional market.

Mr Speaker, Sir, the most intriguing to me is pointing out that quality assurance of our education system is to be given a very central importance and I want to applaud President Nkurunziza for recognising this because it is true that the future of this region lies with the future of our children and therefore lies with future of how we take care of the gaps in the education in this region.

Mr Speaker, Sir, I am saying this because I believe that quality assurance at a global level where science and technology must be the prime drivers and therefore prime drivers in our integration and in our development must be given utmost importance. We are reminded of the need to focus on the need to give teeth to Inter-University Council of EAC as President

Nkurunziza has pointed out if we strengthen the leading role of the Inter-University Council of EAC in quality assurance and accreditation, harmonisation of our education systems to ensure higher standards of the products of our academic institutions in order to favour free movement of workers and services.

This statement can therefore be over-emphasised and I am very grateful that President Nkurunziza has pointed this out.

Mr Speaker, Sir, let me just ask a question now. How are we going to unite? Are we going to unite our best and most talented for the future of EAC if we do not put in place a regional quality assurance mechanism? How are we going to facilitate free movement of our children in pursuing finance and best programs that might be available in East Africa? I am asking this because we tend to still be residing in our belief that national bodies might do this. We are deceiving ourselves because in order to enable our children to access better education, we need to give teeth to the Inter-University Council of East Africa. There are fears of losing the sovereignty and limited membership but I want to assure you that membership to IUCEA is not determined by freewill, it is determined by how much you strive to maintain the quality and therefore it encourage institutions to aspire for higher qualities, for higher standards so that they can belong to that institution.

Mr Speaker, Sir, we shouldn't robe this institution of its rightful role because of such excuses and with this I want to end by saying that I am in support of this wise speech by His Excellency Nkurunziza because it touches on issues that should be focused on this time.

I beg to submit and I thank you.

*(Applause)*

**Ms. Janet Mmari (Tanzania):** Thank you Mr Speaker, Sir, for allowing me to add my voice to the previous speakers in highlighting the importance of what we call the State of the EAC Address.

I listened to President Nkurunziza very seriously. Something that he said that will never go away was the meaning of this Address and it came out clearly that a focus on this Address is to reflect on matters of general policies relating to the progress that our community is realising while obtaining the strategic challenges which require a greater attention. Who are these people who are supposed to give this greater attention? They include; Institutions of the Community, legislators and all the other institutions.

Mr. Speaker, Sir, President Nkurunziza highlighted four drivers but when you examine those drivers very carefully he was also concerned because each driver has its concerns because there were things that were not done. You start with the low level of intra-trade which according to the statistics given stands at 11% and that was concern number one. Why should it be just 11%? Yes, the Customs Union came into being in 2005.

The common Market was signed in November 2009 and come July 1<sup>st</sup> this year, we will begin implementing it. We are also talking of common currency but still trade remains at 11% and who accounts to this 99%, the rest of the world. What does that mean? Many things but specifically the non tariff barriers. Is it the quality of the goods that are produced in our region? Is it the transport media? Is it lack of policy framework? And if it's not any of these and many others why haven't these been addressed? We celebrated 10 years of the second

EAC. If you go back to first EAC that broke in 1997, they were there for 10 years, these people had common railways, common airways, common postal services among others and which we don't have, which means within ten years that former EAC had done a lot of things that this Community after ten years, yes they can be seen in these books, in a lot of studies but when we say let us see what has been actually physically, Hon. Speaker, it will be very difficult for me to point my finger on that one.

There is an adage in Swahili that says '*hatutaki mulio tunataka punda*'. Hon. Bilal will assist me in translating at a later stage.

*(Laughter)*

Mr Speaker, Sir, the second concern was the slow pace on opening our borders. I was looking at that one and thought that given the speeches that I have heard from previous Presidents and having signed the Common Market Protocol, for heaven's sake, people should be able to move around but when you examine it, it is clear that there is lack of legal and policy framework and we have not been able to put in place institutions that will ensure that things happen and these institutions are not there. One of them would definitely be a customs management institution that would ensure that things are fast tracked and move quickly and how long will be stay with these institutions if they come on board and how long will it take before for instance EALA comes out with a legal framework? I do not see a lot of money that is set to ensure that legislative process takes, leave alone setting up of the institutions.

Mr. Speaker, Sir, without talking about the budget that leaves us to wait until we now examine the budget that is being put forward whether it is going to address some of those things. Talk of regional infrastructure. Look at the number forming railways in this community, look at the expensive airlines and the connectivity. If you are two people living in Dar-es-Salaam, one going to Europe and another one going to a destination in East Africa let us say Burundi, the one going to London would reach before the one going to Burundi arrives.

*(Applause)*

In fact, when you look at the ticket cost, the cost going to Burundi will be exactly like the cost going to London. So how can we say we are doing things? How can we say our people can communicate to each other? That is a lip service.

*(Applause)*

President Nkurunziza also talked about the quality assurance of our education. I believe most of those things will definitely be taken off by the Common Market but is it going to take place? Is it going to be in the airspace if we are not legislating? If we do not have policy frameworks? If we do not have institutions that will ensure that implementation takes place.

I am happy, Hon. Speaker, when I hear the Council of Ministers saying that they support it and they are going to work on it. It is the Council that as an Organ that actually manages most of these other institutions. So if they are in support, I believe we will see these things translated in the budget and the way they work. Translated in the cooperation that they extend to other institutions and ensure that they go clause by clause according to what is provided for in the Treaty.

Mr Speaker, Sir, I really support and commend President Nkurunziza and I believe when time for the budget comes, we check each clause whether what he advised us as general principles has been provided for and that's a call on each Member.

I thank you Hon. Speaker.

*(Applause)*

**Ms. Lydia Wanyoto (Uganda):** Thank you Hon. Speaker, Sir for the opportunity, and I stand to support the motion on the floor in appreciating the EAC State of Address by the Chairperson of the Summit.

On page 2 of the speech, the Chairperson raised issues of political evolution and on that note, this is the first time I would like to recognise and appreciate the appointment of one of our colleagues as a minister of health, Hon. Sabine Ntakarutimana and also in the same light, Hon. Damien Pierre Habumuremyi who has since joined the Rwandan government and that wind has been blowing. We have two former colleagues in the Kenyan Cabinet and another one in Tanzania. I hope that the same wind will be blowing this week to my Ugandan colleagues.

*(Laughter)*

Mr Speaker, Sir, I see that Hon. Sebalu is dressed in a yellow necktie, he could be one of those whose hearts are there but the body is here with us but political evolution is one issue that is very important to us as Assembly. On the same note, I would like to congratulate the Secretary General, Dr. Amb. Richard Sezibera.

*(Applause)*

I had thought that I would not talk about him today because when I came in he was not yet here. I would love to have talked about him when he was here, so I would like to congratulate him for having been appointed the Secretary General of the Community when everybody would love to be here, to be part of the history in the making when we make our community a people centred community. I normally don't talk about people that get into big offices because sometimes there is that bug that enters their system and then they don't live to your expectations but I would like to wish Dr. Sezibera well. I am honoured as one of the East Africans that have worked with him.

He was our boss when we were trying to work on a pact on peace and stability and development for the Great Lakes and I found him as a very good negotiator, a good leader. We have been able to secure peace in the eleven countries of the Great Lakes courtesy of his skills but also courtesy of his ability to be able among other people that brought us together as experts to bring peace on paper and institutional framework to our people. I congratulate him and have confidence that he's going to do a good job and saying this on record so that he remembers that there is somebody in the House that knew him as a good negotiator, a good arbitrator, a perfect listener because those were difficult days, four years of negotiating were not easy dealing with people who don't speak the same language but was able to lead us among others of the people who were leading us as negotiators.

I am saying this so that he keeps those attributes which we need so badly in that office as the engine of the EAC. Being the Chief Executive of the Community is an important responsibility. I am saying this on record so that every time the other bug that is likely to deviate you, you remember that somebody has said this about you not that we are going to do

any audit about you but I am happy that I am one of those East Africans that worked under you that time and now that you're here as the Chief Executive, I will be happy among other Members to ensure that we work together and do the job that has brought to EAC.

I have no doubt in my mind that you were a good East African to join the puzzle of those that are leading us to integrate the EAC.

Congratulations!

Mr Speaker, Sir, the Chairperson of the Summit raised the issues of political evolution. There is a process that is laying the foundation for the political federation. Recently, there was a committee of experts appointed through the Council of Ministers but with the support of the Summit to go and delve into matters that caused fears and misconceptions on why we shouldn't have a political federation sooner or later or if it may be fast tracked. I have read the report of the Council of Ministers giving the progress of the findings of this Committee. My proposal on this, it is important that this Assembly be occasionally and formally given the progress on what we are laying the foundation for the political federation. We are the political Arm of the Community.

*(Applause)*

If the Council of Ministers desire that there be people going out to do consultations, I am not aware that you fellow Hon. Members were consulted when these people were going around EAC. I was not consulted, unless this Assembly was consulted. We represent East Africans; we are the political Arm of the EAC. We cannot be wished away. We are the politicians of Arusha for the EAC. So for me it's a big gap, if anything is happening on the laying of foundation of the federation without active participation of EALA Members, then what are we doing here if we are not laying the foundation. I already had ideas in mind and the Chairperson talks about them on page 2 and 3. If I was asked today I think we should delve into a serious agenda of creating a forum or another Assembly that drafts an EAC constitution so that we have a draft for debate.

Mr. Speaker, Sir, we hope that sooner than later there will be a concrete report on the progress of the political federation foundation work for this Assembly to debate and to give our open and candid views on where we want to go in terms of political federation because we are the politicians of the Community and we are an Assembly that works on this.

The second issue that I thought was important from the Chairperson's Statement was on the progress of the EAC integration. I have said these issues before but sometimes when matters are repeated again somebody is likely to hear and address them. Every time we are discussing issues of EAC integration, we are told time and again that implementation of the EAC decisions and directives is at Partner States. Mr. Speaker, Sir, I have been here for a while sometimes I fear to say the many years I have been here because you will begin adding up my age and you would think I am very old.

*(Laughter)*

I never talk about how long I have been here but the fact remains, we have never had an opportunity when we get reports on what is happening in the Partner States. These ministers before us, travel here, they come and handle issues of what is happening within the Secretariat and other Organs of the Community. I have not seen a report from Kenya to say because the implementation is at Partner States level, Kenya has done A, B, C and this is the progress in this area, in this district or in this region in Kenya, the same for Tanzania,

Rwanda, Uganda and Burundi. So if the implementation is at the Partner States level, how do we get to know? Because even in your own policy statements for example I read the policy statements of EAC on Uganda, I don't see those projects clearly laid out.

There is what you would call the soft projects in your meetings, workshops but the hard projects where they are? What's the progress? Where are the challenges? Where are they in the Partner states? We would like to get progress reports to know where the implementation is so that we speak for what is happening in our countries. I have seen a lot of banners in Kenya because I travel often in Kenya but they are mostly on sensitisation and not other projects like money and development projects. Where are these projects? The direction is from the Chairperson's statement here on number 2, the second driver on infrastructure.

If you have an EAC project in your country, the ministers; what is the progress that is on that road infrastructure or the soft infrastructure like the technologies, what is it that we get to know that this country, these are the challenges, in EAC spirit, we would like to know so that we have a tool on monitoring and evaluation so that we know where each project is driving us from point A to point B in the pace of the integration for the EAC so that we own in terms of knowledge, supervision and oversight.

Mr. Speaker, Sir, these are some of the issues that have been raised here and of course it goes with a non-tariff barriers. What is the progress of non-tariff barriers in terms of implementing the Customs Union in our countries? I would have loved to get that tabled here to know that in Uganda this is the progress so far and this is where we have problems and this where members of EALA from Uganda can help us and any other country.

While this statement from the Chairperson of the Summit is important, we still have gaps in a way we are doing business as an Assembly. We need to bridge the gap in terms of the progress made from the reports from our countries when we meet in a session like this.

Mr. Speaker, Sir, I am raising this because it is the third point on paragraph 20, which talks about issues of energy, infrastructure and issues of the railways and the roads. If there are roads in our countries that are geared towards growing the EAC integration, let us know about them, follow the map and let us push with our national parliaments, if we know them in terms of funding, work being done, challenges being met and then we are able to forge the integration process in terms of benefits, challenges but also to tap and be able to do that, this is where we have reached in terms of the integration.

These are the challenges we are having in this country or in the rest of the five countries, otherwise the importance of this EAC address is important, it is taking root and I am very happy that Hon. Speaker, you have been able to make sure that this dream that we had in the past has come to reality so that Chairperson of the Summit is able to interface with the Assembly and gives us the vision and the direction of where the EAC should be going.

Mr. Speaker, Sir, on our part, we should be able to put pressure and put questions to the Council of Ministers to help us link what is happening in our capitals to what we are doing here at the EAC.

I thank you Hon. Speaker and I support the motion.

**The Speaker:** I would like to call on Hon. Sebalu. I also have yellow on but I don't know whether I am also up for appointment...

*(Laughter)*



**Mr Mike Sebalu (Uganda):** Thank you very much, Mr. Speaker, Sir for the opportunity. In my case the appointing authority is in Kampala

*(Laughter)*

There is no way, he can see the yellow in Arusha and besides I am gainfully employed and the only request I can ask for the employing authority is to give me another chance to return to Arusha.

*(Laughter)*

Mr. Speaker, Sir, I do rise to support this motion and in doing so I would like to thank you for your continued stewardship of this Assembly which has seen this practice gain ground and add value to the processes of engagement with in the EAC. This state of the Community Address is one of those few occasions when the Assembly as an institution does interact with the Summit through the Chairperson of the Summit. How I wish because even this very important State of the Community Address was a good innovation of the Assembly as your wise leadership. I just want to use it as an opportunity for us to create other innovative ways of getting a chance to interact with the Summit because that communication gap is creating a few serious challenges.

*(Applause)*

That we need to our brains to, for instance it raises questions of whether some of the issues and conclusions that we do make as an Assembly are communicated in the same spirit and later the way we do them. There could be a possibility of misrepresentation in some aspects.

*(Applause)*

So I put it to the House under your wise leadership that we need to look at a way where we could engage with the Summit, these are our leaders, they do give direction and impetus to the community, how i wish they could get an opportunity collectively to give direction and impetus to the legislative Assembly so that we engage and we are able to give them a feedback from the legislative point of view. Like my colleagues have already said, we do represent the people, we do legislate, we do oversight and in the process of fulfilling those different aspects of our mandate, there is a lot that we interface with from the people and this integration process is supposed to be people centred. That would give a very good opportunity for the legislative arm of this Community to interface with the members; the chief executives in our respective Partner States and that synergy in my view would be very useful and productive for the E AC. This is an entry point, we could further explore opportunities of how once in a while have this interaction, just like we do interact with the ministers and we get a lot of feedback from them but it doesn't do any harm also having another level of engagement so that at the end of the day we build the necessary synergy that will take this integration process to another level.

Mr. Speaker, Sir, I also want to salute the practice that is emerging from the Chairperson's of Council in the previous two State of the Community Address. We do recall that while in Nairobi, His Excellency, Jakaya Mrisho Kikwete had to fly in to Nairobi and perform this noble responsibility of making the State of the Community Address. Normally, it would be in Arusha, which is our head office but it also creates a very good interjection between these heads of states, when they fly to another capital and they are giving the state of the Community address. Practically, it goes a long way to demonstrate how we are evolving into a region where all of us have a role to play. I want to thank President Pierre Nkurunziza when

he had to take off time of his busy schedule from Bujumbura and flew to Kigali to nothing but to give this address. I think that is a practical demonstration of the commitment of the Heads of State in doing their work and it is emerging and a good practice. ....

*(Applause)*

**Mr. Dan Kidega (Uganda):** Mr Speaker, Sir, I rise on point of information, at times that he didn't fly, he actually drove.

*(Laughter)*

**Mr. Sebalu:** Yes, I agree but he drove at such a terrific speed that he was flying –

*(Laughter)*

So that's why I still appreciate that the speed was beyond just the road speed and that was the urgency of keeping time and engaging with the parliament but I would like to thank my honourable colleague with that useful information. It goes on to demonstrate because in Uganda people do some walking –

*(Laughter)*

So for the President not to fly and drive that was another level of commitment.

*(Laughter)*

Mr. Speaker, Sir, I just want raise one issue out of the comments of the Chairperson of the Summit. When you look at page three, paragraph 8, President Nkurunziza raised very important issues regarding the economies of the region, the kind of challenges that we are facing as a region to do with currency depreciation, serious repercussions on inflation, fuel prices arising out of some of the activities in the MAGREB and in the Middle East. This was a very important exposé by the Chairperson giving the State of the region as it were and you realised that these challenges have affected our different Partner States in different ways and in varying degrees but the most important thing that I would like to draw is that the Chairperson of the Summit gave that overview to the entire community and you will appreciate that different Partner States have responded differently on these issues and yet affected the entire region and these issues were also not of our own make as a region.

If you go further to look at the bigger picture, these are offshoots of different other factors that play. You look at the tail end of the financial crisis. It still has those contradictions that are globally still felt, the effects of Japan as a major player in the global system. The kind of problems they were suffering from also had an integral kind of part in destabilising global economies. What is happening in the Middle East, you know these are major suppliers of oil and the effect that this has had? So this was very useful sending this kind of information across the region. How I wish that different players are depicted from the President's address and been able to appreciate them further. We also wish the community after this kind of address is made; especially the relevant departments can go a long way in engaging with our different Partner States to do with matters that appear to have a regional kind of effect on the economies and the welfare of the people.

Mr Speaker, Sir, I just want to leave it at that point by thanking you for the opportunity that you have granted me and I do support this motion and I guess we are all in support of this motion.

**The Speaker:** My last two Speakers are Hon. Nyiramilimo and Hon. Ndarubagiye and please be brief.

**Dr. Odette Nyiramilimo (Rwanda):** Thank you Mr Speaker, Sir, for the opportunity and I will try to be brief. I rise to commend the State of the Community Address delivered by President Pierre Nkurunziza and I will talk on three issues.

Mr Speaker, Sir, when His Excellency, Nkurunziza gave his statement, he talked about the five year development strategic plan of the Community, 2011/2016. In a few minutes to come we will be debating the budget for the Financial Year 2011/2012 and we don't have this development strategic plan. I think when the Chairperson of the Summit gives this Address; it is an order to all of us but especially to the Council of Ministers. We have been requesting for this strategic plan even if it was still a draft, but we still need it-

**Ms. Dora Byamukama:** Thank you Mr Speaker, Sir. I just wanted hear from hon. Nyiramilimo again when she said that when the statement is an order to all of us but I believe that the Treaty is clear and our roles are distinct and our mandate is protected under several provisions. We do not take orders from anybody not even the Council of Ministers, when you look closely at the Treaty. So I just wanted some clarification on this order. I thank you.

**Dr. Nyiramilimo:** I thank you Mr. Speaker, Sir. I also thank Hon. Byamukama for this clarification as she is requesting if I would repeat it again if the Chairperson of the Summit gives orders, he gives us directions to follow.

*(Applause)*

Let us not say an order but a direction.

Mr. Speaker, Sir, if you look at page 7 of Chairperson's Statement, he said that one of the greatest challenges lies in quality assurance and he insisted that the leading role of the Inter-University Council is quality assurance and accreditation, harmonisation of the higher education system was key. We were surprised to see that the 22<sup>nd</sup> Meeting of the Council of Ministers decided to reject the Bill that was brought to this House by Hon. Ogalo. The IUCEA Bill which was on the programme for our session of last week and it is not anymore on the programme-

**The Speaker:** Hon. Nyiramilimo, are you saying that they rejected hon. Ogalo's Bill or they rejected the order from the Chairperson of Summit?

**Dr. Nyiramilimo:** Hon. Speaker, they decided that they will reject the Ogalo's Bill.

*(Laughter)*

We would wish to have that amendment bill to come on our order.

**Mr Wilbert Kaahwa:** Point of information, Mr Speaker, Sir.

**Dr. Nyiramilimo:** I don't take it Mr Speaker, Sir. Thank you.

*(Laughter)*

Mr Speaker, Sir, we all know that if we want to strengthen the integration of the community, it is imperative that we harmonise education in the region.

*(Applause)*

And therefore, the accrediting role of the IUCEA would help in this harmonisation of education and the Chairperson of the Summit stressed that the accreditation role of the IUCEA. I would like that the Council of Ministers listens to the Chairperson of the Summit and follows the directives that he's giving.

*(Applause)*

Mr. Speaker, Sir, I would also commend the state of the community address because for the first time we hear the Chairperson of the Summit talk about the important role of the business women in social economic development.

*(Applause)*

It is very clear that our region cannot develop if women are always staying and lagging behind. We would therefore wish to have our Partner States to strengthen the role of women in the social economic development.

With these few remarks, Mr. Speaker, Sir, I beg to support the motion and commend the State of the Community Address.

I thank you.

**The Speaker:** My last Speaker is hon. Ndarubagiye.

**Mr. Leonce Ndarubagiye (Burundi):** Thank you very much Mr. Speaker, Sir for giving me the floor. Speaking after others, I think they have said it all. I will be very brief as you have asked. I would like to support the motion and commend His Excellency President Nkurunziza for his address to the Assembly. To re-emphasise the issue of infrastructure because that's the way of promoting development in our region.

He also re-emphasised the Kigali retreat and commended that it should be institutionalised so that there is a good collaboration between Organs. Our interaction with other Organs sometimes can bring frustrations or anger due to misunderstandings or misinterpretation especially when we question some of the actions taken or that should be taken and I think that was a very good point to insist on the Kigali retreat institutionalisation. About the political federation, my colleagues have suggested ways forward and how we can reach there through the four steps to integration as stated in the Treaty.

Mr. Speaker, Sir, the fact that the address of the community address was made by the President from a French speaking country, Burundi, is a proof of integration. The president also spoke about how to find our means in funding the institution transformation. This he said will demand funds and we should find those funds. Very soon we will be debating on the EAC budget for the Financial Year 2011/2012 and we will definitely discover that the parts of the contribution of those we call development partners is coming to big.

Mr. Speaker, Sir, I wanted to raise those few remarks and I congratulate President Nkurunziza for addressing this Assembly and I support the motion.

Thank you very much.

**The Speaker:** Hon. Ndarubagiye has been very brief; maybe I allow Hon. Oyondi to say something.

**Mr. Reuben Oyondi (Kenya):** Thank you Mr. Speaker, Sir, for giving me this opportunity. Mine will be just a minute. First of all, I want to congratulate the Secretary General for assuming the office. It is a very high office; there are a lot of challenges.

*(Applause)*

We would like to wish him well.

Mr. Speaker, Sir, allow me to pick one thing from the Chairperson of the Summit. There are many others that he has said but I just went to a quick and I want to draw the attention of all the Hon. Members on the first page. When the Head of state recognised the Hon. Speaker, Hon. Members, distinguished guests, then he came to ladies and gentlemen; he came down and said very important word ‘may the almighty God be praised for his greatness.

**The Members:** Amen!

**Mr Oyondi:** Mr. Speaker, Sir, how many of us here talk about God in our daily activities?

I want to refer to my Hon. Learned friend to the book of Psalms Chapter 1:1

**The Speaker:** Hon. Oyondi what are you referring to? I don’t know what you’re holding?

**Mr Oyondi:** I want to refer to the Bible. Wise words of which the President of the Summit said and this refers to somebody who remembers God. If all our Heads of State could remember God, there would be no walking to work.

*(Laughter)*

I want to congratulate the Chairperson of the Summit and I want to ask all leaders of the countries in Africa to put God number one.

*(Applause)*

Otherwise we could have problems in the Arab countries – God in heaven. There is only one God in heaven.

*(Laughter)*

With those few words, Mr Speaker, Sir, I beg to support.

*(Applause)*

**The Speaker:** Hon. Oyondi, I would like to bring to your attention that every time we start this Assembly, we start with a word of prayer. We pray.

*(Applause)*

I now call upon the Hon. Minister, if he has anything to add.

**Dr. Sadalla:** Mr. Speaker, Sir, I would like to thank all the members who have supported the motion and this regard; I specifically refer to contribution by:

Hon. Dr. Said Bilal

*(Applause)*

Hon. Janet Mmari

*(Applause)*

Hon. Lydia Mutende Wanyoto

*(Applause)*

Hon. Mike Sebalu

*(Applause)*

Hon. Odette Nyiramilimo

*(Applause)*

Hon. Leonce Ndarubagiye

*(Applause)*

Hon. Reuben Oyondi and all the other members that support this motion.

*(Applause)*

Mr. Speaker, Sir, Hon. Members have stressed the need of prioritising the key drivers of the integration namely; quality assurance, institutional accreditation, political evolution. Various members raised in depth the analysis of the points raised and the challenges articulated by the Chairperson of the Summit. The analysis of the Members was very sharp and focused. This is with the regard to institutional development, the laying of the firm base for the political federation, implementation of programmes and projects, levels of implementation by the Partner States especially on hard and critical projects.

Mr. Speaker, Sir, I take Hon. Nyiramilimo intervention on the development strategies seriously and we will do that and in this regard, we assure this House as we did during the Kigali meeting that members will be increasingly involved in articulating this strategy.

Mr. Speaker, Sir, I thank you so much and beg to support.

*(Applause)*

*(Question put and agreed to)*

## **CONSIDERATION OF THE BUDGET OF THE EAST AFRICAN COMMUNITY FOR THE FINANCIAL YEAR 2011/2012**

**The Speaker:** The debate was interrupted on May 19<sup>th</sup> 2011 for this motion so that you can go read and digest the minister's speech and other related documents. I now call the Chairperson of the Committee on General Purpose to give her report.

**The Chairperson of the General Purpose Committee (Ms Nassor Sebtuu):** Mr. Speaker, Sir, I beg to present the report of the General Purpose Committee on the EAC Annual Budget Estimates for the Financial Year 2011/2012.

Allow me first like you have done with others to congratulate Amb. Dr. Richard Sezibera for his appointment and also for being with us here. I think he has come at a very good time for this Assembly when we are debating the budget for Financial Year 2011/2012. What I can say he's coming with finance.

*(Applause)*

At the same time, since he arrived here it's been raining and we in Zanzibar; we say that when rain comes and somebody has visited you or has come to live with you, he has brought prosperity.

*(Applause)*

And this is going to bring prosperity to the East African region.

Mr. Speaker Sir, now back to the report, pursuant to the provisions of Article 49 and 132 of the Treaty Establishing the East African Community and in accordance with Rules 72 and 79 as well as Annex 5 (F)(ii) of the Rules of Procedure of the Assembly, I beg to present to the House for consideration and adoption the report of the Annual Budget Estimates of the East African Community for the FY 2011/2012.

Mr Speaker, Sir, the estimates of Revenue and Expenditure of the East African Community for the Financial Year 2011/2012 was presented to the Assembly by Hon. Peter Munya, Assistant Minister for East African Community Affairs of the Republic of Kenya on Thursday, the 19th of May 2011, and subsequently referred to the General Purpose Committee for consideration.

The Council requests the approval of USD 109,680,319 for the Financial Year 2011/2012 out of which USD 33,666,700 will be contributed by the Partner States while USD 75,307,769 by Development Partners and other income amounting to USD 205,850. The overall proposed budget is over and above by 41% of the current budget of the financial year 2010/2011. For this the Committee would like to thank the Partner States, through the Council of Ministers and other stakeholders namely all the Development Partners for the continued commitment and support towards realizing the EAC objectives.

The estimates are as follows which clearly show the allocation of the budget to the Organs and Institutions of the Community as well as the expected revenue for the same period. This is Table one.

The budget is categorized as follows as per the FY 2011/2012: Explanatory notes and Assumptions on the EAC budget for the FY 2011/2012 (Annex III) which was given to all the members of last Thursday.

- (i) Personnel Emoluments USD 20,672,338 which is 19% to the total budget and 52% to the total Partner States contributed;
- (ii) Recurrent Budget USD 15,991,087; 15% to the total budget and 31% to the total Partner States contribution;
- (iii) Development Budget USD 73,016,894; 67% of the total budget and 17% to the total Partner States contribution.

The funds requested are to realize the broad objectives of this year's budget theme which the Committee noted is quite similar to last year's theme: "Implementation of the Common Market and laying foundation for the Monetary Union".

In this context therefore, the priority programmes planned for implementation during the FY 2011/2012 – 2013/2014 are in line with the EAC Development Strategy 2011/12 – 2015/2016; the outcome of the pre-budget consultative process and in response to pronouncements of the Summit and Council decisions.

The EAC will focus on the following priority programmes: implementation of the EAC Common Market Protocol; conclusion of the EAC Monetary Union Protocol; deepening cooperation in Defence, security and political matters; implementation of the EAC Institutional Review recommendations; promotion of Agriculture and food security and implementation of Climate Change Action Plan; promotion of regional and multilateral trade; expansion of regional infrastructure facilities; implementation of EAC industrialization; investment promotion and Private Sector development strategies; promotion of sustainable use of environment and natural resources, Tourism and wildlife Conservation; enhancing EAC visibility and operationalisation of the EAC Development Fund.

Budget allocation to the above mentioned priority areas for the FY 2011/2012 is shown in Table II.

### **Mandate of the Committee**

In accordance with Provisions of Article 49(2)(b) and 132 of the Treaty for the Establishment of the East African Community and Rules 73, 74, 75, and 76 of the Rules of Procedure of the Assembly, the annual estimates of Revenue and Expenditure of the East African Community in the form of budgetary proposals is presented to the Assembly for consideration and approval. The General Purpose Committee is mandated by the Assembly's Rules of Procedure through its Budgetary Function to analyze the proposals. The mandate is specifically found in Rule 79(g) as well as paragraphs (c), (d), (e), (f) and Annex 5 (f)(ii) of the Rules of Procedure.

1. The Committee adopted the following methodology:
2. Analyzing provisions of the Treaty and Rules of the Assembly
3. Analyzing the following documents:
  - EAC Mid-year Budget Review Report Financial Year 2010/2011 (Annex I)
  - EAC Progress Report; (Annex II)
    - Explanatory Notes and Assumptions on the EAC Budget for FY 2011/2012 (Annex III);
    - Budget for MTEF 2011/2014 by targets/deliverables (Annex IV);
  - EAC Recurrent Budget for FY 2011-2014 (Annex V);
  - EAC Development Budget for FY 2011-2014 (Annex VI);
  - Medium Term Expenditure Framework for FY 2011/2012; 2013/2014 (Detailed Budget) Annex IV A, B, C&D (Annex VII);



- EAC Draft Procurement Plan for FY 2011/2012 (Annex VIII);
- EAC Draft Work plan for FY 2011 – 2012 (Annex IX);
- MTEF for the Inter-University Council for East Africa (Annex X);
- Report of the 22nd Council of Ministers meeting (Annex XI)

The Committee also requested for additional documents which were availed by the DSG F&A; The EAC 2011 – 2012 MTEF Framework budget financial gap showing activities affected by the 10% budget ceiling as well as several annexes to the Report of 22nd Council of Ministers Report.

The Committee also made use of the Council of Ministers brief to the Summit for the 9th Extra-ordinary Summit of EAC Heads of State that took place on 19th April, 2011; the recommendations of the Committee from the Committee Report on the EAC Budget 2010/2011 and the Budget Speech delivered on 19th May 2011.

We also met the DSG F&A and the Technical Officers of the EAC;

And also preparing a report and its findings.

The Committee would like to express gratitude and appreciation to the Rt. Hon. Speaker for giving us the opportunity to undertake the pre-budget function as well as the consideration and analysis of the EAC Budget Estimates for the FY 2011/2012.

*(Applause)*

Secondly, the Committee would like to thank the office of the Clerk, EALA for facilitating the Committee's work during the period 9th – 13th May 2010.

*(Applause)*

In addition, the Committee also extends its gratitude to the following individuals who facilitated its work to the end of the consideration of the EAC Budget priorities revenue and expenditure for the financial year 2011/2012 the status of implementation of the Budget for FY 2010/2011 and budget analysis exercise. I would like to recognise the following people:

1. Dr. Julius T. Rotich, DSG, Finance & Administration

*(Applause)*

2. Mr. Jean Claude Nsengiyumva, DSG, Productive and Social Sectors

*(Applause)*

And their team of experts and technical staff of EAC Organs and Institutions and those include: EALA, EACJ, IUCEA, LVBC among others and the names are on page 8.

### **Budget Performance**

Mr. Speaker Sir, the annual total expenditure of the FY 2010/2011 was USD 77,664,403 (comprising 59,963,040 approved in June 2010 and the Supplementary budget of USD 17,701,403 in December 2010). These funds were sourced as follows: Partner States

contribution USD 30,748,369, Development Partners USD 46,842,454 and other income amounting to USD 73,620.

Several challenges were faced during the financial year including, among others, late disbursement of funds and several strategies were devised that to a fair degree helped reduce the effects of the challenges and the Committee notes that the EAC Secretariat has made commendable efforts toward effective and efficient administration and management of the affairs of the Community.

*(Applause)*

Mr. Speaker Sir, the EAC Budget for the FY 2011/2012 is being proposed with the following assumptions:

- a) Continued and consolidated political support for EAC,
- b) Availability of adequate financial resources and timely remittances,
- c) Continued financial support from Development Partners,
- d) Political stability and good governance,
- e) Conducive macro-economic and business environment in the region,
- f) Global economic stability.

In the financial year 2011/2012, the following priorities as presented in the Budget speech will guide the Community's projects and programmes. Allow me to highlight the same once again.

- a) Implementation of the EAC Common Market Protocol;
- b) Conclusion of the EAC Monetary Union,
- c) Deepening Cooperation in Defence, Security and Political matters,
- d) Implementation of the EAC Institutional Review recommendations and capacity building,
- e) Promotion of Agriculture and Food Security and implementation of Climate Change action plan,
- f) Promotion of regional and multi-lateral trade,
- g) Expansion of Regional Infrastructure facilities,
- h) Implementation of EAC industrialization, investment promotion and private sector development strategies,
- i) Promotion of sustainable use of Environment and Natural Resources, Tourism and Wildlife Conservation,
- j) Enhancing EAC visibility.

## CONSIDERATION OF THE BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2011/2012

The Committee had the opportunity to consider and discuss the details of the estimates of the Departments of the Organs and Institutions of the EAC, had very fruitful deliberations with the DSG F&A and his team and then made the following observations and recommendations. (The range of questions and explanations furnished by the DGS F & A are attached as Annex 1)

### GENERAL OBSERVATIONS AND RECOMMENDATIONS

The Committee notes the remarkable improvements in the budget preparation process as well as the preparation and layout of documents the Committee was presented with. This is also with regard to documents that the Committee has requested for sometime namely, the EAC Draft annual work plan and procurement plan as well as the progress report for the period of July 2010 – March 2011 were presented for the first time.

The Committee registers its appreciation for all the accompanying documents and annexes. The Committee also notes with appreciation the fact that the priorities reflected in the budget captured some of the agreed priorities in the pre-budget conference and the focus was now on a few reachable and achievable priorities. The corresponding cost centres, targets, activities and objectives also are coherent and improvements are apparent in the correlation between objectives, targets and activities of the Financial Year. There is however, still room for improvement with a few cost centre items that could be merged to save costs, the procurement schedules that need to be realistic in terms of time and procedure; these were pointed out as areas for further improvement.

The Committee also notes that some ongoing projects have continued to be funded as recommended by the Committee and recommends that this be sustained for all projects until the end of their project life. In case the project is not feasible, the reasons should be documented and brought to the Committee for review.

The Committee further recommends that Committee reports and recommendations adopted by the House on EAC projects and programs such as the report on harmonization of Education Systems and Training Curricular, Single Visa amongst others, be taken on board.

### **Significant budget underutilization and effects of slow pace of decision making**

The Committee however noted that there is apparent underutilization of the allocated budgets in most of the departments and Directorates of the Community.

The DSG F&A both in the preamble to the budget and in his explanations to the Committee informed the Committee that the main reasons for underutilization of the budget include delays in recruitment of staff, slow pace of receipts of funds as well as short duration of the life of the projects. The Committee was informed that delays in recruitment have been due to the ongoing institutional review process, the suspension of the recruitment of mainstream staff as well as the implementation of the Roadmap for the integration of Rwanda and Burundi. While the Committee acknowledges and appreciates that these decisions and suspensions came with substantive reasons, it nonetheless would like to register its displeasure at the cumulative effect of these decisions that simultaneously give rise to pending, unfinished and delayed decision making that culminates into underutilization of

budgets that manifests itself in understaffing, overworked staff and slow pace of implementation. The delayed decision making with no timeframe and pending agendas of meetings in Arusha and elsewhere, repeated process of interviews and failure to agree and make decisions has a high cost that we should all be concerned about in terms of money, time and the cost or price of delays as illustrated above.

It is imperative that this cost be registered, recorded and digested and remedial measures sought. It is incomprehensible (and we may need to put a human face to this), that among others, departments such as Statistics, Planning, Trade, Human Resources and Administration, Environment, Tourism, Gender and Community Development, are understaffed and the same small number of staff is expected to perform their duties to the best of their ability. The Committee finds it difficult and unfair to assess some departments considering the conditions the staff work under.

Mr. Speaker, Sir, the Committee recommends;

- (i) That the Secretariat establish a tool and mechanism to measure and assess the cost of delays mentioned above (to be communicated to the Committee) and find immediate short term solutions and compensatory measures in terms of additional staff and logistical support;
- (ii) That the Council of Ministers put timeframes/ timelines to these pending processes to enable effective planning and implementation.

**The need to align priorities with ability for absorption of funds and capacity of departments to implement to expectation.**

This is necessary because as indicated underutilization of funds by departments that are understaffed should indicate the need for corresponding initiatives or measures to strengthen the department so that it is able to perform to standard. For example, priority (f) promotion of regional and multilateral trade, (h) implementation of EAC Industrialisation policy as well as (i) promotion of sustainable use of the environment, natural resources and wildlife conservation are going to be implemented by remarkably understaffed departments with utilization levels of up to 14% in the current financial year up to March 2011.

The Committee recommends that the particular departments charged with implementing particular priorities be considered for necessary personnel/staff assistance and any other appropriate support through projects in the time that recruitment has been frozen so as to ensure the priorities are met.

**The need for structured systematic monitoring of the entire integration process**

The Committee also noted that there is so far no connection reflected in the different phases of the integration process in form of taking stock and documenting in a SMART manner, the phases of integration and the smooth flow into, for example, the Monetary Union. This is particularly useful now that the theme of the current budget is the same as last year's implying that there is continuity in activities and expected achievements/outcomes/benefits.

The Committee recommends that monitoring and evaluation tools be established to record achievements, challenges, missed opportunities and costs and lessons learnt which are remedied or integrated into the next phase of integration.

### **Presentation of Summaries and the basis of setting of priorities by the Community**

The Committee noted that Summit and Council decisions and directives duly take precedence in determination of priorities of the Community during the budgeting process. However, it is important that a coherent presentation of the sources of setting of priorities be presented to the Committee. This would ease the work of the Committee if it is able to easily identify the bases of setting all the priorities per department; whether from the Development Strategy or based on the said decisions. The explanation that the decisions are implemented as they come is valid but in the absence of this synopsis, the Committee finds it difficult to carry out its work.

In this respect also, since the Committee has neither had the opportunity to see nor been consulted (As an Assembly) on the EAC Development Strategy, it was not possible to see how the current and new development strategies relate to each other and whether unfinished projects are duly carried forward to the new development strategy as well as the levels of implementation, successes and challenges.

The Committee recommends that in future, for ease of reference, the above summaries be compiled and presented to the Committee as annexes to the Budget document.

### **The need to appropriately forecast and advise the Region in times of Economic and Social Crisis**

The Committee appreciates the efforts of the EAC Secretariat in coordinating activities in the Partner States but expressed disappointment at the failure of the relevant departments in the Secretariat namely Trade, Planning and Productive and Social Sectors to relate to the economic shocks experienced around the world and in East Africa as witnessed by high food prices, fuel shortages and general economic down turn.

The Secretariat's inability to forecast and put in place early warning systems or mechanisms for the people of East Africa is very disappointing. It would have been expected that with the goings on in parts of the world, we have the ability to forecast and help the region plan effectively for its people. This does not only refer to economic issues but the Secretariat could make an effort to do this across board with regard to weather and climate change issues, agriculture, livestock and all other such sectors that are subject to natural occurrences and phenomenon.

The Committee recommends that the capacity to address social issues affecting East Africa be built and appreciates the DSG F & A's undertaking to ensure proactive research in the near future that will comprise early warning systems that generate shared information.

The Committee recommends that this be considered a priority.

### **The need to institute a structure with social responsibility mechanisms for East Africans**

Closely linked to no. 5 above are the social responsibility efforts that the Community has extended towards communities in East Africa but noted that these efforts have been limited to spontaneous efforts such as donations in time of distress by the Secretary General's Office. The Committee is of the view that there could be established an enduring response mechanism guided by social responsibility which would enhance East Africans awareness of

the Community and the fact that in times of distress, the Community shares their distress and empathizes with them in an orderly and predictable manner.

The Committee recommends that efforts be made to this end.

### **The need to mainstream all financial resources into the budget for due approval**

The Committee notes and appreciates that LVBC and IUCEA have mainstreamed most of their financial resources into the overall budget of the Community and this presents good practice that should apply to all institutions of the Community.

*(Applause)*

This should apply too to the Supplementary budget estimates presented to the Assembly for approval.

The Committee recommends that all revenues to and expenditures of the Community be mainstreamed into the Community budget.

### **EPA Funding and misrepresentation of the Assembly's stand**

The Committee took note of both the communiqué of the Summit of Heads of States and the Council of Ministers brief to the Summit and the subsequent pronouncement made by the Summit of Heads of State. The Committee is however disturbed by the misrepresentation by the Council of Ministers of the stand of the Assembly on the funds for capacity building of EPA negotiators.

The Committee together with the Committee on Trade, Communication and Investment met with the Council of Ministers in Kigali on 6th of April 2011 over the matter and before that in Nairobi on 27th January 2011 with the former Secretary General of the Community, Amb. Juma Volta Mwapachu and a team from the Directorate of Trade.

In spite of these meetings, the reasons presented to the Summit of Heads of State were inaccurate and misleading since the matter is still before the Joint Committee and was supposed to be discussed during this 5th Meeting. This intention was however overtaken by events and the Summit directive.

The Committee took note of the fact that funds were remitted to the Partner States and these funds were realized from the process of rationalizing the budgets of the Organs and Institutions of the Community.

The Committee therefore recommends that with the passing of this budget, funds that were cut from all the Organs and Institutions of the Community to fund EPAS as the case may be, be returned to the said Organs and Institutions in the amounts that were rationalized since the EAC Secretariat has been directed by the Summit to renegotiate with SIDA to remit the EPA negotiation funds it had earmarked for EAC directly to the Partner States.

### **The need to create a mechanism for feedback on implementation of projects and programmes from the Partner States.**

The Committee notes that most of the meetings organized by the Secretariat have a uni-directional trend whereby the Secretariat reports progress on implementation of decisions and

directives. The question then arises as to how the Secretariat as a coordinating body for all projects and programs apart from the few on spot visits the Assembly conducts and probably the monitoring and evaluation by the donors that fund the projects get feedback –at least for information and data purposes- on implementation. (The Committee would like to see a few of the many conferences and meetings dedicated to the reporting on implementation status by technical teams from the Partner States). The gap is usually apparent when the Secretariat reports that it is just a coordinating body when asked about implementation of all current projects and programs in the Partner States.

The Committee recommends that modalities for obtaining feedback from the Partner States on implementation of projects and programs be instituted to henceforth fill the information gap that is apparent at the level of the Secretariat. There is further need to clarify on the roles of the EAC Secretariat and the Ministries of EAC Affairs in Partner States particularly on matters of financing and the coordination role played by the Ministries of EAC Affairs.

*(Applause)*

### **The need to increase per diems for the Community**

While appreciating the fact that there is a need to cut costs, the Committee notes that it is imperative to increase per diem owing to the rising cost of living and global realities.

*(Applause)*

The Committee further notes that delegations representing the Community are currently receiving per diems not at all comparable with the cost of living of the countries they travel to, particularly outside Africa. The Committee has prepared a draft schedule to show that through reallocation it is possible and showing the areas from which funds can be reallocated.

*(Applause)*

The schedule is attached as Annex 2.

The Committee recommends that the Council of Ministers seriously consider increasing per diems for the Community.

Mr. Speaker, Sir, Annex 2 is on EALA only but it is an example to show increased per diems is possible and we should all know that since it is possible in EALA, it is also possible in other Organs and Institutions. Therefore Mr. Speaker, Sir, I ask the August House to pass it because it covers the whole of EAC.

*(Applause)*

### **Specific Sectors and Departments**

#### **Office of the Secretary General**

The average performance for the FY's budget was registered at 48% utilization rate by March 2011.

The Committee noted that the Office of the Secretary General ideally should be able to receive all the support that the Secretary General and his/her Executives need to lead the Community in a strong and effective manner, to appropriately and adequately manage the affairs of the Community.

This observation is in response to the emerging tendency of Partner States' technical staff micro-managing and increasingly attempting to run the affairs of Secretariat and yet it is expected that the Executive Staff of the Secretariat constitute a "think tank".

*(Applause)*

It is worth noting that this tendency could also be due to a gap or weak link in administrative leadership. If this is the case, the Committee recommends that measures be taken to remove the weak link in this regard to remove any loopholes that the Partner States teams may find that cause them to think they should intervene in administrative and management issues.

*(Applause)*

The Council of Ministers can then exercise the due authority.

The Committee also made the following observations:

- That the office of the Secretary General upon instruction to the other departments should be able to generate the already mentioned tracking mechanism or assessment tool, reporting on the challenges and benefits of the integration process by phase as cited in the general observations and recommendations.
- That the provision for measures to protect whistleblowers to enhance transparency is commendable. However, there is need to create a sense of security by way of a legal framework to protect whistleblowers. The DSG F & A explained that there are indeed ways in which EAC ensures protection but without specific measures this still remains risky.

The Committee recommends that the confidentiality and security measures be strengthened and ensured.

#### **Office of the DSG (Finance and Administration)**

The average performance for the FY's budget was registered at 63% utilization rate by March 2011.

The Committee noted that there were, among others, several unclear budget items that needed further classifications for example, office stationery costs that amount to almost USD 230,000 for one department. The Committee expressed the urgent need for this to be brought down. The DSG explained that it was the Committee that had previously re-allocated the funds for video conferencing and this - at the time – was meant for boosting Partner States systems. This arose when the Committee insisted on the fact that Partner States should build their own infrastructure. Video conferencing would reduce costs of travel for meeting and reproduction of reports in hard copies.

The Committee recommends that additional efforts be made in the area of video conferencing facilities for all departments and this would not only reduce stationery costs, but across board as the Committee has often pointed out; travel, conferencing, administrative and allowance costs would also be reduced. The Committee recommends that Partner States build their own infrastructure, which they probably have already.

The Committee notes that pay rates per day on consultancies is still not structured or regulated to scale. The DSG F & A explained that rates mainly depend on the rate of the bidder. The Committee recommended that a structured rate be instituted as a basis for



standard across the board. Reference is made to last year's Committee report and Council Decision of May 2010.

### **Office of the DSG (Planning and Infrastructure)**

The average performance for the FY's budget was registered at 51% by March 2011.

The Committee noted that the budget estimates had not catered for establish the Railway Authority and there were technical reasons provided for the lack of a budget for experts and technical know how. The Committee would like to know then how the budget catered for a process for establishment of a Regional mechanism to provide concessions yet the Mombassa - Kasese railway concession had already been issued to a private company. The Committee would like an explanation for this inconsistency and the terms for the concessions mentioned above. The DSG F&A's team was not able to satisfactorily respond to this concern but the Council of Ministers can do so.

*(Applause)*

Additionally, the Committee expressed concern over the budget underutilization and apparent low performance of the investment and private sector promotion department at 20% in this time when investment by the private sector is one of the priorities for the FY and should be encouraged.

Monitoring and Evaluation unit's 12% of the budget utilization also raised concerns possibly due to lack of information and data and the Committee would like to reiterate recommendations on understaffed departments and provision of information by Partner States in this regard.

### **Office of the DSG (Productive and Social Sectors)**

The average performance for the FY is registered at 51%. The Committee appreciated the fact that Partner States had increased funding to the Sector as one key to integration.

The Committee noted the following on the departments respective to the Sectors:

#### **(i) Agriculture and Food Security Sector**

The Committee appreciates that the sector received a 35% increase in funding from Partner States. The Committee also appreciates that a recommendation made last year to finance Tran boundary diseases had been taken on board. It is expected that a significant increase will be seen in implementation of activities.

#### **(ii) Energy Committee**

The Committee was concerned that there is no reference or budget whatsoever for renewable energy for which the region has a huge potential. The focus is on fossil fuels which are more costly to develop. The DSG (F & A) undertook to source additional funding for this sector from Development Partners and the Committee expects that this will be put into motion.

The Committee recommends that renewable Energy be given serious attention as an alternative energy source.

#### **(iii) Tourism and Wildlife Development**

The Committee is concerned by the slow pace in attaining a Single Tourist Visa.

*(Applause)*

The Committee notes the explanation that was given on ICT connectivity problems with even just ordinary visa issues in all the Partner States,

- The Committee recommends that more effort and funds be put into this by both the Partner States and the Secretariat since it is an integral part of the integration process in general but a serious facilitator to the tourism industry in particular.
- The Committee further recommends that the Council of Ministers consider this as a priority area for Partner States if the single visa is to be realized by 2012.
- The Committee recommends that the Single Visa report be validated and adopted as a matter of urgency.

Additionally, the Committee has also on previous occasions commented on the understaffing of this Sector which would probably explain the low level of budget utilisation (39%).

(iv) Industrial Development Department

The Committee notes that the industrial policy and strategy is not yet in place although as mentioned in the Budget speech, the industrialization strategy is at an advanced stage and is due for presentation to the Heads of State in November 2011. Implementation is said to be in 2013 but there is a big reduction in funding and budget allocation.

The Committee recommends that funds be sourced for this department for the implementation of the policy and strategy.

(v) Education, Culture and Sports

The Committee notes with regret that this Sector is increasingly neglected. Even the 100% utilisation is due to the fact that the allocation is minimal any way. The Committee recommends that recommendations of the On Spot Assessment report on the EAC Harmonisation process by the Committee on General Purpose need to urgently be given priority. The Committee further recommends that this sector be specifically given more attention in terms of funding. The Committee specifically recommends that more funds be sourced for this department to among others, ensure that the IUCEA Report on harmonization of Education Systems and Training Curricular presented in 2009 be urgently validated and the harmonization of Education systems and training curricular be fast tracked without any further delay.

*(Applause)*

(vi) **Gender, Community Development and Civil Society**

The Committee notes with appreciation that the sector received a slight increase in funds. The Committee notes that women entrepreneurs and youth were given attention and subsequently, decisions were taken to, among others; highlight international days on Gender, Youth, Children and Community development as well as policies to adopt youth employment creation strategies. The Committee would also like to commend the Council of Ministers for setting up the Sectoral Council to take on board issues of family promotion, gender, Youth, PWDs etc, and the various activities that have been planned in the current Financial Year.

The department however, could benefit from more funds and these can be sourced from Development Partners particularly for Gender, Youth and Community Development.

**(vii) Health**

The Committee noted with regret that this Sector has remarkably underutilized its funding and its ability to absorb funds is now brought to question. The Committee also notes that the department has received a number of staff and it is expected that for the remaining period, a significant improvement can be registered.

**(viii) Environment and Natural Resources**

The Committee noted that this sector registered a 14% utilization rate by March 2011.

The Committee would like to review the reasons for this. The Committee had in its report on the EAC budget for the FY 2010/2011 requested that reasons for non-implementation of activities should always be reported.

**Office of the DSG (Political Federation)**

The Committee noted that the department of International Relations registered a 38% utilization level.

The Committee appreciates the explanation provided that the Summit directive on the Community's Constitution had not received a budget because the directive came after the budget scrutiny process by the Council.

The DSG F & A undertook to source for funds from Development Partners and the Committee recommends that this be given priority, as well as the internationalisation of the East African Passport.

**Customs and Trade**

The average performance for the FY 2010/2011 budget registered a 53% utilization rate by March 2011. The Committee notes with regard to the need for statistical data, that there is a glaring lack of data that shows the volume of trade that should act as a stimulus for trade to encourage East Africans reap Economies of Scale. The Committee also notes that the department has not made a deliberate effort to re-cast its activities and priorities to show the forward and backward linkages in trade to clearly show what the benefits of both the Customs Union are as well as the Monetary Union.

The Committee recommends this be done in conformity with this year's budget theme.

The Committee urges the Council of Ministers to expedite the setting up of Institutional and Monetary facilitation for trade particularly across borders. The Committee in this regard appreciates the explanation furnished on the above that women in trade are being facilitated by strengthening shared markets across the borders by enhancing infrastructure and facilitation to move goods and services across borders. This has also comprised pilot studies and the intention to set up pilot markets. However, non tariff barriers still exist.

The Committee recommends that more trade facilities and amenities be identified and provided as trade facilities and non tariff barriers be removed to tap the rich potential of cross border trade.

### **The East African Court of Justice**

The average performance of the FY registered a utilization rate of 62%. The Committee appreciates and commends the increase of financing by 16% to the Court and the fact that the Sub- Registries established in Partner States are to be operational with effect from July 2011.

*(Applause)*

The Committee has continually advocated for the Residency in Arusha of His Lordship the Court President and once again urges the Council of Ministers to consider supporting this. The Committee was informed that he as well as the Principal Judge travel to Arusha every one and a half weeks and this in itself is justification for residency to be provided for.

*(Applause)*

The Committee recommends once again, that the Residency (in Arusha) of His Lordship the Judge President of the East African Court of Justice be reconsidered by Council.

### **The East African Legislative Assembly**

The average performance for the last financial year's budget registered at 85% utilization rate as of April 2011. The Committee regrets that the representative role of the Assembly that allows it to have public hearings, consultations with National Parliaments, and many such interactions with the people of East Africa, a process which feeds back into and informs the other two core functions of the Assembly continues not to be funded. The Committee would like to remind the Council of Ministers that the legislative role of the Assembly is strengthened under Article 49 of the Treaty. The Committee recommends that the Council consider funding the Representative Role of the Assembly.

Additionally, "Nanyuki Series" which is now an institutionalized meeting of the Assembly aimed at Inter-Parliamentary Relation particularly with National Parliaments enhances the visibility of the EAC yet it continues to depend on the funding from AWEPA which is not always assured.

*(Applause)*

The Committee recommends that the Council of Ministers consider funding one activity (representative role) per Committee for the Assembly.

### **Lake Victoria Basin Commission (LVBC)**

The Committee noted with appreciation that LVBC has continued to receive sustained funding from Development Partners and has as a result come up with many activities that are beneficial to the Lake Shore communities. LVBC has also mainstreamed the bulk of its revenue into the EAC Budget.

*(Applause)*

The Committee however, noted that the budget still has bulky figures in form of lump sum values with no breakdown. The DSG F & A explained that sums represent bulky sophisticated technical equipment with costs that will be approved by donors after feasibility studies are carried out and the Committee took note of the explanations. This was clear but the breakdown of the costs of the equipment should still be presented to the Committee for

transparency. The DSG F & A undertook to do so. The Committee has since received some breakdown values but some are still in lump sum values.

The Committee also recommends that the Commission as much as possible sustain and maintain the ability to absorb funds by implementing developmental projects.

The Committee further noted with appreciation that the Commission has made an attempt to interact with and help the Lake Shore Communities in a social way with regard to welfare projects. This, the Committee noted, would be a good example for the Community to pick up in the name of Social Responsibility as indicated in this report, a way to relate the integration agenda to needy Communities in East Africa.

### **The Inter-University Council for East Africa (IUCEA)**

The Committee appreciates the fact that the IUCEA has mainstreamed its budget into that of the Community. The Committee however, notes with grave concern that the Partner States owe the Council arrears that if not paid, may cripple the Council and hinder its progress to the extent that it may fail to deliver on its mandate. (The current situation as of March 2011 is attached as Annex 3). The Committee would like to remind the Council that the IUCEA is financed mainly by Partner States.

The Committee therefore strongly recommends that the Council of Ministers follow up on this matter and urge the Partner States to clear up all arrears owed to the IUCEA.

*(Applause)*

The Committee on General Purpose will duly follow up on it.

*(Applause)*

### **Conclusion**

The Committee in general notes with appreciation the improvements in the overall budgeting process and all the EAC Secretariat's efforts in this regard.

*(Applause)*

The Committee also applauds the Council of Ministers for all the commendable efforts in steadily steering the Community in the right direction.

*(Applause)*

The Committee therefore presents for consideration and adoption, its report and recommendations to this August House and moves that the House debates and approves the proposals by the Council of Ministers for the budget of the East African Community for the financial year 2011/2012, taking into consideration the proposed amendments by the Committee and adjustments made in the budget speech presented by Hon. Peter Munya, Assistant Minister for East African Community Affairs of the Republic of Kenya on behalf of the Chairperson of the Council of Ministers on the 19th of May 2011.

Mr. Speaker Sir, I beg to move.

*(Applause)*

**The Speaker:** Hon. Members, the debate is open.

**Ms Catherine Kimura (Kenya):** Thank you Mr. Speaker, Sir for giving me the floor. May I begin by joining my colleagues in congratulating Dr. Sezibera for being appointed the Secretary General of EAC and wish him well as he takes the helm of this great institution.

*(Applause)*

You are also welcome to the Assembly. I want to congratulate the Council of Ministers for a very well presented budget. A budget that is very well explained and to some extent fairly realistic. Allow me also to congratulate the Chairperson of the Committee of General Purpose on her report.

*(Applause)*

And the Committee in general for a very well analysed budget.

*(Applause)*

They did bring to the fore very important issues in regard to this budget and I am particularly heartened by the issues they have on monitoring and evaluation of the activities of the Community.

They have pointed where there are strength and shortcomings and I want to commend them for being bold in bringing the shortcomings to the attention of this House.

*(Applause)*

Allow me, Mr. Speaker, Sir, since I didn't get the opportunity to comment on the speech by the Chairperson of the Summit to cite something that he said in his address in line with the budget speech and the budget that has been presented.

As one of the key drivers that he mentioned and we should be prioritised is in the area of technology innovation in regard particularly to the area of agriculture talking about intensive irrigation and adding value to the agricultural products through transformation and conservation techniques in order to boost inter-regional trade.

*(Applause)*

Mr. Speaker, Sir, I mention this in regard to the speech read by the Chairperson of Council in presenting the budget and in the area of regional industrialisation programme. He recognised that as we move towards industrialisation, one of the areas that they want focus is agro-food processing. That was the Chairperson of the Summit recognising that our agriculture needs to go through a transformation. Here is the Council of Ministers recognising that one of the areas that you want to start with as embark on industrialisation is in the area of agro-processing.

Mr. Speaker, Sir, our countries are agricultural based and that's what we have prided ourselves in over the years and yet this is an area that every year suffers food deficits and sometimes we are in a state of food insecurity. We can talk about political insecurity but it is worse when you have food insecurity. I am therefore, heartened that the Council recognises that we need to move and move very fast in the area of industrialisation.

Mr. Speaker, Sir, our country, Kenya, once upon a time used to grow cotton, process cotton and make clothes from cotton. I remember the years of Nytil Jinja in Uganda, when practically every primary school kid in those years had a uniform made of Nytil Jinja. Those are the years of the earlier EAC. What happened? Our cotton industry has failed. We continue to sometimes bring in raw materials to produce for the American market and AGOA and we say we are exporting or adding value. There is a disheartening part of it, is making these clothes, export to America and the rest of the World and AGGOA, what do we do? We import them back as *mitumba*, seriously, what are we talking about?

Mr. Speaker, Sir, the challenge was thrown to this Community through the Secretariat and the Assembly by the Chairperson of the Summit, that our agriculture needs technology innovation. It requires a major transformation and to me this is a spring board for our industries. We cannot about building cars, tractors and all those before we can be self sufficient and I believe like Ethiopia did. They started their industries through agriculture.

(Applause)

We have a lot we can do. We import our tractors. Can our innovators, engineers among others come up with simple agriculture implements that our people can use and not as expensive as these tractors to make our products competitive and be able to move to the next level in EAC both as part of food security and attempts to industrialise.

Mr. Speaker, Sir, I want to move to another area of budget performance. The highest budget performance that has been read by the Chairperson of General Purpose Committee is EALA.

(Applause)

I think we congratulate ourselves. We are doing very well.

(Applause)

I know EALA has undertaken several oversight missions, assessments of what is happening in the community. We have continued to complain that we are understaffed in our oversight role and our representation role, yet with the little that we have been given, we have been able to use most of it. The other one that has performed fairly well is the Court and the DSG F&A but areas that are very critical, there is under performance. There is under performance in the area of social sector, tourism and wildlife development, trade and investments and particularly they are that I have been talking about and that is the area of industrialisation, there is under performance. Issues have been raised about understaffing in some of these areas and I would join my colleagues in the General Purpose Committee to urge the Council of Ministers to address this issue of understaffing because we cannot be moving this integration process to the next level when we do not have the required staff to take us forward.

(Applause)

Mr. Speaker, Sir, there is an issue that has been raised on the matter of our per diems. I am an interested party as others may be also interested but I want to pose a question. When I see that we are relocating, we are talking about looking for money here to fund that additional budget. My question is, wasn't it part and parcel of the planning process, knowing that the per diems have been there for the last two or three years and yet we know the inflation that is affecting our countries and the global arena. I am therefore surprised that it should be coming late in the day in the budget process to even think about ourselves.

*(Applause)*

What is wrong with being selfish but when you now start cutting activities so that you can feel your tummy, there is something very wrong.

Mr Speaker, Sir, I will urge -

**The Speaker:** Hon. Kimura people use per diems to do work and I think we shouldn't look at per diems as income. They are used to facilitate people to do their work.

**Ms Kimura:** Mr Speaker, Sir, I stand collected.

*(Applause)*

But the point remains that there should be proper planning and definitely we shouldn't be caught up in this situation of having to look for money to enable the secretariat to enable members to do what they are mandated to do. Nevertheless, I do hope that this House will pass those re-allocations in order to enable our Secretariat in particular to be facilitated to do their work without any embarrassment when they go overseas.

Mr. Speaker, Sir, as I finish I want to commend the Secretariat on this issue of pushing the single tourism destination. Tourism is one of those areas where we need very little investment. It's not like our infrastructure, energy and yet it brings immediate tangible benefits. So let us exploit these natural resources that we have by making sure that visitors when they come, they have the opportunity to enjoy our cause and have the opportunity to see the wonder of the World called the immigration in a Masai Mara Serengeti eco-system. They have the opportunity to go and see the gorillas in Rwanda and elsewhere so that we really get full benefits of this particular industry. I would urge the Secretariat to move very fast and put in place this issue and the necessary laws to move towards a single tourist visa.

*(Applause)*

Mr. Speaker, Sir, I just want to touch on the issue of the Common Market Protocol. It is been touched here a bit by the minister in his speech. But one would like to take stock of how many laws that are required to be put in place to operationalise the Common Market Protocol put in place by our Partner States. Are we paying lip service because if you really want to take account in all our various Partner States, have we put the necessary laws in place? As we talk about towards moving to the Monetary Union, are we ready for it when we are going to operationalise the Common Market Protocol by putting the necessary laws in place. I would urge the Council to engage in interactions with the Partner States to urge them to take the matter of the various laws that are required to operationalise the Protocol be put in place, not yesterday, not tomorrow but rather today. With that I want to commend for a good budget and the General Purpose Committee for a very good analysis.

*(Applause)*

Thank you, Mr Speaker, Sir and I beg to support.

*(Applause)*

**Mr. Bernard Mulengani (Uganda):** Thank you very much Mr Speaker, Sir for the opportunity. I have a couple of issues to raise but before I go on, I want to say that one important and possibly the only tool that the Assembly usually has to foster for its space is the budget. To this extent, the Assembly is informed that the traditional increment of the



budget is 10% from the Partner States. When I perused through the MTEF briefly, I noticed a few inconsistencies, with the traditional 10% increment and I wish to highlight this to the Committee and the House that we should guard jealously the little that is given to us, if it is 10% let it be 10% not anything below.

Mr. Speaker, Sir, I want to draw members to page number one of the MTEF where they give a community summary of the budget 2012/2014, It a very big document. The first column gives the expected revenue, contributions from the Partner States but I want to draw members specifically to the column that has the budget estimates for 2011/2012. When you compare the approved budget of 2010/2011 and the budget estimates for 2011/2012, the increment shown in percentages in the last columns of the Partner States is 9%. This shows that F&A instead of giving us the 10% gave us 9%. What does it translate to when you do the computations; every Partner State is under subscribing by \$131,301. Total contribution is therefore under subscription to the community is \$ 656, 505.

Mr. Speaker, Sir, what the technical staff has done is to cover up that one by considering interests from gratuity and then dispose of office equipment to cover up for the 1%. Interest from my gratuity is my salary, personal money. Sale of equipment at the community is a figure that coming from the community assets already contributed by the Partner States earlier on. This can't be contribution from the Partner States.

*(Applause)*

I am seeking that the Council of Ministers consider re-allocating this particular money to other functions and then recover from the Partner States, the under subscription from the coming financial year. It is an observation that I think is serious and if it has been like this because I have not been looking at it in the previous MTEF we may interest the General Purpose Committee to consider looking at that so that we make recoveries from the Partner States.

*(Applause)*

Mr. Speaker, Sir, when you go to the planned expenditures, where as the increment was 9%, you will notice that the proposed expenditure for the Secretariat is above 9%. It goes to 11 %, yet that is the increment in the Partner States expenditure is 11% as opposed to the 9% that was offered. The Assembly maintains 9%, the EACJ maintains 9%, LVBC 10%, a question arises where is the extra 2% coming from? One would definitely say the total gratuity interest and the disposal of office equipment has been all allocated to the Secretariat. I am also a gratuity earner but I would wish that similar interests are allocated across the organs of the Community.

Mr. Speaker, Sir, this a very serious issue that I would request the Council of Ministers to take up with F&A. The sweat that the Secretariat tells us that they go through with F&A, I would least expect them to let even a 1% go back to the F&A because whenever we are interacting with the Secretariat during the budget time, they are usually glorifying F&A as they have refused to increase. So why let the 1% go back to these people?

*(Applause)*

We want our 1% from each Partner State delivered to the Community.

*(Applause)*

Mr. Speaker, Sir, on a general note again, I noticed in the report that there is a new organisation trying to source donor funding for the Community –this is Trademark East Africa.

Mr. Speaker, Sir, I think there is a problem. We have a resource mobilisation officer in the Community and I would seek that we look towards reducing the number of these other organs that are coming around putting themselves in a position like they have come to help us source resources. I don't whether the General Purpose Committee was informed on the manner in which they were brought on board, whether they know about the agreement on how they are sourcing on behalf of the Community because I believe it registered in East Africa and to that extent, it's not a donor to itself but a conduit to the donors. There is no free lunch, no free service to that extent therefore, at the expense of the EAC, and I would seek that the council of Ministers come to get into details of the arrangement of Trade Mark East Africa. The other issue I want to talk about Mr Speaker, Sir, is on page 6 about the issues concerning tourism and the resource mobilisation officer being allocated \$401500 from the Partnership Fund.

Mr. Speaker, Sir, the other issue is on the growth of the budget of the East African Community. Way back in 2000/2001 the budget of the Community was only \$2,851,892. The first time the budget was laid in Parliament and that is the Assembly was in 2001/2002 and by that time, the budget was approximately \$5millions, Mr Speaker, to date the budget we are yet to consider in this House and pass possibly is \$109,680,319. This is a 3746% increase. To date as we talk, we have not seen the audited accounts of 2009/2010 being laid on the floor. What does it mean Mr Speaker, Sir? The level of governance of expenditures in the Community should also grow with a similar percentage. The audited accounts of 2009/2010 are supposed to have been laid in the previous sessions; either in Nairobi or Kigali or Bujumbura. None of these was done. In Arusha right now, I don't know because I have looked on the programme today, there was nothing to do with the laying of the audited accounts. I am yet to hear whether the remaining days; they will be anything to do with laying of audited accounts.

Mr. Speaker, Sir, I am raising this because of the magnitude of the monies that is coming to the Community. We demand only that Article 134 of the Treaty is operationalised.

*(Applause)*

Instead of bringing mechanisms of good governance, I think it would be good for the Council of Ministers to consider bringing a bill on issues of the Audit Commission.

*(Applause)*

You know most organs and institutions tend to avoid auditors specifically external auditors. This is why you find that in the MTEF here, there is no single day that the Secretariat and the Council of Ministers have opted to allocate even a single coin for the Audit Commission.

Today as i talk, the Audit Commission has got its own priorities in the member states but they also allocate funds for the audit functions. Why then isn't it that the Council can convince the Partner States to centralise this fund at the regional level so that it is centrally managed.

Mr. Speaker, Sir, I can divulge a little a bit and inform this House that we had a meeting with the Audit Commission in Kigali. They have raised this concern as the Audit Commissions but it looks like it has not taken up the minds of the Council. They are proposing a protocol; we

advised them to tell the Council that they need a bill but we may also bring a private member's bill. I proposed that the Council wakes up on the issue of the Audit Commission because where we are coming from and where we are today only demands that we have better accountability of funds of the Community.

Mr. Speaker, Sir, after that I want to turn to the budget speech by the minister and I will run through very fast and specifically I want to rise to page 11, where the minister talked about the EPAS-going back to the Partner States and therefore, they are the ones in charge because briefly Mr. speaker, if you allow me to quote, just a brief sentence “ in the meantime the Summit at the 9<sup>th</sup> Extra-Ordinary meeting held on the 19<sup>th</sup> April 2011 in Dar-es-salaam directed that the component of SIDA grant intended directly to finance negotiations rather than capacity building be allocated to EAC Partner States. The rationale is that it is the Partner States as contracting parties to the Cotonou agreement are parties to the economic partnership agreement negotiations”

Mr. Speaker, Sir, there are other many activities that we are doing at the regional level that are a mandate of the Partner States. I just want to put it on record that because the Assembly had indicated that we would not approve the loan that they had brought to this House, they decided to circumvent and let it go back to the Partner States. This is a wrong practice in the Community and I would urge the Council of Ministers that it is important that when you decide to take on something don't avoid your duty and give it over again to the Partner States because we know that there are other mandates that are within the Partner States but you are handling them at the regional level. To that extent Mr Speaker, Sir, is that we know the Partner States have got infrastructural development programmes but at the regional level we go out to source for projects on infrastructure like roads. The other issue I wanted to talk about is on page 14; it is concerning the audit commission. It is on page 16 of the Council's report.

Mr. Speaker, Sir, the Council here talks about the East African Legislative Assembly as having met in Kigali and I wanted to raise one clarification that while we were in Kigali, it happened to land on a News Paper which says the EALA was seeking for more funding and needed extra funds to run EALA but in this report I don't see anything in that direction because that paper actually came out categorically to say that EALA should actually prove beyond reasonable doubt that we demanded this implement. I don't know what the position is because I expected to see such a demand in the budget report. I have not seen it anywhere not even in the Committee report. I would seek clarification what has fallen of what happened in that News paper at that point in time.

**The Speaker:** Hon. Mulengani, first and foremost we don't go by the Newspaper's report. I know a member of this House who was actually quoted in that News paper but I think the member in question did ask the Newspaper to retract that report and it was clarified and published in the Newspaper again.

**Mr. Mulengani:** Much obliged Mr Speaker, Sir, and I beg to withdraw that clarification. Turning to page 20; Lake Victoria Fisheries Organisation. The Committee on Accounts is informed that there is a lot of monies going to the Partner States for LVEMP but also we are informed that some of the funds that are related to the EAC are not being audited within the Partner States. I would like to seek clarification especially where the East African Community goes out to source funds and those funds don't come through the Institutions of the Community but are going directly to the Partner States.

Mr. Speaker, Sir, on page 21, the minister mentioned something to do with the supplementary budget under point 77 but he didn't explain in details like he did in 77 and 78-what this supplementary budget did equivalent to 958,591 for the LVBC for the Financial Year 2008/2009 and 2010/2011. I wish they could make that one clear so that I can ably put my eye on the budget proposals.

Mr. Speaker, Sir, lastly on page 23 and 24, they are referring to the East African Development Strategy 2011/2010. I don't know whether the Committee is in possession of this document and as to whether they were given information relating to the development strategy with a point of knowledge that what they r telling them is actually contained in the Development Strategy.

Mr. Speaker, among the unlucky Members who haven't got the 2011-2016 development strategy and to that effect I would say that we are being told here right now what is contained and what they are budgeting for but we are ignorant of the development strategy 2011-2016 and therefore we would say that if we passed this budget, we would pass it just with ignorance of what is contained in the Development Strategy. To that effect, I will have reservations on what they highlighted as priorities for the coming financial year to the extent that when you look at the areas where they are talking about deepening cooperation in defence security and political matters, \$1,634.000 but you ask yourself, the Council passed a resolution that we should form a directorate of the PLO's, where is it? I think at this point is when they would have explained what is happening with the directorate that was supposed to be formed for PLO's.

Also on implementation of EAC Institutional Review recommendations and capacity building is \$3,851,188. Mr Speaker, Sir, I have not had an opportunity of looking at the institutional review report and I am here now debating to pass; \$3,851,188 for the Institutional review recommendations and capacity building. I don't know the issues I have raised like the audit commission; operationalisation of the audit commission is contained in that institutional review.

I don't know what is contained in that document and I am here going to pass lots of money to implement the Institutional review recommendations and capacity building. I don't know the issues I have raised like the audit commission; operationalisation of the audit commission is contained in that institutional review. I don't know what is contained in that document and I am here going to pass lots of money to implement the institutional review. It creates a lot of challenge that this is why some people outside their keep on saying that we are rubber stamping. I don't when we shall stop this talk outside there that we rubber stamp. The only way to do this is by refuting some of these figures when they come before us on this floor-

**The Speaker:** Hon. Mulengani, I think you are aware that you are in the General Purpose Committee. This House rejected the budget when we were in Nairobi. You have had other times when you have changed and moved things in Bujumbura. So this issue of rubber stamping where are you bringing it from? May be you can talk for yourself not for this House.

**Mr. Mulengani:** Thank you Mr Speaker, Sir, obliged, I will not respond to your advice and it is a parliamentary practice that once the speaker gives advice you can't engage him.

*(Laughter)*

**Mr. Halerimana Abdul Karim:** Hon Mulengani *oyee!*

**The Speaker:** Hon. Abdul Karim we are not in a public rally-

*(Laughter)*

And it is the second time I am hearing you saying Mulengani *oyee* and *Oyee*. Continue hon. Mulengani.

*(Laughter)*

**Mr. Mulengani:** Mr. Speaker, Sir, on the Committee report on page 13 specifically on the issue of monitoring and evaluation. We need to urge the Council of Ministers to rise to the occasion and start implementing the recommendations of monitoring and evaluation. We are aware that M&E exists, they are doing a lot of work but their reports are not being taken into consideration by the Council. There is no body looking at their reports, they have made a lot of recommendations and this one brings the proposals by the members that the Council should be considered to come and sit at Arusha so that they have enough time to address some of these things.

Mr. Speaker, Sir, the report of the Committee talks about the issue to do with the EPAS and they are saying that some amount of money that was rationalised should be paid back. I would just request that the Committee we are in a budget process, kindly give quantities, amounts. How much money did they rationalise from the Organs of the Community to actually fund the EPAS now that the EPAS has gone back to the Partner States let them return our monies they deducted and I would request that the General Purpose Committee, Mr. Speaker through you, let them give us the figures because we want to know how much money was reduced from the Court, how much from LVBC, CASSOA, EALA, IUCEA, EDB and other institutions. We want to know the amounts of money so that we request them to refund when we know the amounts of money.

Mr. Speaker, Sir, on page 17 is to do with per diems. I want to differ from my colleague hon. Kimura. Per Diem increasing is a normal thing, give comparisons from the Partner States. What are we doing that is different from what Partner States as countries are doing. If you ask the Council of Ministers how much they draw as per diems when they are coming here to be very fair to this House and compare with what we are doing, hon. Kimura will have to withdraw that one from the Hansard-

**Ms. Kimura:** Mr Speaker, Sir, point of information to Hon. Mulengani. I didn't say that we shouldn't get per diem increase. My point was that this should have been planned part and parcel of the planning process for the budget and not come at the end as sort of re-allocating from other activities. It is an important item that is the correction I would like to make.

**Mr. Mulengani:** *Asanteni Sana*. You now rest my case and thank you very much Hon. Kimura. I also wanted to say that Members have been embarrassed, I think even technical staff but they don't just want to say. You go to Geneva, there is a Hotel called ETAP, all members when they go for IPU because it is slightly affordable with deckers-

*(Laughter)*

We don't want this embarrassment. This is a regional thing but other than per diem-

**The Speaker:** Yes, information.

**Mr. Mike Sebalu:** The information that I would like to give to my hon. Friend hon. Mulengani is that when you go for such meetings, you are supposed to network but when you are staying in some of these places that he's mentioning and they offer group transport or someone offers to drop you, you just say I am okay because it is an embarrassment at that level and we don't want East Africans to go through that-

**Ms. Lydia Wanyoto:** Mr Speaker, Sir, I am not shy to give myself on record as an example. I went on official duty to a meeting a broad but because of the EALA working, I was touched to a mission abroad of Kenya, I was picked from the airport with my colleagues from EALA and then when we got to the Hotel, which the Kenya embassy had booked for us, my per diem couldn't afford the Hotel, so the Kenyan High Commission officials in that country plus the Speaker of Kenya, were able to top up my per diem. It is a shame. I couldn't come back, although we came back and worked backwards it was that bad beaus they extended the courtesy to EALA, they booked us in, and I couldn't begin looking for the place Mulengani is talking about. The deckers were not in that hotel.

*(Laughter)*

I was a member of EALA leading the delegation of EALA. The embassy had a courtesy support to our institution to welcome us. They couldn't tell us that for you now you can't afford this hotel. When we got to the hotel, the money in my bag even to the clerk, this issue of the per diem is not that it is out of the way. I come from Uganda, to be a member of EALA; you must qualify to be the member of the Ugandan Parliament. The Ugandan Parliament per diem for every member outside station is over \$500. So what is the difference between me and my counterpart in the Ugandan parliament?

**The Speaker:** Hon. Lydia you will get an opportunity to debate later.

*(Laughter)*

**Mr Mulengani:** Thank you –

**Mr Kabourou:** Clarification.

**The Speaker:** Clarification on whom?

**Mr Kabourou:** What has been said by Hon. Wanyoto?

**The Speaker:** You can clarify; she's on the floor, now it is hon. Mulengani.

*(Laughter)*

**Mr Mulengani:** Thank you Mr Speaker, Sir. I want to thank all members for their information. On the issue of per diem, I was saying that other than per diem there are staffs that never leave this place and specifically the drivers. The level of payment of drivers in the community demands that we seek more indulgence of the Council in the amounts of money these people are getting. These people carry your lives, you people who are driven in the community

*(Laughter)*

**The Speaker:** Hon. Mulengani you cannot call us you people who are driven. Can you withdraw that please!

*(Laughter)*

**Mr. Mulengani:** Mr Speaker, Sir, I beg to withdraw that statement. What I said that the hon. members and the executives that are driven in this community at times their lives are in the hands of these drivers, hungry people.

*(Laughter)*

These drivers that have got problems of school fees of their children and domestic problems, the issue of their salaries need to be looked into.

*(Applause)*

Mr. Speaker, Sir, I am about to wind up and would seek to take Mwinyi's clarification next time Mr Speaker, Sir.

On page 22, the issue of planning is very important. I am not surprised that under 4.2.5, the committee is saying that Summit directive on the Community's constitution had not received the budget because the directive came after the budget scrutiny process by the Council. This one again underscores the fact that the planning unit is thin, the statistics is thin; everything is being done on adhoc basis. We should avoid such embarrassments. In the community's recommendation regarding Non Tariff Barriers. Mr Speaker, Sir, under the Common Market dispensation, I don't expect any good to move without a human being. All goods call it matooke, call it oranges, rice, they can't move without human beings. What is happening in one of the Partner States that needs to be addressed are the yellow fever cards. I don't know to what extent they can implement inspection of yellow fever cards even in borders between Mutukula and beyond and the ten border points that are going to be opened. People are crossing without being checked yellow fever. How are they monitoring that yellow fever comes through the airport?

*(Applause)*

Because it is also a trade barrier and a very big one in terms of movement of people and that one would have an impediment on a local person from Uganda who may not know where they get these yellow fever cards and who may prefer that yellow fever cards are very costly for him or her, so would opt to without a yellow fever card and therefore limit the trade between Uganda and Tanzania for that matter.

Mr. Speaker, Sir, I would request that the Council of ministers to come up and look into this issue members have raised, I know even you people have been asked these yellow fever cards. By the way when you reach and you have forgotten it at home, this is when you will know that Tanzania is hard.

*(Laughter)*

You will be forced to be injected even if you got an injection one time at \$50.

*(Laughter)*

Mr. Speaker, Sir, lastly on Lake Victoria Basin Commission, the Committee is accepting the lamping of figures, this thing was discouraged way back in Mombasa when we had a session and we are being threatened by the present bulkiness because of sophisticated technical

equipment. Sophistication of equipment shouldn't deter the requirements of the budgeting process and I want to urge the Council of Ministers that let us do away with issues in the disguise of sophisticated technical equipment.

If somebody wants to challenge you, will bring you such technical terms but for we are on a budget process, we want these things broken down and I would seek that the Committee other than using the word, the breakdown of the costs if the equipment should still be presented to the Committee for transparency. Let us not hide transparency in budgeting because it creates difficulty in auditing and therefore people are walking away in the disguise of the Treaty; privileges and impunity.

Mr. Speaker, Sir, with that I want to end my submission and I want to commend the Committee and I will support the budget if the re-allocations are taken under consideration.

Thank you Mr Speaker, Sir.

**Ms Jacqueline Muhongayire:** Thank you Mr Speaker, Sir for giving me this opportunity to contribute to this debate on the budget before the House. First of all, I would like to congratulate our brother, the current EAC, Secretary General, Amb. Dr Richard Sezibera who has joined us as an ex-officio member of EALA.

*(Applause)*

Mr. Speaker, Sir, Amb. Sezibera having served as a former member of parliament, I know he's very familiar with the mission of the parliament and the best practice of the parliament.

*(Applause)*

I have no doubt for the new Secretary General that he will provide healthy working relationship with EALA and other Organs of the Community.

Please hon. Sezibera revive the Kigali spirit in order to fast track this integration process.

*(Applause)*

Mr. Speaker, Sir, regarding the budget, let me thank the hon. Munya for the presentation of the budget for the EAC for 2011/2012 to the Assembly last week and thank the Chairperson of the General Purpose Committee and the members of the Committee in collaboration with the EAC management for the excellent work done.

The budget being a kind of translation of policies and strategies into figures and a budget is being more than a collection of numbers; it is the collection of the community's priorities. I can say that the documents provided to the Assembly and the budget speech, MTEF, the explanatory note and the assumption of the EAC budget are very clear and concise.

They were well elaborated and I congratulate all stakeholders who contributed to this EAC budget process with a wide inclusive participation.

Mr. Speaker, Sir, as a member of the Accounts Committee, the issue of the audited account for the EAC 2009/2010 have been raised by the Chairperson on Committee on Accounts. I think the Council of Ministers should follow up this critical issue. I am raising this issue because it has been shown in the budget speech. This budget exceeds the previous year's budget by 41% which is a very rate and this indicates the need of clear and strong and reliable internal controls and improvement of internal operating systems.



Mr. Speaker, Sir, I am raising this issue because the Committee on Accounts noted the lack of approved relevant management policies and manuals which have been awaiting up to date for the input of the Sectoral Council on Legal and Judicial Affairs. There is need for the Council to find quickly a sustainable solution on this issue of the EAC management of public accounts.

Securing the EAC management is in order to secure the public contribution from the Partner States. Those policies and management should be put in place and be operationalised.

Mr. Speaker, Sir, my other concern is related to the high dependency on development partners. If you look at the documents, last budget 2010/2011, the Partner States contribution was 40% of the total budget and 60% from development partners. For this proposed budget for 2011/2012, the Partner States' contribution is about 31% and from the development partners 69% of the total budget.

Mr Speaker, Sir, for the financial year 2010/2011, EALA approved a budget line of more than \$1m from financing agreement between Trade Mark East Africa and the EAC Secretariat. For this current budget 2011/2012, EALA is requested to approve a budget line for more than \$8000 from Trade Mark East Africa which supposed to be used on EAC capacity building and human resources. I would like to have clarification from the Council, the clear objectives of Trade Mark and the clear agenda of Trade Mark and how it is working on regional level and national level; under which legal framework is it working? I would like to know here in the Committee on General Purpose, if they have had enough time to go through the memorandum of understanding. What is stipulated in this project agreement?

I am raising this issue because there is need for the Council to speed up the exploration or study on other alternative sources of financing for the community budget mainly for the core activities of the community to be agreed on. The community budget has increasingly become dependent on donor funding, a pattern which cannot be sustainable and going by this, we cannot control the ownership of our integration process.

(Applause)

Mr. Speaker, Sir, on the issue of EAC headquarters' construction, if you look at the budget speech on page 15, it is stated that the completion is expected to by the end of 2011 and I am informed if you can see in the MTEF framework document on page 66, nothing has been budget for the furniture and the office equipment for the EAC headquarters. If there is allocation for this budget line, this means this building cannot be used for the next year and if it going to wait for the next financial year, the cost will be high and thus would like to know if the General Purpose Committee has debated and how it will be solved.

On page 13of the explanatory notes and assumptions of the EAC budget Financial Year 2011/212 about the allocation of the budget to the key priorities. As we have been shown, the theme of this budget is *"Implementation of the Common Market and laying the foundation of the monetary Union"* and if you look at page 13, for me I find a contradiction and on number 1, implementation of EAC Common Market. The development Partners are contributing more than \$9 million and the Partner States are contributing more than \$700,000 which means a rate of 70% of the development partners' contribution. How can you say this budget is the implementation of the Common Market Protocol and laying the foundation of the Monetary Union without budgeting an appropriate budget line for this program? I need clarification on this issue.

Mr. Speaker, Sir, for the construction of the EAC headquarter, the General Purpose or the Accounts Committee should go on ground and see the progress of the activities, otherwise taking recommendations basing on documentation is not enough and I think it is not far from here, it is better to go on the ground and see the progress.

Mr. Speaker, Sir, with those few comments. I support the report on the Committee on General Purpose and I thank you.

*(Applause)*

**Mr. Abdul Karim Halirimana:** Thank you Mr Speaker for this opportunity and let me thank the Council of ministers for this well prepared budget 2011/2012. I can see that one of the good parts of history is that you learn from what you saw before or what you lived and you get to know where you are and you can well plan for the future. In the budget of 2008/2009, the budget was rejected and we had to make new studies about it here in Arusha and today we are happy that we are facing the same problems in the current budget of 2011/2012. So I think that the next Assembly, where I pray that our bro. Hon. Sebalu will be in, it will be even better.

Mr. Speaker, Sir, I also take this opportunity to thank and to congratulate Dr. Richard Sezibera for being appointed the Secretary General for the EAC and I wish him all the best as he has been working in different areas in Rwanda and the region and now here.

However, Mr Speaker, Sir, there are a few comments I want to make especially about the absorption capacity of the budget we have in this House. 51% is a very small amount, I am asking myself we see that even the emoluments of the staff was just used up to 51% and the explanations are that there is under staffing in some areas and I think we can add on capacity building in some areas but my question now is are we prepared now to recruit people who are deserved to recruited in those departments so that we don't make a budget which will be taken back again.

Mr. Speaker, Sir, if you look at some areas which has a certain amount of money last year which was well used but today if you look at page 16 where we talk about the political affairs, internal relations and peace and security. I want to put emphasis on food and security. In this year's budget there's a certain amount which is being reduced and the reason is due to drop off of the support from the development partners. The issue of peace and security, we have been talking about it and we have been urging the Council of ministers through our reports of the Committee of Regional Affairs. We have been urging the Council to look at it seriously and get money from the Partner States because we are talking about our peace and security which we can't put in other people's hands. Now they have dropped a certain amount and what does this mean? Does this mean that we are now losing our peace and security?

Mr. Speaker, Sir, if you look at page 16, on the table about food security, hon. Kimura said we have food security problems which is true because as you are talking right now in some areas of our region, people are dying of famine yet we are just allocating 0.6 % of this budget to this area. I am asking myself whether we are considerate about our people who are dying there. This one was also decreased.

Mr. Speaker, Sir, as I conclude my remarks, if you look at page 18 of this document, explanatory notes and assumptions on the EAC budget Financial Year, 2011/2012. When you talk about Lake Victoria Basin Commission on paragraph 2, I can quote where we say that "improved on the levels and health of communities in fifteen secondary towns in the Lake

Victoria Basin distributed in the five Partner States namely; they are mentioned here and they are not five of them because I don't see Rwanda and I am sure that Rwanda is part of Lake Victoria, so I think it just an omission and wasn't intentional.

Mr. Speaker, Sir, with these few remarks, I beg to support the budget with the few amendments that I mentioned here. Thank you Mr Speaker, Sir.

*(Applause)*

**Mr Mike Sebalu:** Thank you very much Mr Speaker, Sir for the opportunity. I also rise to support this budget and i do associate myself with the observations raised by my colleagues regarding the budget. I want to thank the Chairperson of the Committee of General Purpose. I usually call her a General because she's the only one chairing a General Purpose-

*(Laughter)*

She has done tremendously a good job. I would also like to thank the Minister, Mr Peter Munya. He did read the budget very well and took us through the details of the budget and he has an easier task because it was a good document than his colleague who had read the previous one.

*(Laughter)*

So his was easier.

Mr Speaker, Sir, I just want to look at page 12 of the budget speech, paragraph 12. The minister indicated that "in presenting this budget I would like to thank all those who have been charged with spear heading the regional integration process from the staff of EAC to the senior officials, permanent secretaries, the Council of Ministers and the Heads of State" but surely EALA has some work in this.

*(Laughter)*

So let us be recognised for the little that we do in some of this work because this is a record, it's on the Hansard and surely is any one going to tell me EALA has not been charged or it hasn't played a role. So *Ndugu*, we do something small-

*(Laughter)*

And we need to appreciate and I beg that this paragraph is corrected to include EALA as well. I think EALA is an institution, is an organ and has a role by legislating- by making the laws for the community, I think that is a charge that is important.

**Mr. Ndarubagiye:** Information!

**Mr. Sebalu:** Yes please!

**Mr. Ndarubagiye:** On the same page, point 13, it is written in the last sentence that EALA has been involved right from the start of the budget process as opposed to the old system.

Thank you.

**The Speaker:** Hon.Ndarubagiye, I think you should read paragraph 12 and then read paragraph 13. Look at what paragraph 12 says, thanking all those who have been spear heading the regional integration process not the budget.

*(Laughter)*

**Mr. Sebalu:** It is about integration. We are a creation of the Treaty and we have got specific mandate spelt out and it is legislative and legislation is part of the integration because we make clause for the community because if we get excluded at this point then at a later stage you can't claim anything. Even the Court of Justice, when we do these things we should give due recognition.

Mr. Speaker, Sir, on page 7, we are talking about the Common Market and definitely the Common Market is a very important stage of the integration process and we need to see legislation being put in place. At this point I want to hear from the Council of Ministers in their respective Partner States, how far they have gone in imploring the national governments to make the necessary legislation to give legal effect to the Common Market or even approximation of laws. This is an area that would show the seriousness that we do attach to this process and definitely the best points persons to get the Partner states to appreciate this are the Ministers of the EAC affairs. This is critical because wherever we go people ask us as members of Parliament- the Common Market where are the laws? How do we benefit? This is something that I think needs to be given serious attention.

Furthermore, the aspect of awareness creation, you know the Common Market is in place but the level of awareness is still low, even the sensitisation and even some officials. Hon. Bernard Mulengani has been talking about the NTBs, I have been a victim of those for quite some time and you find that you go through the same experience all the time despite the assurances that we keep getting that some of these people are going to be brought on board in terms of appreciation.

If at our level, we get these kinds of complications, what about the ordinary East African who just wants to cross and benefit from these processes. So we need to sensitise government officials and even the entire public so that the benefits are better realised.

Mr. Speaker, Sir, on the same page, we have the issue of the Monetary Union and it is one of the most popular stages, if you talk with the people, they normally do appreciate the Monetary Union because when they get the freedom to move, to trade across the region the next necessary stage that they want to see in place to make their life easy is the Monetary Union. It is demand driven, whenever you talk about integration, people talk about the old currency that was applying in the region and they are quite proud of it. If you talk to some elders who were part of the old community, they are very proud of the EA Currency. This is something that is demand driven and like the minister indicated in the speech, where he emphatically said that there will not be any delay neither will there be a postponement. That was a very assuring statement and I pray that we live up to the expectations of the East Africans so that it is achieved within the time frame that is spelt out.

Mr. Speaker, Sir, on page 13 we have the single tourist visa. This is another area that we really need to give due attention. The single tourist visa is to our advantage as a region. It makes our region more competitive and less inconveniencing to tourists. Recently, i was reading about the SADC, they have just picked this idea and they were saying that by June, they are working modalities of seeing how best they get this single tourist visa applied in the SADC region and they were putting June as the time frame to roll out and see how best it can apply. They are even taking it a little further by creating a single airline within in the SADC region to make travelling easy. It could a single airline for the SADC region. These are ideas they have picked –

Thank you very Mr Speaker, Sir, members may have their other sources but my source is that-

*(Laughter)*

It is a single airline that they want to create and that is to go by, I want to go by my source. These people have picked up these very beautiful ideas and they are rolling them out especially the single tourist visa. I don't know where the Republic of Tanzania will benefit from on this- whether in SADC or in EAC because this is an activity that is shared by both. So I would rather that at EAC, we take advantage and have this implemented.

**Ms. Mmari:** Point of information Mr Speaker, Sir.

**Mr. Sebalu:** Accepted

**Ms. Mmari:** Thank you hon. Sebalu for giving me way and thank you hon. Speaker for letting me respond. I realised when you read what has been presented by the minister and the speech by the Chairperson of the Council that we are going to have tripartite, that means we will have EAC, SADC and COMESA so all of us are going to benefit out of that.

Thank you hon. Speaker.

**Mr. Sebalu:** I have issues with that one also-

*(Laughter)*

But let me get to that page. Mr Speaker, Sir, I think we would rather benefit as a region by getting this earlier than later and Dr Sezibera, these are areas that really need to see moving forward because at the end of the day, the east Africans would benefit, even our region as its visibility. We are talking about visibility but some of these activities do help gain visibility. If you so many tourists visiting your area, that is part of visibility, so it is something that needs a little more attention than what has been given.

Mr. Speaker, Sir, on page 8 of the budget speech deals with the issue of the infrastructure development. This is a best case scenario that we need to appreciate but I think the beneficiary countries, those that have benefited from these infrastructural developments should come out and publicise them. You hear of the Namanga – Arth River, let the ordinary people know this road is being constructed courtesy of our coming together. That is one way of encouraging the ordinary people to appreciate that there are those things we can do together and that they can benefit them. So where we have some of these infrastructural developments or even any other activities, let the Partner States use such developments as a way of marketing the regional initiatives that we are undertaking together. That would be very important. We have railways that have been highlighted, a number of roads that have also been highlighted, let us use them as some of those short term gains and benefits because the people seem to think that there is nothing in for them in the integration but if we highlight these and give them the visibility within our Partner States, then our work of getting the people on board to appreciate what we are doing for them will be much more easier.

Mr. Speaker, Sir, the EAC-COMESA-SADC Tripartite sounds a very beautiful idea and good but I just want to know the impact it will have on our Customs Union and Common Market as is now? Is it going to facilitate further acceleration of our advantages? Is it going to impact it positively or negatively? I think we need some thorough analysis on this because we are

moving in some direction. We have been able to gain some mileage, so we need to know the impact of this undertaking.

Mr. Speaker, Sir, on page 13, we have the anthem. It is a good idea that the anthem is now out of the way and we have it and I would like to inform this August House that on the 12<sup>th</sup> of May 2011, the anthem was played officially in the Republic of Uganda during the swearing in of His Excellency, President Yoweri Museveni and it was witnessed by none other than the R thon. Speaker of EALA, he was in attendance.

*(Applause)*

And the secretary General also witnessed it. So we want to have this rolled out because this is a useful instrument of furthering solidarity within the East African region. The processes of having it applied need to be hastened so that in schools and all these functions and even in EALA here, why can't our anthem be played so that it goes round and help us in spreading the gospel of integration. We should learn it by heart as members of EALA, not hamming it but by singing it because it is the way of making the region visible. I want to thank the council of Ministers who have followed this subject up to its logical conclusion. We have it in place, let it be rolled out in all the institutions and in addition to this, I was quite happy when we went to Southern Sudan and I visited the Ugandan Consulate there, although that Consulate is in another area of jurisdiction but when I went I found the East African flag in the compound of that consulate. When I entered in the consular office, it was again EA – Uganda. Let us get these things, they appear simple but they go further in driving the point home and branding the region. That is something that we should take on board.

Finally, Mr Speaker, Sir, I want to comment on the political federation. The budget gave some updates in this area and I would like to appreciate them and one thing that I want to specifically mention is to do with the Committee of experts. Hon. Lydia has already made good comments about it but my view in the Summit that was held in April in Dar-es-salaam, the report was presented and the Heads of States under the Summit indicated that there were no substantive specific recommendations given on the way forward regarding the fears and concerns and they directed the Council of Ministers working with the Secretariat to revisit this subject and be able to give specific recommendations on the way forward in the Summit of November but when you read the report, elsewhere there are terms of reference which are given but when you read regarding this subject no terms of reference are highlighted neither is the time frame given and yet November is not given. This is a very important subject that that needs to be attended to by the Heads of Summit. They have expressed their commitment and they want to deal with it by November so if there is any delay occasioned by lack of timely intervention at the level of the Council of Ministers and the Secretariat, then it will be to the disadvantage of the East African peoples. So I would like to implore the Council of Ministers and the Secretariat to work on the terms of reference on good time and ensure that these fears and concerns as raised by the people are dealt with so that the people are given the assurance and come on board because without those assurances we are likely to have Luke warm support and involvement of the ordinary people and yet this integration process is people centred. So their views and concerns need to be attended to in good time so that they come on board and the process is moved to its logical conclusion.

Mr Speaker, Sir, I would like to once again support the budget speech. It was a very good speech, it raised a number of very important issues and innovations and I believe if we move this way, the sky is the limit. We are definitely going to earn a lot and serve in the best

interests of the East African people. I do support the budget speech and the report of the Committee and I beg to support.

Thank you Mr. Speaker, Sir.

### **ADJOURNMENT**

**The Speaker:** Hon Members we have to the end of business today, before I adjourn I would like to say that the General Purpose Committee is meeting tomorrow morning and the Committee will be meeting the ministers at 11 a. m so that they can discuss the issues that have been raised in the report.

Hon. Members with those few remarks I would like to adjourn the House until tomorrow.

*(The House rose at ...p.m. and adjourned until Wednesday, 25 May 2011 at 2.30 p.m.)*





