



**EAST AFRICAN COMMUNITY**

---

**IN THE EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)**

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

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

**Wednesday, 25 May 2011**

*The East African Legislative Assembly met at 2.30 p.m. in the  
Chambers of the Assembly, AICC Building,, Arusha*

**PRAYER**

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

*The Assembly was called to order.*

**COMMUNICATION FROM THE CHAIR**

**The Speaker:** Hon. Members, under the powers vested in me by the Rules of Procedure, we are amending the Order Paper. Today there will be a new motion number four, which will be moved by the Minister.

**BILLS'**

**FIRST READING**

The East African Community Supplementary Appropriation Bill,  
2011

**The Assistant Minister for EAC Affairs (Kenya):** Mr Speaker, I beg to move that the East African Community Supplementary Appropriation Bill, number 2011 be read for the First Time.

**The Counsel to the Community (Mr Wilbert Kaahwa):** Seconded.

**BILLS'**

**FIRST READING**

The East African Community Appropriation Bill, 2011

**Mr Munya:** Mr Speaker, I beg to move that The East African Community Appropriation Bill, 2011 be read for the First Time.

**The Counsel to the Community (Mr. W.T. Kaahwa):** Seconded.

**MOTION**

**The East African Community Appropriation Bill, 2011**

**NEW MOTION**

**The Speaker:** Honourable, I think it is on the withdrawal that you requested for.

**Mr Munya:** Thank you, Mr Speaker and sorry, there was some bit of confusion. Under Rule 34 of the Rules of the House, I want to withdraw a previous motion that was moved by the Chair of the Council of Ministers on the 4<sup>th</sup> April 2011 in Kigali. This motion was-

**The Speaker:** Hon. Minister, if you could first move the motion and then you can go to the merits of it later on.

**Mr Munya:** Yes, Mr Speaker, I would like to move that with the leave of the House, I withdraw that earlier motion.

I want to withdraw the motion because- Mr Speaker, I beg to move that this motion is withdrawn.

**The Speaker:** Seconded but hon. Minister, you didn't tell them, which motion it was but I would like to remind the House that it is the motion on the EAC supplementary budget on the EAC/EU/EPA negotiations.

**Mr Munya:** Thank you, Mr Speaker. The motion was by the Chairperson of the Council of Ministers to the Legislative Assembly on the EAC supplementary budget on the EAC/EU/EPA negotiations and the motion was for the House to pass a supplementary budget of \$ 3.48 million, which was supposed to be used for EPA negotiations.

Mr Speaker, Sir, we are withdrawing this motion because the motion is overtaken by events already because part of the money is already included in the current budget, which is pending before the House and part of the money was withdrawn and directed to be taken to Partner States. So Mr Speaker if we move with both motions then there will be confusion. That is why we want to withdraw the earlier motion so that we continue with the current motion of the budget. Thank you, Mr Speaker.

**The Speaker:** Hon. Members, the proposal on the floor is that the Council of Ministers withdraw the EAC supplementary budget on the EAC/EU/EPA negotiations. Debate is open.

**Mr Clarkson Otieno Karan (Kenya):** Thank you, Mr Speaker. Much as I do not have problems with the motion that the minister is moving, I am wondering that notice of this supplementary budget was given in Rwanda so that we could pass a supplementary to enable the Community discuss or negotiate as a joint team. I would want to know why it is necessary for the Council of Ministers that this money be split in such a manner because I think the House has not been informed. They needed this money to be used at Community level.

Now that they have decided to split this amount, I understand part of it is in the current financial year budget and part of it has been moved to the Partner States, can that be included as part of the explanation as to why part of it was taken to the Partner States and part of it is being used here?

**Mr Munya:** Thank you, Mr Speaker. I again want to apologise for the little mix up over this matter but I endeavoured to explain in the Budget Speech the reasons why the grant from SIDA was split into two. It is because the House in its wisdom decided not to approve that particular portion of the budget to be used in the negotiations. The matter was taken to the Summit because of the urgency of the negotiations that were going on. The Summit again in its wisdom advised - *(Interruption)* -



**Mr Gervase Akhaabi:** Mr Speaker, Sir, the minister is moving a motion to withdraw a motion for approval of supplementary budget. Is the minister therefore in order to say that the House refused to approve the Supplementary Appropriation when that motion had not been discussed and concluded? Is the minister not misleading the House in suggesting that the House refused to approve?

**Mr Munya:** Mr Speaker, I am not saying anything that is not known to this House. There is nothing new I am saying. I am just saying that prior to Kigali in another sitting, this same House rejected a budget that was presented to it in relation to negotiations.

**The Speaker:** Hon. Members, he said prior to Kigali and prior to Kigali, it is true that it was not passed so let the hon. Minister finish first.

**Mr Munya:** Mr Speaker, thank you for trying to protect me a little bit. *(Laughter)*

Mr Speaker, I am talking about prior to Kigali where the House, in its very considered wisdom, decided that that money from CINDA should not be spent and after that, the Council p[resented this Supplementary Budget to the House but we are feeling now that this matter is overtaken by events and we are withdrawing this motion.

This motion was brought by the Council on its own motion and Mr Speaker, I believe you agree with me that the Council has discretion to withdraw its own motions. That is why we are asking the House to indulge us in this particular matter because part of this money is already included in the current budget which we are vetting and we will be passing two motions on the same matter if we continue with this one and the budget. That is why we are moving to withdraw this supplementary budget.

Thank you, Mr Speaker.

**The Speaker:** Hon. Members, I now put the question that the EAC supplementary budget on the EAC/EU/EPA negotiations be withdrawn.

*(Question put and agreed to.)*

**MOTION**

**COMMITTEE OF WAYS AND MEANS AND COMMITTEE OF SUPPLY**

*(Debate Interrupted on Tuesday, 24 May resumed)*

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

**Mr. Gervase Akhaabi (Kenya):** Thank you, Mr Speaker sir. I do wish to thank the minister for moving this motion in the budget but I also wish to thank the Committee of General Purposes on its very comprehensive and succinct report. The Minister in moving this budget, indicated that the theme of this year's budget will be 'Implementing the Common Market and laying the foundation for a Monetary Union'.

Mr Speaker, Sir, the minister in his speech on policy has indeed identified a number of areas that are of interest. I wish in particular, to refer to page seven of the minister's speech in which he has said that we need to ensure that we rectify this situation. The situation he is referring to is that there are negative perceptions that accompany the landmark achievement that is of the launching of the Common Market Protocol in July 2010.

He says, "We need to ensure that we rectify this situation and expedite rather than settle for a leisurely approach to the actualisation of the Common Market. Foremost, there are legal and regulatory frameworks that need to be put in place in order to breathe life into the declaration from the various free

movements of the factors of production under the Customs Union and the Common Market”.

Mr Speaker, Sir, I wish to thank the minister for making that observation, I think it is pertinent.

I will also refer to the Minister's speech on policy appearing at paragraph 26 in which again he says, “Following the Summit decision to establish the Monetary Union, the Common Market has been put on top gear. The negotiations for Monetary Union commenced in Arusha in July that year and the Council intends to ensure adherence to the Summit directive on the timely establishment of the Monetary Union. There will be no delay or postponement. The realisation of the Monetary Union, together with the parallel activities in the integration of the financial markets infrastructure including the establishment of the East Africa's top market are crucial to the facilitation of the operations”.

Mr Speaker, Sir, the minister again went on at paragraph 30 to again identify some of these things, also paragraphs 45, 70, 71 and 74 of his speech. I think this is very positive. It does appear that the minister is conscious of what is supposed to be

done or the Council of Ministers is conscious of what is supposed to be done.

Mr Speaker, Sir, as I thank the Council of Ministers in this respect, I also wish to thank the African Development Bank and DFID and other development partners for their support in helping to progress the East African Community integration process especially in the development of infrastructure.

Mr Speaker sir, the responsibility for policy in the Community is vested by the Treaty under Article 14 in the Council of Ministers. The Council of Ministers, under that article, is under an obligation to initiate and submit bills to the Assembly. That is one of its core responsibilities.

When you look at this policy, annunciation by the Council of Ministers has delivered to this Assembly by the minister last week, its is regrettable that nowhere in this policy statement does the Council address itself to the bills that the Council intends to bring to this Assembly for the purpose of enactment so as to bring to fruition the very lofty statements that I have referred to that the minister in his policy address made reference to.



Mr Speaker, Sir, how is the Community going to be progressed if the Council of Ministers fails in its primary responsibility to initiate bills? How is that going to happen?

Mr Speaker, Sir, we as an Assembly must censure the Council of Ministers for failure in the discharge of its responsibilities under Article 14 of the Treaty.

It is even made worse that when Members of this Assembly exercise their mandate by bringing before this Assembly Private Members Bills the Council of Ministers still sees it fit to resist the enactment of such bills.

This in effect has the result that the implementation of the Treaty and Protocols is hindered and it is hindered primarily because the Council of Ministers has failed in its responsibility.

Mr Speaker, Sir, I wish to refer this House to the *Hansard* of Wednesday 20<sup>th</sup> June 2007. This House was sitting in Kampala in the Republic of Uganda. In that sitting, it was the Budget Speech by Rt Hon. Eriya Kategaya, ex officio, Uganda and the Chairperson, council of Ministers. He said this, "As the mandate

of the Community grows and expands- and it has expanded even more since that day- so will the demand on the services of the organs and institutions of the Community necessitating increasing budgetary provisions. More specifically, the East African Legislative Assembly has a heavy legislative program ahead to consider the following bills which will be introduced by the Council of Ministers during the financial year 2007/2008."

Now the bills were, the Lake Victoria Transport Bill, 2007, the Lake Victoria Basin Bill, 2007, the Summit Delegation of Powers and Functions Bill, 2007, the East African Community Customs Management Act (Amendment) Bill, 2007, the East African Community Appropriation Bill, 2007, the East African Community Supplementary Appropriation Bill, 2007, the East African Science and Technology Commission Bill, 2007, the East African Civil Aviation Safety and Oversight Agency Bill, 2007, the East African Kiswahili Commission Bill, 2007, the East African Health, Research Commission Bill, 2007.

Mr Speaker, Sir, as we meet today on the 25<sup>th</sup> May 2011, about four years since the 20<sup>th</sup> June 2007, only the Lake Victoria Transport Bill, Management Act Amendment Bill and East African

Community Appropriation Bill, 2007 and the East African Community Supplementary Appropriation Bill, 2007 and the East African Civil Aviation Safety and Oversight Agency Bill, 2007 have been passed.

Mr Speaker, Sir, the East African Science and Technology Commission Bill has never found its way to the floor of this House. The East African Kiswahili Commission bill has never found its way to the floor of this House. The East African Health Research Commission Bill has never found its way to the floor of this House.

Mr Speaker, Sir, in the following year that is 2008/2009, the Council of Ministers never found it necessary even to talk about introduction of any bill to the floor of this House. 2010/2011, it has never found it necessary to introduce any bill on the floor of this House. 2011/2012, we are considering this budget. Again there is no mention of any bills being introduced on the floor of this House.

Mr Speaker, Sir, what is the Council of Ministers telling the people of East Africa and the Partner States that this Community is for nothing? Is the Council of Ministers telling this House

that with the launch of the East African Community Protocol on the Common Market, the implementation and whatever is required to implement this protocol should be done by the Partner States then what is the point of having East African Community? This arrangement could then have been done by lateral arrangements between the Partners States if the East African Community itself is not in apposition to establish both legal and institutional frameworks to progress the East African Community.

Mr Speaker, Sir, this is in my very humble view, abdication of responsibility on the part of the Council of Ministers and we should demand that the Council of Ministers be compelled, even if it is necessary, by way of an action in the East African Court of Justice to bring bills to this House.

Mr Speaker, Sir, at this rate, this Community can never grow to become what was intended. Even when the Lake Victoria Basin Commission bill was introduced on the floor of this House and the relevant committee conducted public hearings on it? What has happened? The Committee makes the report. For the last four years, this bill is in the Partner States so we are told and therefore in the hands of the Council of Ministers. What is happening? Where is this bill, Mr Speaker? What is the Council

of Ministers doing? Does the Council of Ministers want the Community to grow or it wants the Community to collapse?

Mr Speaker, Sir, it is for this reason that the East African Legislative Assembly, this House, appears to be constantly on a collision course with the Council of Ministers because the Council of Ministers does not want the Community to grow. This Assembly wants the Community to grow. As a demonstration of what I am saying, look. The role of representation in the East African Community is vested in Parliament. The responsibility for making the budget falls squarely on the Council of Ministers. At no time has the Council of Ministers made any allocation of monies to go to the Assembly to discharge the role of representation. What they do is allocate money to the Secretariat allegedly for sensitisation and that is not the responsibility of the Secretariat. Sensitisation is a representation function and it should fall squarely in the sphere of the House.

Mr Speaker sir, my brother hon. Sebalu had wanted to seek clarification. I do not know whether you will permit because I would want him to clarify.

**The Speaker:** It is too late now. He was overtaken by events -  
(Laughter).

**Mr Akhaabi:** Mr Speaker, Sir, hon. Sebalu in his important address yesterday pointed out that this House is marginalised, again in an effort to frustrate the house. That is why the minister, who is my very good friend, did not even thank the House or recognise that the House contributed in the Integration Process.

Worse still, Mr Speaker, when I refer to what the minister stated in this House earlier, there was a workshop recently at Snow Crest Hotel at the end of last month. This is the workshop referred to in the minister's speech on page 16 paragraph 57. The first symposium was held in 2009 during the celebrations of the 10<sup>th</sup> anniversary followed by a second symposium which was held in Arusha on 28<sup>th</sup> and 29<sup>th</sup> April 2011 on the theme, "Agenda for East Africa Community Second Decade: Lessons learnt and forward..."

Mr Speaker, Sir, none of the Members of this Assembly was invited to that symposium and yet it was a very important symposium. Mr Speaker sir, it is a demonstration-

**The Speaker:** Hon. Akhaabi, the House was invited but they were told to walk to Arusha and we couldn't walk all the way to Arusha so we couldn't come to Arusha.

**Mr Akhaabi:** Thank you very much, Mr Speaker. Again you can see that the Council of Ministers would want to marginalise this House and in the process, the Secretariat also does the same thing; marginalise the House. Mr Speaker, that is unacceptable. Mr Speaker, as evidence of further marginalisation, it is not only this House. Article 65 of the Treaty, which directs the relationship between this Assembly and the National Parliaments. How many times has the Council of Ministers required that that article be complied with, that bills coming from this House and periodic reports be made available to the national parliaments either for information or debate? None. And yet they sit in those national Parliaments. In other words, the Parliament here and the Parliaments in the Partner States do not matter.

Mr Speaker, Sir, for this reason I am very grateful and I hope that the Council of Ministers is going to take this, that the Committee on General Purposes has recommended that monies be allocated for the representation role. This should be taken

seriously and the Council should- In this budget, there should be allocation of monies to this House to discharge that role of representation.

Mr Speaker, Sir, I also wish to demand that the Council of Ministers, before this Budget is passed, undertake to table before this Assembly, the bills that they intend this House to pass between now and the end of June 2012. We will be here because we will pass the next one and if we don't get it, we will not pass it. I will be here.

Mr Speaker, Sir, it is not enough that the Council of Ministers should say that the Partner states should put in place mechanisms for the implementation of the Common Market. It should be the responsibility of the Council of Ministers to make sure that mechanisms exist at the East African Community level to implement the Common Market Protocol and this mechanism should include laws and appropriate institutions to implement and progress this Community.

Mr Speaker, Sir, with those remarks, I wish to support the motion and especially the recommendations by the committee.

Thank you, Mr Speaker, Sir.



**Dr Aman Kabourou (Tanzania):** Thank you, Mr Speaker, Sir, for allowing me to have a word on this budget. Before I do that, I would like to make a comment on His Excellency Nkurunziza's speech, which I think tallies with what we are dealing with here which is the budget.

His Excellency Nkurunziza the Chair of the Summit reduced much of his discussion into four priorities and they are in the speech beginning with the market and ending with technology, I believe. I was beginning to wonder if it wouldn't be a good idea for the Council of Ministers or the East African Budget to be brought to the House in adherence to specific priorities. I have a small example to exemplify that. I have here a document known as the explanatory notes and assumptions on the EAC budget financial year 2011/2012.

On page two, paragraph there, they say, "Theme for financial year 2011/2012, implementation of the Common Market and laying the foundation for the Monetary Union". Paragraph three talks about priority programs planned for implementation during financial year 2010/2011 and of course they go into the priorities. The following programs were planned for implementation during the financial year. The implementation of

EAC Common Market Protocol and a fully fledged Customs Union, preparation for East African Monetary Union, promotion of agriculture, food security and livestock development, formulation of the 4<sup>th</sup> EAC development Strategy, initiation and enactment of laws, implementation of infrastructure projects, strengthening of East African statistical systems and on and on. There is so much and it goes all the way to page three.

At the end, they talk about key challenges. The same thing is true even for this year but for this 2010/2011, they talk about key challenges. I didnt see any successes. Did we succeed in any of these or it is just to much for them to do anything about them. And as they say in English, you could be a jack of all trades and master of none. You have so much, you cannot even handle those.

What are the key challenges? Limited financial resources to implement some of the planned activities and strategies for mitigating the above challenges? Mobilisation of more funds from the development partners for financing projects and programs. I am totally concerned Mr Speaker that we have so many priorities, none of them is successful, you have so many challenges and who

do you go to for help? The donors, development partners we call them. This is my main concern.

Mr Speaker, Sir, I won't be talking too much but just to highlight some of the dangers that we seem to encounter in our donor dependency. It is clear now that close to 62 percent of our funding comes from so called development partners who I may say are all foreigners. We are abdicating our responsibility as the East African Community by depending more and more on people who may not be interested in seeing what we are doing in the mean time. This is extremely dangerous.

Past speakers here have talked about things like Trademark Southern Africa, Trademark East Africa. Who are these people? Are they part of DFID? They call themselves DFID. Are they part of that? How did they come to be part of our development partners?

Mr Speaker, you will remember that some of us took a course at ESAMI and there we were taught a lot of things, one of which was the dangers of these EPAs negotiations. There are the DOHA rounds, NKATA rounds and they talked about many things. One of them was the intellectual property rights. Under this, we

discovered that there are 13 regimes involved in there ranging from copy rights, patents, geographical indications and on and on. We learnt but we also know that in the past especially in the Americas, there was something called branding and usually this worked against animals. You have a ranch and you brand the animals. They become yours, they live on the ranch and eventually you take a patent. Now we have something called trademark East Africa. Is this part of the geographical indications because now we have become a property of somebody? Trademark East Africa. What does it mean? I don't know but they are part and parcel of our donor community - *(Interruption)*

**Mr Dan Kidega :** Thank you so much, hon. Dr Kabourou for giving way. I think the matter the honourable is raising is very important. I know for a fact that the Community has made attempts to come up with the Intellectual Property Rights policy for the Community. To date I don't think this Assembly is aware of where this policy is and yet a lot is happening in the sector. I am also aware that there are attempts lingering somewhere within the Secretariat and Partner States of coming up with the East Africa Anti Counterfeit law which is a serious matter on the rights and health of our people and this Assembly is ignorant. So the information I am giving to the honourable member is that there is a lot of laxity in that area which is very important for ownership and generation of wealth in that area. Thank you so much.

**Dr Aman Kabourou (Tanzania):** Thank you, honourable. Somebody is actually talking about Trademark East Africa. What does that mean? Have they taken a patent or some kind of geographical indications measure so that we now belong to them? I don't know. Maybe we need some explanation of this because somebody has to have entered an agreement with these people for them to be part and parcel of our donor community. So do they own us? I don't know.

Mr Speaker, we all grew up watching John Wayne and Rex Allen the Arizona cowboy. I don't know about Wyoming and all-  
(*Interruption*) She is just heckling.

**The Speaker:** Honourable Kabourou, continue.

**Mr Kabourou:** Thank you for protecting me. Again, I don't know. We are not going back to the days of Arizona and Mexico where you branded animals and then you took a patent on them and they became yours.

Mr Speaker, I also have a little caution on the EPAs negotiation, capacity building, and facilitation fund. I am honestly very happy to say that I agree with the General

Purposes Committee conclusions that the budget is not necessarily that bad and that we should pass it. But I feel that there has been some sort of commotion here.

In the budget speech by the minister page 11 paragraph 40, the minister talks about how they interacted with the Summit to tell them what happened about the SIDA funding. Then in our committee report page 15 paragraph 4.1 (h), the committee is not happy with what the Council of Ministers did in presenting their case to the Summit to the extent that the Summit decided to take out the money to be distributed among the Partner States themselves.

In here, the committee says that 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 the 5<sup>th</sup> meeting. Now I am not sure who is telling the truth. My inclination is to believe that my committee is telling us the truth and therefore, on top of demanding that the Council of Ministers do what the committee has suggested in terms of bringing back the money to the other institutions and organs, I would also want the Council of Ministers to tell us or if they feel that the committee is telling the real truth and nothing

but the truth, then they should apologise for having misrepresented our ideas to the Heads of State.

Another minor thing I just wanted to discuss concerns article 134 (4). This is about the Audit Commission. Mr Speaker, because we are now talking about a lot of funds coming into the Community, we started with \$ 2 million and we are up to \$ 109 million close to \$ 110 million. Mr Speaker, I know that is a small figure as a percentage of the overall budgets of the Member States but it still is substantial in that we need accounting for this money.

The Audit Commission, the way it has been formed under Article 134 (4) does not give us that leverage because the Audit Commission is made up of members from the five Partner States, they all have different laws, we don't know how they get appointed and in the Accounts Committee, I remember saying this but I don't think it is important. It is just that when I was back in the Tanzanian Parliament, I was the Chairperson of the Public Accounts committee and I remember several times if the controller and Auditor General didn't come to our session then we just rejected. We said we didn't want to talk to anybody else, we had to talk to these responsible individuals.



With the Audit Commission, the Partner States simply picks and chooses whoever they want, they sent them there, sometimes they don't even appear. We talk to them and they tell us of all these discrepancies. I remember in one of the Accounts Committee here I said, why do we want to discuss a report in which the Audit Commission didn't want to be part and parcel of? And yet Section 4 - *(Interruption)*

**Mr Mulengani:** Thank you very much, hon. Kabourou for giving way. The information I want to give and possibly clarify as the Chair of the Public Accounts Committee at the Assembly is that it is a fact that the Commission has challenges as I highlighted in my submission yesterday. But the fact I want to put on record and possibly call the indulgence of my colleague, hon. Kabourou is that the Audit Commission appears whenever we invite them. The problem they have is finances and this is why we are urging the Council of Ministers to come up with a bill so that we operationalise Article 134.

The other information I would wish to give is that we are very much interested in amending that particular Clause because we also see that what do the Council of Ministers have to do with the audited accounts for over six months?

Mr Speaker, this is the information I want to give my colleague.

**Mr Kabourou:** Thank you, hon. Mulengani. You have allayed some of my fears because Article 134 (4) says, "In the performance of the functions under this Article, the Audit Commission shall not be subject to the direction or control of any person or authority".

We all know who appoints these people and there is no authority at the East African level. Well, the Secretariat really has no authority so now how can we be sure that these people will do this? That is why I am saying that we might need an amendment to this article or perhaps even the whole Treaty itself but at least we can begin with this because we get a lot of money from the Partner States themselves which is a lot to some economies and money from the donors; some of them like the Trademark people and we don't know how it is spent. *(Interruption)*

**Ms Kimura:** Thank you, hon. Kabourou. I keep on hearing you talking about Trademark East Africa and Trademark Southern Africa as donors. Are they really donors in the same category as DFID, or as AU? Maybe they are partners in another sense.

**The Speaker:** I think hon. Kabourou was asking the same question actually.

**Mr Kabourou:** Hon. Speaker, thank you for protecting me because honestly I am also in the dark. So we are wondering who are these guys and what are they doing here?

**Ms Kimura:** Hon. Speaker, the reason I rose up about that issue is that whereas Trademark East Africa seem to be implementing agencies for the EAC because we see them advertising for jobs to do with EAC and the integration process; port expert, integration expert etc, that is why I would hesitate to call them donors and rather an implementing agency which ahs parachuted into the system of EAC. Thank you, hon. Speaker.

**The Speaker:** So hon. Kimura, were you clarifying on something you already knew? *(Laughter)* Continue, hon. Kabourou.



**Mr Kabourou:** Thank you, Mr Speaker. I think you have covered me right there. Maybe I should say I am sorry to call these people donors because I don't think they have their own money to give anybody. I think they are pan handlers who go around talking and get money on our behalf but of course they have to have their personal expenses covered. I don't think we need parasites in the system because the little money we get is very little to begin with so we don't want other people sharing in something they didn't sow.

Mr Speaker, I support the budget because my committee-

**The Speaker:** Hon. Kabourou, it is also not proper to call people parasites.

**Mr Kabourou:** Much obliged.

**Ms. Janet Mmari (Tanzania):** Thank you, hon. Speaker for allowing me to add my comments on this 2011/2012 budget. My comments are directed to there areas namely the Minister's speech, two the general observations on the 2011/2012 and specific comments on specific areas in the budget.

Mr Speaker, looking at the minister's speech, on the outset I want to commend the minister who presented the budget because it was very eloquently done. *(Applause)*

It made the work look very simple. However, I have a number of issues and problems that I require some clarification on because they could not just sink into my head.

One of them and I start with clarification number one that is the theme of the budget which is implementation of the Common Market and laying foundation for the Monetary Union. This is the very same theme that we had last year so t eh question was, my understanding of Common Market, at least from the way we were given to understand it by the consultant was the four freedoms plus the two rights.

The first that is movement of goods, at least was catered for by the Customs Union Bill and the Act and for that reason I really commend the First Parliament for having made sure that at least that bill - As I commend the ministers for bringing it for the first time, commend the first Parliament for putting in a lot of work to ensure that that bill went through and it was working. I know it has gone through a number of amendments and those amendments have actually facilitated trade within the Partner States. That is the only thing that has been done on the Common Market.

When you look at the other freedoms which actually account for the movement of the factors of production namely labour, capital, services and the other rights and then I draw your attention to look at the Protocol the way it stands, it is like everything has now been moved to the Partner States for them to do everything so we sit here and wait for the Partner States to work.

At the same time, and looking at the minister and the way he was presenting the budget very eloquently, a lot of work has been done. So my question was, given the function of the Council and I am referring to the Treaty, Article 14 (3) (c) to bring the

bills to this House. I know hon. Akhaabi spoke very well on that one because I was trying to look at the bills that have been brought to this House since the Common Market came into being. We would start by looking at what happened in November, the signing and then 1<sup>st</sup> July. To me if it is anything to do with Common Market, that is zero, nothing.

However, there were monies set aside to implement those things because there was a theme so there must have been money allocated to almost each item. My question now is, where is that money? If the money was used, where was it used, when, how and by who, because there has been nothing?

That is a question that I want the Council of Ministers to respond to when they actually come to respond to some of these issues that are brought because again when you look at Article 14 (3) (c) they are supposed to look at the budget. So at the time when they are evaluating what was done and looking at what is to be brought to this House so that we can approve, they must have reviewed and satisfied themselves that something has been done otherwise it means that we are approving money that is not put into proper use.

Hon. Speaker, that now draws me to a question that was raised by the Chair of the Accounts Committee. We are finishing this year before seeing the accounts of 2009/2010. The reason I am bringing it up is because I am asking what was done, where did the money go because we haven't seen the accounts. Probably that money is somewhere where we need to know. I hope the Council will answer those questions otherwise when we go clause by clause, it may be very difficult because we will have to be given explanations before we approve the clauses.

Hon. Speaker, when you look at the minister's speech, it is very good that they realised that they have not done most of the things that they were supposed to do. They acknowledged it on page seven, paragraph 24. The same thing happened when the President gave the speech. He also said that somebody has to breathe some life into the Partner States so that at least they can put in place the regulatory framework which will ensure that the Common Market process is hastened. However, if we look at the milestones because if we are saying that the ministers promised that they are going to ensure that everything that has been planned for will take place, I wanted to take some time to look at the milestones. This comes up because when you look at annex 4 a,b,c and d and we look at the budget assumptions of the

year and the promises that were made, we were told that following the above, the Community is ensuring that everything will continue as planned.

Mr Speaker in 2005-2009 was the implementation of Customs Union. In November 2009, we signed the Treaty for the Monetary Union. In July it started. 2013 we were expecting to see federation but we are talking of a budget of 2011/2012 and 2013 is right there. At the same time, the ministers are talking of moving everything to the Partner States. Are we integrating or disintegrating? Moving forward? I thought we were widening and deepening. So what is happening?

The question that I am asking is, are we still on track? If not, what is the extended time when we see the ultimate goal because if the ultimate goal was 2013 then it means that we should be talking about things which are very different. We should be seeing bills to ensure that the Common Market is in place and which will go with the theme of the budget. It is with this regard that I want to actually underscore what was said by hon. Akhaabi that before we pass this budget, we would like to ensure that the Council tables some of the bills that will be put to this House so that at least we can be sure that the other

factors of production, the free movement of capital, free movement of labour and the two rights can be exercised so that at least the Monetary Union phase is gone with and we are only left with the ultimate goal.

Mr Speaker, that is not as easily done as said. If that was to happen, it means we would have an institution where somebody would be tracking what is happening but I have never seen a single institution in place that accounts for what happens in terms of integration that is happening both in the Partner States and here in the Community.

I would wish to ask the people who did a very good job in analysing that is the Committee of General Purpose who did a very good job in analysing the budget if they saw anywhere where there was a provision that would ensure that there is a mechanism which tracks what happens in the Partner States to ensure that whatever has been budgeted for here and in the Partner States towards ensuring that Monetary Union and Common currency is achieved.

Mr Speaker, Sir, let me now go to the general observations of the budget. When you look at the submission that was given by

the General Purposes Committee and you look at annex 4, page 16, and disbursements from the development Partners, 54 percent of what had been promised for last year had been submitted. The Partner States had submitted 99.9 percent, which means that there is no excuse whatsoever for not having implemented whatever was agreed. Now then when you look at the promises made by development partners, out of 54 you have a number of partners who submitted only 32 percent, others zero, others 27 percent, 50 percent and others 109 percent, more than what they promised.

My question is, by looking at that schedule, can I get an explanation as to why these development partners who had promised us some money did not remit any money. Does it mean that we did not ask for it, we did not have capacity or something else?

Two, if these development partners are still on track and that they are going to give us some money, where has this money been accounted for in this budget? I cannot see it because I can just see new pledges so I wanted to be sure that whatever was pledged last year which is 32,386,754. 17,540,926 has been received. When are we going to get the difference and why has it not been accounted for in this budget?



If that has been answered, I want to go to the other comment that was given which is also general. According to the Secretary General, the absorption levels were very low because they did not have capacity and staff. I was wondering. First question, that money was budgeted for. Where is it? How is it going to be used? Why didn't it feature in the budget? Is it put in an account? We would have been very happy if it was presented or the balance sheet for the Community was presented so that at least we would know where this money is so that we can plan on how this money can be used.

Otherwise it means it is money that was budgeted for, it was brought because the Partner States for example have brought in 99.9 percent. So if it was emoluments for people, it is somewhere in the Community. So where is that money? We want to know where it is so that at least we can participate in planning for that money. Next time please when you bring the budget, we are requesting that we also have the revenue and expenditure, the budget and the cash flows so that at least we can have something that is conclusive.

Mr Speaker, Sir, let me now go to specific questions. One of them is the headquarters building which is on page eight. For 2010/2011, the budget set aside was \$ 9.2 million. In accordance to the review and what was tabled, \$ 4.5 million has been paid. My question is, there is zero money for 2011/2012. What does this mean? Was the contractor paid in advance which means he is not going to ask for anything during this year? What happens?

Mr Speaker, Sir, if I were to go into almost all these accounts where you have under utilisation of the funds that were committed for last year per projects that are on going, I cannot just trace the money that was approved before, money that has been paid and money that remains to be paid and to link it with the money that has been now pledged by the other Partner States.

It is against this background that I am saying well I am supporting the motion given the recommendations that were given by the General Purpose Committee but most of the questions that I have raised to the hon. ministers, I will want to retain the right to ensure that when we go clause by clause, I will be given the answers before I approve and be part of that. I support the motion, Mr Speaker.

**The Speaker:** Hon. Members, I would like to say that there are a lot of Members who want to debate on this motion. Also members of the General Purpose Committee were ably represented by their chairperson. So we will allow the other members to debate.

I would also like to say that the other Members should not repeat what has already been said so please be brief so that we can allow as many Members to debate on this issue.

**Mr Augustine Lotodo (Kenya):** Thank you, Mr Speaker, Sir, for giving me this opportunity to contribute to the budget speech ably presented by hon. Munya. I also want to welcome the Secretary General on board and to tell him that there is work to be done in the Community.

I also want to thank the Chair of the Summit concerning his speech made in Kigali and also to congratulate President Museveni on being sworn in early this month.

Mr Speaker, Sir, I want to thank the Committee of General Purposes for presenting this report. I just want to say that I will dwell on one issue which I think is an oversight.

The livestock division in the East African Community was created in 2007 and the main reason why it was created was to address the issues of livestock within the Partner States. 80 percent of our region in East African Community where the people stay depend on animals. They depend on this livestock because it is their source of income and source of food security.

It is really sad that this division has not been upgraded to become a department and despite the fact that most East Africans

depend on this sector, I am really concerned because the Partner States have never contributed a coin to this division. All the monies running this division comes from development partners. That is why I rise to say that we need to give attention to this sector because most East Africans need support.

I also want to give an example of Malawi where a leader transformed the agricultural sector. Malawi which used to be food deficient now has food surplus. I would wish that the priorities of this Community be re-looked into because at the rate at which we are going, if we don't empower the peoples of East Africa to start putting money in their pockets, I am telling you we will have problems of addressing the challenges that are there in this Community.

Therefore, I suggest that in the interest of addressing poverty and the Millennium Development Goals and challenges, it is important that this sector be looked into, some funds be provided to this sector and also be upgraded to become a department so that it may be able to address the issues that are of importance.

We also need personnel to be recruited to this area.

The last issue I want to say is that if you look at the budget of 2010/2011, when we passed it in may last year, the budget comparable on what the Partner States contributed to what the development Partners contributed was almost similar. Right now, the increase of the contribution of our Partner Countries from last year to this year was just an increase of around \$ 2 million. There is no substantial increase but the increase by the donor community has almost doubled.

I think we should read a problem in that area. It is not sustainable and we have to re-look into that issue because this is an issue where you find that neo colonialism is cropping in. You know donor conditionalities which come and the more we depend on them, the more we shall be tied and we might not be able to do what we want but what they want.

So Mr Speaker, Sir, with those few remarks, I support the motion. Thank you.

**Mr Dan Kidega (Uganda):** Thank you so much, Mr Speaker for giving me the chance to debate this budget speech. Right from the onset, on a positive note I would like to start by commending the Council of Ministers for the good work they have done and the good budget they have laid before this House. Contrasting this budget with the several other budgets that have been laid before this House, I think this is a better piece of work and I think we need to encourage them and commend them for that.

Of course, this is not happening in isolation. It is because the budgeting process has been improved, the budget conferencing and the participation of various stakeholders which brings in fusion of both the legislature and what i perceive as the Executive has indeed smoothened the budget and made it better and we encourage that this should be continued.

I commend very strongly the General Purposes Committee for the good work they have done and the surgery they have given to the budget and I absolutely support all their comments and recommendations.

Mr Speaker, I have about three issues to commend and they are policy in nature. The figure wizards have done justice to the

figures and made good comments. On page 15 in the budget speech, the minister ably gave the road map for the completion of the head quarters of the East African Community. I think this is great work, which has been done, and I would like to commend the former Secretary General and the staff at the Secretariat and all those who have been engaged in the process of constructing the head quarters.

It is my prayer that before this Assembly end in June next year, we have a sitting in that headquarters so that we have the feel and be able to have been the pioneer Parliament to have sat there.

Mr Speaker, Sir, apart from the headquarters of the Community, we have institutions of the Community that are still living in rented premises. We have Lake Victoria Basin Commission. The Government of Kenya generously gave land to this Community for the headquarters of the Commission to be constructed. I don't know when we shall have the ground breaking to make sure that the commission is housed in its own home. It is my prayer that maybe in the next budget, some indications should be made for us to see that Lake Victoria Basin Commission starts some work on the land that the Government of Kenya has allocated to it.



I am also aware that the Government of Uganda generously gave very prime land to the Inter University Council of East Africa in one of the prime hills in Kampala called Kyambogo for them to have a home. It is prudent, if we are serious that we make sure that we start the work of developing these homes of these various institutions we have.

This makes me remember what was raised in the issue of the Kiswahili Commission. The people of Uganda are yearning for this. They would like to see the Kiswahili Commission constituted so that they can speak Kiswahili with their East African counterparts. For us who come from Uganda, this is very dear to our hearts so we would like to see this done.

My second comment which is also very dear to my heart is on page 24 of the Budget speech on agriculture. I think we need to revisit our mind set and attitude towards agriculture. The mind set and attitude of East African governments and people towards agriculture need to be revisited. If you check in the Partner States, the budgets that are going to come in June and July, none of them is going to commit above ten percent of the budget allocation to agriculture. That has been the trend for many years.

I think the Maputo declaration is just a threshold beach mark for Partner States to commit to grow that sector. If we don't commit to that level, the problem we are talking of food security, unemployment is going to rage on. It is weird indeed for a person to ignore its core competence and give emphasis to risk adverse areas. We all talk of agriculture being the core back bone of our economies and these are not reflected in our actions.

What is it that we are doing with ourselves? In the area of agriculture, I would love to see more finances put on research for generation of seeds and seedlings, disease prevention and pest control, the area of production, fertilisers, post harvest management. Lost of our farmers lose their products during harvest and post harvest management. Storage facilities are lacking. Distribution.

There are parts of this country that have never seen hunger or starvation and they even have excess food. I know for a fact where my good friend hon. Kabourou comes from; Ujiji has never seen hunger. There is a lot of food down south in Kigoma but there are some places in Tanzania like Arusha. So the

distribution process so that output from this sector must be taken care of.

The last aspect is the value addition. Go to all the capitals, they are just singing about it but no tangible actions are being taken, not budgetary allocations reflects this rhetoric which we are our leaders are committed to.

The other aspect, which the minister commented on, is industrialisation of the region. This is also very core to the interest of East Africans. Africa has been confused for quite a while. If you look at the trend of industrialisation of particular sub Saharan countries, between 1960s and early 80s, that is when Africa witnessed the highest levels of industrialisation and the per capita income of citizens were high. Our African share of the World Trade was twice what it is obtaining today. Why then but not now? It is simple because of the strategies that we have lost.

About that time, most African countries technically used the import substitution industrialisation strategy where they looked more inwards and protected the infant industries. Today, we are lost. Most of the so called Asian tigers use the ISI strategy to reach where they are. They looked at themselves inwardly,

developed their infant industries, strategically invested in relevant areas of education and moved out of poverty.

Immediately after the early 80s, we went into a different strategy or regime called a liberal regime or liberalism that confused most of our states and nations again. There was no ownership of that strategy. The incubation engine of those strategies were the Bretton Wood Institution, the World Bank, the IMF. They came and told you, reduce the size of your civil service, the structural adjustment program and our share of the World trade took a nose dive.

In the 1980s is when we begun industries like the textile industries like Nyanza Textile, PAP Co which used to produce paper products, the Sisal industry in Tanzania. Where are they today? Lost in strategy. We adapted a strategy which is not our own, not manned and incubated by us. Yes they accepted. After they found out that we had actually lost and growing poorer than ever before, they accepted the guild and said, yes structural adjustment program was wrong.

Now they brought us to a third regime which is more confusing and we are sailing in. They call it consultative and ownership

of a development agenda. They send experts to come to you, they sit with you and try to teach you concepts which you live with and they said we are giving you grants and donations and they confuse you and the money is not even yours. 80 percent goes back to where it came from.

I think we need to revisit our strategy if we are to industrialise. There is a swap which took place in the late 90s and 2000. We used to have gazetted food crops and cash crops. There was a swap. The food crop was swapped into cash crop and our industries that used to promote the cash crops were killed. How many hectares of sisal still exist in Tanzania here? How many hectares of Cotton do we still have? To the contrary, we are now selling beans, maize and matooke as cash crops and therefore inviting famine. So I think strategically we are lost.

My second last comment is on the energy sector. If we think we are going to industrialise and improve on the agricultural sector with deficient energy available to us. How many times do we get blackouts in Arusha here? How many times do you get blackouts in your capitals? We need to strategically invest enough energy in order for us to industrialise and develop the value

addition projects which we have in our capitals through the cottage industries.

My final comment is on EPAs. I think credit must be given where it is due. The team from the Secretariat and the Partner States have done a great job in the negotiations they have been undergoing. I have bothered to take a walk through the output of their meetings. There are areas and regimes which have already been concluded and they are protected in the negotiations more in the agreement to come than even what is obtaining on the ground today. Some people still think that what they have negotiated is not good enough.

I think technically they have done a good job in certain areas where they have already concluded. There are areas which have not yet been concluded and I trust- Unfortunately when we were in Kigali, the technical person from the Secretariat was given too short a time to be understood by this Assembly on the work they have done in terms of the negotiation progress. There are blanketed areas, those of Most Favoured Nation where the EU is saying when the East African Community goes and negotiates a deal with China, the outcome of that deal shall also benefit

them. Our negotiators have put their feet down and said no, this principle must not be accepted. (*Interruption*)

**Ms Margaret Nantongo Zziwa (Uganda):** Thank you very much, Mr Speaker, Sir and thank you very much, hon. Kidega. A very big area of contention now is the area of trade in services. I think it is very important that our economies are not closed out as the EPAs are being negotiated on the area of trade in services. We are very aware that a lot of input has gone into education and we have produced nurses, doctors and equally competent East Africans who can ably go and offer services but in most cases when they go into developed countries like in the EU, they are treated like casual labourers.

**The Speaker:** Honourable, what is your clarification?

**Ms Zziwa:** My clarification is that the trade in services is not included in this area of negotiation - (*Interjection*) -

**Mr Kidega:** Thank you so much, Mr Speaker and hon. Zziwa for that. Yes, trade in services. In fact the tradable services available to us as a region is more than the goods available or the items for sale. So trade in service generates more wealth than commodity trade. *(Interruption)*

**The Speaker:** Honourable, we should not use information and clarification to debate. Hon. Kidega, continue.

**Mr Kidega:** Thank you, most obliged Mr Speaker. The other areas which are bracketed and that our negotiators are dealing with very concisely is in the areas of sanitary and phyto sanitary conditions which most civilised and developed economies use to defeat us and destroy our trade and make sure we remain raw material traders. Our negotiators have put their feet down on this matter.

The other bracketed area is the area of the development clause and I think if there are areas which we should encourage our negotiators to concentrate on, those are the areas. I would like to put on record that personally I commend them for the good work they have done.



Finally on defence, security and political cooperation, I just simply want to know where the Protocol on Defence and Security has reached. I think a Protocol on Defence and Security is very important. There has never been a time when we are unsecure like today.

I would like to see a situation where we harmonise and get concretely united and integrated where if there is an alien force that touches one of the Partner States, we all awake to that dance or go to that occasion.

I am talking about the NATO principle of attack on one is attack on all. That is what the East Africans should be looking at. There are forces out there that have made it possible for them to attack anybody at will so we must also prepare ourselves in terms of policies and hardware to counter enemies that may come. So this area is very vital and I think the Council of Ministers should give it critical attention and make sure the Protocol is out and the House be informed. I thank you so much, Mr Speaker and I support the motion.

**The Speaker:** Hon. Members, my last two Members will be hon. Valerie and hon. Richard Sezibera.

**Ms Valerie Nyirahabineza (Rwanda):** Thank you very much, Mr Speaker. From the outset, let me congratulate the Secretary General, Ambassador Richard Sezibera upon his appointment as the new Secretary General of the Community.

Secondly, let me take this opportunity to sincerely thank the General Purpose Committee for a thorough analysis of the budget and for coming up with tangible proposals. Allow me to highlight a few aspects as many of the points I have decided to highlight have been put ahead by the previous speakers.

Mr Speaker, I want to give an example as to how sometimes even if we keep on lamenting saying that the East African Community is an under funded institution, sometimes the budget we are getting be it from the Partner States or from our development partners is not well used at all.

If this August House could kindly go to page nine of the document entitled explanatory notes and assumptions on the EAC budget financial year 2011/2012, 6.3 disbursements from the development partners. The status of disbursement from the development partners as of March 2011 under EAC Secretariat was \$17,540,926 under the project as follows; Partnership Fund, EAC

HIV/AIDS, building advocacy capacity, regional political integration and so on.

Mr Speaker, Sir, I want on page ten to highlight a few aspects showing that even if we are claiming to be under funded, still funds that are allocated to some activities are not used at all.

On page ten, there are donors called Rockefeller Foundation which had given \$300,000. I am told this money was given in the health sector and was due to be used for disease surveillance in the EAC region. When I discussed with some people, they told me that the Ministries of Health in our Partner States were supposed to deploy technicians or officials from Partner States so they can come to Arusha and coordinate these disease surveillance activities. But as you may see, this money that was given by Rockefeller Foundation has only been utilised up to \$ 80,000. So as hon. Janet Mmari has put it, where is the other money or how is it going to be used?

There is also another aspect of EDF livestock, veterinary governance in EAC. I am insisting on this aspect because since we are talking about the Common Market protocol and free movement of people, whenever people cross from one place to

another, they can move with some diseases but if we really want to protect East Africans, we should let this activity be undertaken. But how come it is not yet undertaken and where is this money that was allocated specifically for this activity? I will need an explanation for this.

My last point is in line with gender. The honourable minister in his speech has ably said that gender mainstreaming is an activity that is being done and gender was mainstreamed in some policies of the East African Community but according to the Treaty, our wish is to see gender mainstreamed in all programs and projects of the Community.

Coming back to the report that was tabled by the General Purposes Committee, we are told that the department which deals with gender and community development issues is only comprised of two persons if not one. That person is dealing with gender issues, community development, elders, youth, civil society, people with disabilities and so many others.

I would wish that this gender and community development department be upgraded as my brother hon. Lotodo has said, in a gender monitoring office which can oversee the gender

mainstreaming aspect of it so that all those technical issues can be taken into account and so that Articles 6 and 122 of the Treaty can be strictly operationalised.

Mr Speaker, I had so many things to say but they have been covered by my colleagues. I would only insist on these two aspects and i need explanations in line with this. With those few remarks, I beg to support the motion.

**Mr Issa Ngendakumana (Burundi):** Thank you, Mr Speaker, Sir, for giving me this opportunity. I would like to congratulate the honourable Secretary General. Karibu on board. I would also like to congratulate the Council of Ministers for this budget that is clear and well done. I think that the Chairperson of General Purposes Committee and all the members of this committee deserve credit for this report which is fully documented and gives us the main challenges on which this subject to this important debate.

Mr Speaker, Sir, both the budget speech and the report tabled by the General Purposes Committee cover a broad range of subjects. I would like only to focus my remarks on two key priority areas namely, as hon. Kidega has done, agriculture industrialisation.

Mr Speaker, Sir, we debated on this budget just a few weeks after the EAC food Security Action Plan and the EAC Climate Change Policy had been adopted by the Summit of Heads of State. It was late April 2011.

The budget speech on page ten indicates that in its initial phase, the original program on industrial upgrading and modernisation is an agriculture based industrialisation. It is

also indicated that the EAC pursued during the financial year 2010/2011, "The trade capacity building in agro industry products to enhance the region's access to all the markets of agro industry products".

Mr Speaker, we all know that EAC agriculture is predominantly oriented towards subsistence needs and that in some areas, people still live under threat of starvation. So we leaders, should ensure that all East African households, all inhabitants of East Africa are provided with enough food both in quality and quantity and then go competing in the international markets with added value agriculture products. This means food processing.

Mr Speaker, Sir, the theme of the budget speech is, implementation of the Common Market and laying the foundation for a Monetary Union. In my view, implementing the Common Market is synonymous with increasing production which is the main foundation for a strong common currency to come soon.

We can't achieve either the real Common Market nor the Monetary Union if in the budget process which is an arbitration exercise we don't make a steady decision to allocate enough funds to the two sectors here both mentioned.



I do rejoice that promotion of sustainable use of environment and natural resources and wildlife conservation is granted 38.8 percent of the budget but Mr Speaker, it is a matter of concern that agriculture be granted only 0.6 percent and industrialisation only 0.2 percent while for example EAC visibility is granted 1.4 percent.

Mr Speaker, Sir, a budget is a tool. It must be result oriented so in reading this budget, I have some questions. What will this 0.6 percent will serve in terms of availing food, improving techniques and methods in agricultural methods, in food processing or conservation? We must recognise that agriculture and industrialisation, if wisely combined in a manner that one boosts the other and translates this into our budgets, we will be building the engine allowing us to heap success on the fields of hunger spectrum eradication and poverty alleviation, employment development and economic growth.

Mr Speaker, to conclude I wish the Council of Ministers not to be willing as stated by our colleague, hon. Akhaabi, to kill the Community but to heal it and take care of it. In this regard, I urge the Council of Ministers and the new Secretary General to heal, to move mountains even Mt Meru if need be, to ensure that

the imbalance I pointed out be corrected and that all the recommendations contained in the report tabled by the committee on General Purposes be considered.

With these remarks, I do support.

**The Secretary General (Ambassador Richard Sezibera):** Mr Speaker, Sir, I want to thank you first of all for giving me the floor to address the esteemed Assembly on this occasion of my first speech in the House. *(Applause)*

In doing so, I would like to support the motion.

I joined the Members of the House who have congratulated the hon. Minister for tabling a well-structured budget. I would like to thank him for a well formulated budget speech that takes into account the great strides made by the Community during the past financial year and that highlights the major undertakings of the Community scheduled for the coming financial year.

The minister's budget harmonises the allocation of scarce resources with planned activities and programs and my emphasis is on scarce, to maximise the impact on the EAC's ambitious goals and objectives during this period.

Before I proceed, allow me to put on the record of this august Assembly my sincerest thanks and gratitude to their excellencies, the Heads of State of the East African Community for appointing me as Secretary General of this Community. It is

indeed a great honour bestowed upon me and I am determined to devote my energy and efforts to the serve of the people of East Africa and to the advancement of our cherished goals.

I also wish to thank you, Mr Speaker and hon. Members of this Assembly for your very warm messages of congratulations and support and for the hugs.

As the Treaty for the establishment of the East African Community stipulates, I will do my best to faithfully represent this community as a body corporate and not only the Secretariat that I have the honour to head.

Mr Speaker, Sir, allow me by the same token to pay tribute to my predecessors, Ambassador Francis Muthahura, the first Secretary General of the Community from 1996 to 2001, hon. Amanywa Mushega, Secretary General 2001 to 2006 and Ambassador Juma Mwapachu, my immediate predecessor.

Cumulatively under their successive administrations, a solid foundation has been made on which to build the Community. I had the occasion to say that in my predecessor, the man met the moment I think our region is better from it. I will carry on

from where my predecessors left and I will strive to take the Community to higher levels of achievement and progress.

I salute Mzee Mutei, the last Secretary General of the defunct East African Community and a very committed East African who is a very successful coffee farmer in Arusha today.

The broad program and vision of the East African regional integration process have been clearly defined. The institutional mechanisms for the realisation of the Community are in place. In addition to the EAC Customs Union and the East African Common Market, a significant number of regional projects and programs have been launched that are at various advanced stages of implementation. Successful implementation as well as completion of negotiations by the Monetary Union will lay a firm basis for a vibrant East Africa and a successful political federation.

Mr Speaker, Sir, I am an ardent believer that successful regional integration requires a high level of commitment and collaborative efforts of all its key players and stakeholders. The treaty charges the organs and institutions of the Community with crucial roles in the regional integration and development effort. A primary challenge in the delivery of our programs is

to encourage harmonious relations and ensure complementarities of the roles and functions of organs and institutions of this Community.

I will endeavour, in the discharge of my duties as the principal executive officer of the Community to pay great attention to this particular aspect and requirement of the collective management of our Community. I shall seek to foster genuine, collective, responsive and judicious application of synergies by all organs and institutions of the Community as well as the broader spectrum of EAC stakeholders to the challenges of East African integration and development.

As you are aware, I am not a stranger to the functions of the East African Community. I was deeply involved in the negotiations for the enlargement of this Community and during an extended period, I was privileged to play a role in the international conference on the Great Lakes region, a process to which the EAC was party.

In the most recent past, I have participated in the EAC Council of Ministers deliberations as the Health Minister of the Government of the Republic of Rwanda. It is gratifying to me to

see a number of colleagues and friends in my former roles as members of this august body. I know that East Africa is very well represented.

Mr Speaker, Sir, I therefore have keenly followed the developments of the Community right from its inception to the present. In the process, I think I have some insight and a clear appreciation of its workings. One of the observations that I have made and which I have confirmed in my few days as a member of this Assembly is the role which this Assembly has played with great success in energising the regional integration process. If today our Community is poised on a fast tracking and practical orientation, it is in no small measure due to the vacant efforts and contributions of this Assembly.

I have carefully listened and noted with great appreciation the zeal and passion with which this Assembly champions EAC causes as well as ensuring that the East African integration agenda translates into real benefits for the people of East Africa. I place great premium on the role of this Assembly and on its continued contribution to East African development as we move forward.

The EAC Secretariat under my watch will remain unstinting in this commitment to facilitate the Assembly's positive interface with all the organs and institutions of the Community.

Our success is assured when we are committed to perform in our various roles, when we support one another and find a way of measuring progress and hold each other accountable against our own benchmarks of performance then our Community will be in very good hands.

Mr Speaker, Sir, the Community's focus in the next financial year will be on further consolidating the Customs Union, actualising the Common Market, establishing a Monetary Union and reinforcing the foundations for movement towards political federation.

We shall be required to do many things that the honourable minister has highlighted some of which I wish to repeat; to strengthen the operations of the Customs Union and in particular working towards the establishment for a Customs territory. To unbundle the Common Market Protocol and its annexes and put in place the necessary legal and operational frameworks as well as closely monitor progress in implementation.



To conclude the Protocol on the Monetary Union as a component of our march towards political federation and to intensify regional infrastructure development but also to ensure that the infrastructure works for the people of East Africa in truly facilitating trade and other interactions among our people. This means *inter alia* intensifying measures to eliminate the NTBs. Work to promote industry, innovation and research and finally on the whole, strengthening popular participation, a common East African identity and political will behind the regional integration process.

Mr Speaker, Sir, this budget seeks to sustain the momentum not only in fast tracking regional integration but also in concretising the regional programs. The budget that the minister has outlined is clear. It ushers in a new practical and results oriented phase in the Community and the reinforcement of the central pillars on which to construct an efficient, effective and achieving organisation.

I have to believe that we have come a long way between yesterday and today. We have a long way to go but I am confident that tomorrow will be better than today both in the integration agenda itself as well as in the management of the affairs of the

Community. I see a need to leverage the participation of the people of East African in the regional integration process. With our intention to deepen regional integration, we shall need to encourage the East African people to unleash their full potential in their development efforts and empower them and all of us to think and act beyond our own parochial interests and embrace the larger interests as defined by the Treaty.

Second, we are committed to putting in place a rapid results oriented management system as directed by the Council in view of our stated objective to accelerate, deepen and concretise regional integration. We need to strengthen the capacity and continuously motivate the staff of the Community to back stop our regional integration program and we must also build institutions that are capable of dealing with the challenges of tomorrow not merely celebrate the achievements of yesterday.

Thirdly, our realisation that institutional reorganisation is not concerned only with provision of additional human or financial resources, on the contrary, it should be mainly concerned with ensuring prudent management of these resources in particular cost rationalisation towards effective and efficient

delivery of the regional program and demonstration of the benefits of the Community to the people.

I have listened to the expressed need to make sure that the East African integration process is rapid, reliable, measureable and predictable. I have also heard the strong urge that EAC projects and programs should be crisp and clear and presented or indicated in bankable terms including their funding implications on the Community and the respective Partner States budget.

We shall continue to work with you, the Partner States, and all our other Partners to streamline more our planning, budgeting and accountability processes.

The ongoing process in the finalisation of the 4<sup>th</sup> East African Development Strategy will yield a well thought out development strategy with a clear focus on stimulating investment, domestic and foreign, promoting employment and growth as well as competitiveness in key productive sectors such as agriculture, industry and manufacturing and tourism.

Mr Speaker, Sir, Members of the House will continue to be associated in its development. The strategy seeks to address

inter alia the presently serious deficits in energy and transport infrastructure at national and regional levels. It has a focus on development of the Lake Victoria basin which is arguably the region's most precious shared economic resources of the greatest potential as well as other basins including in particular the Lake Tanganyika Basin.

Mr Speaker, sir, the decision in 2007 of the Partner States to establish ministers solely responsible for EAC Affairs is one of the most noteworthy steps to facilitate faster decision making and ensure better program delivery in EAC. The sectoral Council of Ministers responsible for EAC affairs is critical in driving the integration process to new directions. I commend the leadership of the honourable ministers in driving our agenda.

There is need to ensure prompt domestication of regional legislation as well as stricter implementation and monitoring of regional projects and programs at the national level.

Mr Speaker, Sir, I believe that with the right commitment and in particular the right resolve and determination to actualise the Common Market, we can, within the next five years, realise and demonstrate an economic upturn of this region. We need to move

from the current average of five percent of GDP growth to over 8 percent in order for our region to make any indent in high poverty levels.

In 1977, when the first Community collapsed, our income per capita as a region was \$ 700. Today it is \$ 300. You therefore understand, as a region, that it cannot and should not be business as usual. It is in this overall context of regional integration as an idea whose time has come and a powerful force in the modern world economic system that we should position ourselves as a string, solid, sustainable regional economic block responsive to the needs of our people, committed to the support and development of the private sector and inclusive of all sections of our society including the youth, women, civil society, media and others.

Mr Speaker sir, with these remarks, I once again thank the honourable minister for a well balanced and well presented budget. I thank you and support the motion. (Applause)

**The Speaker:** Hon. Sebtuu, were there any questions to you as a committee?

**Ms Nassor Sebtuu (Tanzania):** Mr Speaker, Sir, first of all I would like to thank all the Members who have contributed to this debate but when I look at the comments and questions, I see that I don't have any question to respond to. I think it is the honourable minister who will have to respond.

Mr Speaker, Sir, I would just like to add on what we have reported in our report on page 15 that the Summit directive on EPAs should be reviewed on the basis that it was based on falsehood. The Committee itself does not agree that it was just misrepresented but it was false.

Mr Speaker, Sir, another area which I would like to comment on is the per diem which yesterday was given in our report and the schedule was given from EALA but yesterday we didn't receive a schedule from the Secretariat. Today we have received not a schedule from the Secretariat but a paper, which shows us the cost implications, which excludes the activities. Therefore, there are no schedules, no breakdowns and the money or the funds, which is coming from development partners. This amounted to \$ 1,601,088 if we increase per diem by \$ 100 at all levels.

I would like the Chair of the Council to take this issue of per diem seriously because it has been coming on for a long time and we feel that this is the time that it should be considered very seriously. The committee would like the Chair of the Council to assure the House that this will be considered and come to effect.

Another issue which I would like to raise is on our representative roles. Yesterday we indicated and showed in our report that there were no funds allocated for this activity and since we as Members of this House are the representatives of the people of East Africa, we do need to meet the people, do our oversight to the programs, projects which are being implemented and therefore we feel that this should be considered seriously also as an activity of the House.

Having said that, I move that this budget be considered and adopted.

Regarding the Nanyuki Series which we yesterday showed in our report that it should be funded because it was funded, I do feel that this Nanyuki Series should be funded by the Community as per Article 49 (a) of the Treaty which says that we should



liaise with the National Assemblies of the Partner States on matters regarding the Community.

Mr Speaker sir, those were my comments and I thank you.

*(Applause)*

**Mr Munya:** Thank you, Mr Speaker, I would also like, on behalf of the Council of Ministers, to congratulate Amb. Sezibera on his appointment and wish him well in discharging his duties. We have to say this because we don't want anybody to assume that our silence means that we are not happy. We are very happy to have Sezibera working here and I am sure in the formal meetings of the Council, we will express this opinion. But being Members of this House, we don't want any assumptions to be made.

Mr Speaker, Sir, allow me after saying that to thank the chairperson and the members of the General Purpose Committee, the Council and all honourable Members who appreciated that the Committee did a good job in analysing the EAC budget for 2011/2012 and made good proposals towards enhancing efficiency in the EAC planning process and utilisation of the allocated funds.

The Council of Ministers takes note of the proposals and will direct relevant parties to take action to implement the proposals. Allow me also to recognise the following members who contributed to the motion on the budget for the East African Community for the financial year 2011/2012 who are as follows. Hon. Catherine Kimura, hon. Bernard Mulengani, hon. Jacqueline

Muhongayire, hon. AbdulKarim Harelimana, hon. Mike Sebalu, hon. Gervase Akhaabi, hon. Aman Kabourou, hon. Janet Mmari, hon. Augustine Lotodo, hon. Dan Kidega, hon. Valerie Nyirahabineza, hon. Dr. Richard Sezibera and finally hon. Issa Ngendakumana and of course I have already thanked the Chair of the Committee of General Purposes. *(Applause)*

Mr Speaker, Sir, hon. Mike Sebalu noted that the budget speech paragraph two did not thank EALA for spearheading the regional integration process. We would like to thank Members of the Assembly and apologise for this very grave oversight. We recognise the cardinal role that this Assembly plays in the integration program.

The issue of per diems. The Council noted and appreciates the proposal by the General Purposes Committee towards enhancement of the current per diem rates and we agree with the committee that the current rate is not commensurate with the actual situation on the ground. The Council undertakes to recommend to the full Council to review the per diems and on behalf of the Council, I am right now directing the Secretariat to table a proposal - *(Applause)* - on the review of the per diem rates at the next Council. The Council cannot allow Members of this

august House to continue suffering financial embarrassments when they are travelling.

Another issue is the fourth EAC Development Strategy and the involvement of EALA in its formulation. Hon. Mulengani was concerned on the delay in getting the 4<sup>th</sup> EAC Development Plan and Strategy approved and the manner in which inputs were obtained from different sectors. Mr Speaker, I want to inform the House that the Secretariat has worked with the Clerk of EALA in developing the priorities for the fourth EAC Development Strategy.

Meanwhile the Secretariat sent the draft strategy to Partner States and requested them to send comments by 20<sup>th</sup> May 2011. A validation meeting is planned to harmonise the comments that will be gathered.

On the question of having in place laws to operationalise the Common Market, up to now no laws have been put in place in the Partner States to operationalise the Common Market. The Partner States reported at the 22<sup>nd</sup> meeting of the Council that they are ... in identifying the relevant statutes to harmonise and areas of enactment for the legislation. Although we have information

that certain Partner States like Rwanda have already done the harmonisation, in Kenya we have finalised the legislations and they are ready to be tabled in Parliament. We have done all the preparatory work and all the various legislations that are required have already been drafted so we are putting before Parliament an omni bus bill that will take care of all the legislations that need to be amended.

I am told from a colleague here that Tanzania has also already undertaken the harmonisation so we can report that progress that has already taken place.

Hon. Muhongayire was concerned on the absence of provisions of budgets to procure furniture and equipment for the new headquarters building. I would like to respond that the Council has directed the Secretariat to prepare a list and the costs of all the furniture that will be required. EAC will present this information to the next Council with a request for supplementary budget which we are sure the Council will approve.

Questions related to infrastructure. On the question of the establishment of the East African Railways Authority raised by the Chair of the General Purpose Committee, the Council wishes

to confirm to this august House that a decision of the Council on the matter exists. The Sectoral Council of Ministers responsible for Transport, Communication and Meteorology meeting here in Arusha last week approved a request for support from the African Development Bank for the establishment of a railways implementation unit. The bank mission on the finalisation of the document for this support is in Arusha currently and has indicated that by September 2011, a grant agreement will have been approved.

One of the tasks that will be assigned to this unit is to carry out a study and establish a road map towards the eventual establishment of the EAC railways regulatory authority. This will be necessary as the establishment of such an authority will require the negotiation of a protocol by the Partner States detailing the legal and institutional framework for its operations and its scope.

Mr Speaker sir, on the question of a regional mechanism on railways concessioning, the Council wishes to confirm that this mechanism is not there at the present time. Partner States that have concessioned their railways have done so through national legislations. Given that these concessions have not worked well,

one of the activities that the Community has requested for support from the ADB under the technical assistance is the development of a Monroe railways concessioning agreement with sufficient safeguards to underpin professional railways performance in the region.

Mr Speaker, the Council agrees with the proposal by hon. Sebalu that Partner States should use the regional infrastructure projects being implemented such as the Arusha-Namange and River Road project to promote the Community amongst its citizenry. The Council would even like to expand the proposal to cover other projects and programs that the Community is implementing jointly such as Avian flu, the Lake Victoria Water and Sanitation project, the Small Arms and Light Weapons elimination Program and the Defence Joint Activities and Sports among others.

The Secretariat will be directed to develop user friendly materials to enable Partner States and other stakeholders, sensitise their citizenry on these projects and programs.

Mr Speaker, on the issue of political federation, the Summit directed that further work needs to be undertaken by a committee of experts on the way forward on the East African Political

Federation. I want to inform this august House that the Committee of experts was mandated to formulate its own rules of procedure and the program of work to carry out its mandate.

I want to confirm that consultations are being made at the national level on the composition of this committee.

Hon. Sebalu inquired about the time frames and terms of references for the committee to implement this April 2011 Summit directive. The terms of reference for the committee have not changed. However when considering the report of the committee, the Summit in April directed that the committee goes deeper on meeting concrete proposals for addressing those fears, concerns and challenges that have not been addressed through the on going integration process.

Hon. Mulengani observed that the man power challenges faced by Secretariat and inquired what has happened with the establishment of directorate of peace and security. That directorate was approved by the Council. However, most of the issues relating to staff recruitment are pending the finalisation of the institutional review process.



Hon. AbdulKarim wanted to know why the funding under peace and security has reduced compared to that of financial year 2010/2011. Mr Speaker, the drop is due to the ending of funding for one of the projects that is the African Peace Facility, which was managed through the African Union. We are waiting for the signing of a new contribution agreement by the AU. However the fact remains that the Partner States need to put more money under this area in order to guarantee sustainable peace and security for our integration.

Question related to Trademark East Africa. This question was raised by among others hon. Mulengani and hon. Jacqueline. They wanted to know the relationship between East African Community and Trademark East Africa and why they are sourcing funds for the Community while EAC has a resource mobilisation Officer who is mandated to do so. In fact hon. Kabourou wanted to know whether we have now been taken over and we are a patent for this animal called Trademark East Africa.

Mr Speaker sir, I would like to say that Trade Mark East Africa is a body established by DFID which also incorporates other development Partners as contributors. Trademark East Africa mobilises resources for regional integration which are

channelled to ministries and also to the East African Secretariat. The core partner for Trademark East Africa is the East Africa Community institutions, the Partner States and the civil society organisations.

Trademark East Africa has its headquarters in Nairobi with branches in Arusha and other capitals of all East African States. It has five key outputs. One, increase efficiency and safety of regional transport corridors and trade, improved efficiency and effectiveness of EAC regional institutions, strengthening national capacity for policy making, negotiation and implementation of regional integration reforms, strengthen the civil society and private sector inputs and five, improved monitoring and evaluation systems and knowledge management for regional trade and integration.

Trademark East Africa has signed an MOU with the Secretariat where they provide technical cooperation, personnel in some key areas. So basically Mr Speaker, I have given an explanation what Trademark East Africa is, what they do and the partnership that exists between it and the East African Community -  
(interruption)

**Mr Mulengani:** I just want to thank you, Mr Speaker and seek clarification from the Council as to whether as Council is convinced with the MOU. I have not had an opportunity to look at it but given what you have read out, are you convinced on the roles that are being taken over by Trademark yet our Heads of Summit appoint such people like ministers to EAC, Secretary Generals and all the DSGs to come and do all these responsibilities. Now we are contracting an NGO to come and take over your responsibilities. Then why are you here?

Mr Speaker, I didn't see anywhere that Trademark East Africa has taken over the responsibilities. But I would like to assure the House that the Council has listened to the issues that have been raised in this House and also in the committees and if there is any issue that comes out that is inappropriate, the Council will deal with it. That assurance should be taken at that level.

Mr Speaker, questions relating to the Inter University Council for East Africa Qualification Framework; the East African Qualification Framework is one of the key priorities is one of the Inter University Council for East Africa during the next financial year. The **tether??** process which will involve the national regulatory bodies, the quality assurance services of universities and other stakeholders. The methodology to be used

will be developed by September 2011. Existing documents on harmonization of education systems will be used during the process.

Questions relating to Lake Victoria Basin Commission; Hon. Mulengani wanted to know why Rwanda towns were not included on page 18 paragraph 2 of the speech. Mr Speaker, this was a printing omission as Rwanda urban centers included are Nyanza, Nyagatare and Kayonza.

Hon. Mulengani also wanted to know the breakdown of lump sums of money budgeted for the Lake Victoria Basin Commission. Mr Speaker, I would like to point out that the detailed report was submitted to the committee but it is also important to point out that what is being bought is metrological equipment which will be installed at Port Bell, Mwanza, Kisumu and also on RV Jumuiya.

Mr Speaker, hon. Mulengani again wanted to know how the funds transferred to Partner States are to be accounted for. It is important to point out that the monies are to be channeled through EAC who have signed a sub-agreement with the countries as per project appraisal document, which details the framework and accountability. So, everything is contained in the project

appraisal document, which hon. Mulengani could avail himself a copy and get more details.

Mr Speaker, again hon. Mulengani wanted to know the details of the supplementary budget of US \$ 957,000.

**The Speaker:** Hon. Munya, I think when you are referring to hon. Members here, we call them "Honourable;" thus "hon. Mulengani" and not just "Mulengani."

**Mr Munya:** Thank you very much for the correction but I thought that it was obvious, Mr Speaker-(*Laughter*) - that Mulengani is an honorable Member. If, Mr Speaker it is useful to emphasize-

**The Speaker:** Hon. Munya, read the rules; the rules say, "*Every honorable member shall be referred to as honorable so and so.*"

**Mr Munya:** Thank you, Mr Speaker. Hon. Mulengani wanted to know the details of the US \$ 957,000 and I wanted to point out to him that the information was submitted to the committee, however, we have also attached the breakdown.

Then there was also the issue of the 9 percent and 10 percent increase which is supposed to be distributed equally among organs and institutions. This matter was also raised by hon. Mulengani. And I would like to respond as follows: the increase from the Partner States contributed to the budget is actually 9.49 percent shared between organs and it has only been rounded up to 10 percent. It is less by only 0.51 percent in order to reach 10 percent. However, the Council directive was that the increase should not exceed 10 percent of the previous budget not necessarily that the budget must increase by 10 percent every year.

The reasons for these restrictions are:

(i) That Partner States are experiencing budget constraints and, therefore, austerity measures have to be in place to ensure value for money for the limited resources available.

(ii) There is need for the Community to prioritize its programmes and activities with a view to channelling these limited resources to the most critical areas of integration.

(iii) The budget of the Community is activity based and therefore, the allocation is to activities, which does not warrant equal distribution because the allocation is on the basis of activities.

Hon. Jacqueline Muhongayire and hon. Mulengani raised the issue of audited accounts for the financial year 2009/10 and non facilitation of the Audit Commission. I would like to point out that the audit exercise was completed and the report is ready but awaiting the signatures of the members of the Audit Commission. The process of which will be completed by the end of this week. The report will then be submitted to the next Council for consideration and thereafter, it will be tabled to the East African legislative Assembly for debate.

On the issue of facilitating the Audit Commission, the EAC Council will prepare a proposal with recommendations of



submission to Council and the Council will make appropriate recommendations.

But I wanted also to point out that hon. Mulengani raised the issue of operationalising; it is already operational and that is why we have an Audit Commission that is working. Otherwise, you do not need a Bill to operationalise every Article of the Treaty. Otherwise, you would have needed a Bill to operationalise the Council and the Secretariat. So, some of them are already operational without a Bill. It is not everything that requires a Bill. But the Council agrees with you that the Commission requires funding for it to be more efficient in delivering its mandate.

Mr Speaker, hon. Kimura and other members alluded to the importance of agriculture to our economy. We would like to respond as follows:

The food security action plan, which was approved by the Ninth Extra Ordinary Summit of Heads of State, contains measures that will go a long way in modernizing and transforming our agriculture. These measures include the use of intensive irrigation, use of modern agricultural inputs, such as seeds, chemicals et cetera as well as farm implements.

The plan will be a major agenda item on the next meeting of the Sectoral Council on agriculture and food security scheduled to take place towards the end of June, 2011.

Modern agriculture will definitely be a major catalyst in regional industrialization especially in the agro food processing industries.

On the question of elimination of NTBs, Mr Speaker, which was raised by several Members, I would like to say as follows; persistence of NTBs has been a problem in the East African Community as well as elsewhere in the world. The Community is addressing this thorny problem by making sure that the national monitoring committees are meeting, deliberating and removing the notary barriers within the Partner States while also meeting at the regional level.

In addition, are legally binding instruments for the removal of NTBs being prepared and this might be more effective than the current state of affairs where we count on the good will of Partner States to remove NTBs.

Infrastructural and customs related programmes are in place to assist remove the bidding constraints such as those NTBs related to administrative measures. Online monitoring mechanisms at the

tripartite level are being used to track the existing NTBs and their removal.

On the question of benefits of the tripartite free trade area, Mr Speaker, hon. Sebalu wanted to be assured of the benefits that will accrue from the tripartite FTA. I want to inform this Assembly that the tripartite FTA at its origin from SADAC and COMESA informal arrangements that existed but because of multiple memberships of states in these institutions, it was identified that there was need to harmonize their trade and customs regime between COMESA and SADAC. This informal arrangement was joined by EAC in 2005 when the EAC became a customs union and this is what became the tripartite framework led by a tripartite taskforce of secretariats.

The informal arrangement was formalized by Heads of State in our first tripartite summit held in Kampala in October 2008. The East African Community countries stand to benefit from a tripartite free trade agreement that can open it up to a market of 26 countries with a combined GDP of US \$ 264 billion and over 600 million people - *(interruption)* -

**Mr Mulengani:** I beg your indulgence, Mr Speaker and the hon. Minister. On the matter of the tripartite, the intended integration is going to be an FTA and COMESA is an FTA, SADAC is an FTA and EAC is now getting into a Common Market. At all those stages of integration, the benefits and challenges defer, how will the union of the three trading blocks as an FTA sort out the challenge of membership of East Africa which is a custom union now going to a Common Market interfacing with this other group? I beg to be clarified on that.

**Mr Munya:** What is being done is not a new thing. So, it is not a reinventing the wheel or trying to do something from the moon. Even in the European Union we have a Free Trade Area that brings into the European Union countries like Switzerland that are not part of the European Union. So, there are certain benefits that accrue in a Free Trade Area that would not accrue if that FTA did not exist. So, the fact that we will have a Customs Union existing in East Africa is not a contradiction because it will be even easier for goods from East Africa to be sold in the larger FTA.

But there are certain benefits which those other members who are not members of the East African Communities won't benefit from East Africa. And you need to look at this in the larger goal of integrating East Africa which is a goal of the AU to look at this as building blocks for a bigger FTA in East Africa. So, when we combine these three, we are actually fulfilling what the AU has been intending to do for many years and what the founding fathers of the OAU and AU wanted. And obviously the FTAs will also grow once you strengthen them; they will also become a customs union. So, it will become a one customs area. So, you have to start somewhere and that is where we want to start from.

The FTA is more for business and for traders who will expand their markets to be able to invest, produce more and sell their

products in the expanded market. Investors will be able to invest in a larger market and take advantage of selling in that market. Consumers will be able to access goods at lower prices and also offer a variety which will bring in more competition and better quality goods.

The tripartite will overcome the problem of overlapping membership to different trade arrangements by the consolidation of the existing FTAs in COMESA, SADAC and EAC into a single FTA and thereby use common rules of origin, procedures and other instruments for exports and imports.

In such a consolidated and unified manner, countries would be able to adopt simple and liberal rule of origin to address non barrier tariffs and trade facilitation problems.

The potential economic benefits of the tripartite FTA could mean greater specialization which has been a major source of growth in other regions.

It would further increase the cost of intra regional transport, communication and doing business in general. Mr Speaker, you can see that the answer was already there but hon. Kidega anticipated. *(Laughter)*

On the question of the introduction East African Community single tourist visa - this matter was raised by hon. Sebalu.

Here the introduction of the visa is seen by many stakeholders in the tourist sector as a key booster to the tourism industry in terms of contributing to the sustainable development of the region and creating positive forward and backward value chains for many socio-economic sectors in the region. The Sectoral Council on Tourism and Wildlife Management in the meetings held in 2008 and 2009 gave policy directives on the introduction the single tourist visa and further directed the heads of tourism boards to hold joint meeting with the chiefs of immigration to address the issue.

It is important to note that the mandate to introduce any visa in a Partner State is a function of the immigration department directorate as provided in the respective national immigration laws. Therefore, during the joint meeting held in July 2009, the chiefs of immigration and heads of tourism boards recommended that a taskforce be constituted by experts drawn from the immigration and tourism sectors to stand on the preparedness of each Partner State to implement the single tourist visa.

The taskforce after consulting with the tourist visa issuing institutions, the end user stakeholders in Partner States prepared a report which is scheduled to be discussed by a joint meeting of the chiefs of immigration and heads of tourism boards in August 2011. The recommendations of the joint meeting will be

considered by the Sectoral Council for Tourism and Wildlife Management for policy guidelines in the way forward.

I wish to inform you that several challenges have been cited by the immigration sector which will impede the single tourist visa in the medium term, which need to be addressed urgently. These include Partner States un-harmonized visa fees structures, poorly developed ICT structures, which currently do not facilitate connectivity at national level of the main entrance and exit points and the inadequate budget allocation to support the upgrading of immigration ICT infrastructure.

At the East African Community, e-immigration technical working group has been established to address the ICT challenges faced by the immigration department and to recommend ways of upgrading the ICT infrastructure in the Partner States' immigration departments while the chiefs of immigration will recommend the way forward on the harmonization of the visa regimes and fees to facilitate the process of introducing the single tourist visa.

Whereas, Mr Speaker I don't want to emphasize these challenges, we also ask for a lot of political good will in arriving at this single tourist visa. We need to cultivate a lot of it.

On the question of the EAC Anthem, hon. Sebalu raised the issue of rolling it out. I wish to inform this august House that the



EAC Secretariat developed an anthem popularization programme which was approved by the Eighth Sectoral Council of Education Science and Technology Culture and Sports held in January, 2011 for implementation. Among the activities to be implemented is the dissemination of the anthem in Partner States through key institutions such as the military, schools, media houses and cultural centres. This will be done in collaboration with the relevant line ministries in the Partner States. The funding of these activities is part of EAC's sensitization programme budget for the year 2011/12 that was approved by the 22<sup>nd</sup> Council of Ministers held in April 2011.

Mr Speaker, Sir, on the issue of harmonization of laws on the implementation of the Common Market that was raised by many Members, I would like to state as follows; the continued cooperation in legal and judicial affairs remain a key cornerstone of the integration process. Key among the activities has been the routine rendering of legal advice and services including attending to litigation of the Community, its organs and institutions on the implementation of the treaty.

On the business of the legal advice rendered to the Community has been guided in drafting a number of Bills and the preparation of a number of legal instruments. In addition to that, and for purposes of strategic intervention in the

development of the integration process efforts were made in key priority areas such as finalization of annexes to the Common Market Protocol, development of a draft monetary unit protocol, initiation of Bills, enhancement of regional judicial training for judicial officers and other court personnel, approximation of national laws in the EAC context. In this regards, I wish to point out that consultations have reached advanced stages in the preparation of the East African Trade Negotiations Amendment Bill, the East African Community Privately Funded Infrastructure Bill, the East African Community HIV/ AIDS Prevention and Management Bill and the East African Community One Border Post Bill.

Mr Speaker, Sir, I am emphasizing this because my Learned Friend, hon. Akhaabi was very concerned about lack of information on this particular area. And so, I wanted to point out that I heard somebody referring to himself as a "Learned Friend," sometime back, who in our definition of "Learned," is not quite learned. *(Laughter)*

I do not want to delve into that matter so much but let him remember next time not to say he is "Learned." *(Laughter)*

Regarding harmonization of national laws in the East African Community context - Mr Speaker in our training, it is only two

professions that are learned; the lawyers and the medicine men.

*(Applause)*

A consultancy study that was funded by the Investment Climate Facility which has accorded priority to commercial laws has reached validation stages. The outcome of this study will give rise to the preparation of Bills in such areas that support the realization of the freedoms and rights created by the Common Market Protocol. These areas include intellectual property, contracts, public private partnership, recognition on foreign judgments, business registration and debt recovery.

A similar study to harmonize legal training curricula and harmonize the legal and regulatory framework governing legal training, certification and practice in the region has been undertaken by the International Law Institute. The consultant has now submitted a final report for validation. The implementation of the recommendation of this study will also support the continued harmonization of the Partner States legal and judicial affairs.

Almost all the Partner States have consulted and given comments on the draft protocol to operationalise extended jurisdiction of the East African Court of Justice.

Further development of this protocol will be informed of the usefulness of a regional tribunal especially given the fact that with the implementation of the Customs Union and the Common Market, trade related disputes are bound to increase in the region. In line with the new development strategy, 2011-2016, harmonization and strengthening of legal and judicial systems will remain a strong development objective.

Mr Speaker, Sir regarding hon. Akhaabi's ably stated concerns, the Council of Ministers for reasons indicted to this august House at the Fourth Meeting withdrew the Lake Victoria Commission Bill for reasons clarified to this House. This is not the end of this Bill. Upon moving a motion for withdrawal, the Council indicted that consultations with the Lake Victoria Basin Commission are underway to handle some of the outstanding matters that arose before the Council could proceed with second reading of this particular Bill.

Mr Speaker, Sir the Council still intends to proceed with the Bills on the establishment of the Kiswahili Commission, the Health Research Commission and the Science and Technology Commission as soon as all the Partner States concerned have ratified the protocols establishing the commissions. *(Applause)*

But I would like to point out that many Partner States that had not included Swahili in their curriculum have started reviewing their curriculum and I am told that Rwanda and Burundi are already doing that. So, once the curriculum at the domestic level is done, the younger citizens of East Africa will start learning Kiswahili. *(Applause)*

The only problem I have is with the older citizens like hon. Dan Kidega-*(Laughter)* - who are not taking advantage of their presence in Arusha - like hon. Kidega could easily partner with hon. Sebtuu - *(Laughter)* -and learn a bit of Kiswahili because by the time the Commission is working and doing its job, it will be too late for hon. Kidega. *(Laughter)*

Mr Speaker, as I intimated earlier, the Bills which will be ready soon for introduction include; the East African Community Anti Counterfeit Bill, the East African Community One Border Post's Bill, East African Community Privately Funded Infrastructure Project Bill and East African Community Emblems Amendment Bill. In addition to this, Partners States Ratification Protocols on the Commissions is likely to be finalized soon. This will facilitate Council's introduction of these Bills on these commissions, the drafting of which has been finalized.

Mr Speaker, Sir I thank hon. Kidega for not only ably articulating an issue regarding the importance of agriculture and focus on EPAAS. Regarding his intervention on peace and security, allow me inform this august House that relevant protocols on cooperation in peace and security and the cooperation in defence have been completed at policy level by the Council. These protocols now await legal input by the Sectoral Council on Legal and Judicial Affairs. Therefore, these protocols will be signed soon.

To finalize, somebody raised the issue of LVC headquarters construction. Mr Speaker, there is already a budget line in the 2010/11 budget for fencing of the 2.8 hectares of land given to LVC Secretariat for the construction of its headquarters. There LVC Secretariat Commission was directed to seek funds for construction. The Secretariat has initiated discussions with the East African Development Bank and they have shown interest in funding that activity. Mr Speaker, I wanted to report that progress.

Mr Speaker, I believe that I have responded to most of the issues raised by the Members, I would wish to thank all the Members for their attention, and Mr Speaker for your indulgence.

**The Speaker:** Hon. Members, I now put the question that this Assembly do resolve itself into: (a) a Committee of Ways and Means to consider and approve the financial statements for the financial year 2011/12; and

(b) a Committee of Supply to consider and approve the revised estimates of expenditure the financial year 2010/11 and the estimates of expenditure for the financial year 2011/12.

*(Question put and agreed to.)*

COMMITTEE OF WAYS AND MEANS AND COMMITTEE OF SUPPLY

MOTION FOR APPROVAL OF THE FINANCIAL STATEMENTS

**Mr Munya:** Mr Chairman, I beg to move that in accordance with the provisions of Article 132(5) of the Treaty and rule 74 of the Rules of Procedure, the Committee of Ways and Means do consider and approve the financial statements.

**Dr. Saadalla Abdallah:** Seconded.

**The Chairman:** Hon. Members, the proposal on the floor is that the financial statements for the financial year 2011/12 be approved. Debate is open.

*(Question put and agreed to.)*

APPROVAL OF THE REVISED ESTIMATES OF EXPENDITURE FOR THE  
FINANCIAL YEAR 2010/11 AND BUDGETARY ESTIMATES FOR FINANCIAL  
YEAR 2011/12 STARTING WITH THE REVISED ESTIMATES

**Mr Munya:** Mr Chairman, I beg to move that the House do resume and the Committee of Supply.

**The Speaker:** Hon. Minister, maybe you report on the estimates of the 18, 266,182 for the financial year 2010/11.

**Mr Munya:** Mr Speaker, I beg to move that the amount of US \$ 18, 266, 182 be approved as supplementary budget for the year 2010/11 and I apologize for the mishap.

**Mr Kaahwa:** Seconded.

**The Speaker:** Hon. Members the proposal on the floor is that a sum of US \$ 18, 266, 182 be provided as supplementary expenditure for the expenses of the East African Community for the financial year 2010/11. Debate is open.



**Mr Mulengani:** Thank you, Sir for the opportunity again. Mr Speaker, I have nothing to really object from what the Council is requesting for but given the history that they are aware of, now that because of donor funds they end up getting supplementary budgets. I would request if they had indicated where these funds are coming from in this schedule, then it would really give us more insight of the sources of some of these funds. But I have nothing to say on the figures, Mr Speaker.

**Mr Karan:** The Rt hon. Speaker, before I object or agree to the approval of the expenditure in this supplementary budget, I would want to know that this authority that the Council of Ministers is seeking, is it for funds that they have used or for funds that have not been used?

**Ms Mmari:** Thank you, Mr Speaker. When I was contributing in the very first place, there were questions that I asked in regards to the underutilization of funds amounting to almost 46 percent of the total budget that was approved and I expected that there were monies that should be somewhere. So, I was wondering whether the amount of money that was underutilized is now part of this that has been reallocated or not but it was not answered.

I had also asked the question, which was specifically related to the headquarters in that I didn't see any money set aside but I can see here 9.2 million but in the previous budget, the same amount had been approved. Now, I am kind of getting confused about the figure of 18,266, 182 and how it relates to the monies that have not been used and the budget that was approved last year.

**The Chairman:** Hon. Members, I would like to remind you, maybe our memories are a bit short, you did approve this figure of 18, 266, 182 when we were in Kampala in December last year. Now, since you approved this money, I think the question you should have asked is maybe the one from hon. Mulengani as to whether this money has been spent or it is still there. But I think we had already approved this money in December last year. You approved the activities and now it is in terms of the money, has it been utilized or not? Is it still there or not? I think that is the question that the minister should answer. And if it has been utilized, how has it been utilized?

**Mr Munya:** If you look at the schedule in the Bill, it is very clear that this is money that has already been spent and it is already tallied there explaining every bit of the money. It is money spent, Mr Speaker.

**The Chairman:** Hon. Minister, we approved the activities. When you bring an Appropriations Bill, is when you get approval of spending the money. So, is this retrospective approval? Don't say, "Yeah," because you didn't bring it as a motion for retrospective approval.

That is the question hon. Mulengani asked.

**Ms Mmari:** Thank you, Mr Speaker. I am sorry that I have been persistent on this one because when I went into specific items, I highlighted the issue of the headquarters 9.2 million. We approved this element and when you look at the submissions that have been given by the Secretariat, it is very clear that they have spent about US \$ 4.5 million. I am wondering why they did not provide any money for the financial year 2010/11 and yet the building is not complete because it is a long-term project.

Fortunately, I have had the chance to go and watch what is happening as part of my oversight function. So, where are they going to get the money because it is showing zero? But if it has been spent, where are they going to get to complete this project because we would like to move in, in September this year? That is what we were told, Mr Speaker.

**The Chairman:** I think more Members should do oversight the way hon. Mmari does. *(Laughter)*



**Mr Munya:** Mr Speaker, the money was approved in December and it is being utilised though not all of it has been utilised yet. It is also important to point out that in the EAC we don't get all the money to spend at the same time. We get money from Partner States in instalments and sometimes what is reflected as spent is in relation to what was there by April. So, when we say, "75 percent has been spent," it is that money that had been spent by April. By end of May 80 percent of the money will be spent and 90 percent by the end of the year will be gone. So, Mr Speaker, it is a question of the time period we are referring to and the disbursement of money from Partner States which comes in instalments. But this particular supplementary budget from the time it was approved by the Assembly, they have been spending on the projects and it is in the process of being spent; not all of it has been spent obviously.

**The Chairman:** Hon. Minister, I think you have been in Parliament for many years, I think even though Parliament approves, it is the appropriations that allows you to spend the money. So, how did you spend the money? I think that is what the Members are asking.

**Mr Munya:** Mr Speaker, I would like to admit that this is a retrospective approval.

**Ms Byamukama:** Mr Speaker, I beg for your guidance because we have heard information on a request for retrospective approval. This is not the first time but when it happened before, we were very clear because Article 49 of the Treaty states that: "The Assembly shall debate and approve the budget of the Community." So, before any money is expended, we expected the Council of Ministers to have brought the Appropriation Bill to us. Since this has not happened, Mr Chairman, I beg that the Council of Ministers gives us explicit reasons as to why there was expenditure of funds without the passing of an Appropriation Bill. And if these reasons are convincing, then we will be able to agree to what is being proposed. If they are not, then we should not be part of an illegality. I thank you.

**Mr. Munya:** Mr Speaker, I would like to apologise for the mix-up. The briefing we received was not quite adequate. The money was approved by the House and the spending has been going on. I would also like to admit that the spending went on without appropriations being brought before the House. So, this is a very serious oversight on the part of Council and the Secretariat. So, this is something we have to learn from so that this does not happen again. So, on that information I would like to say that this is a request for retrospective approval of

some of the money because it is not the entire sum of money spent.

**The Chairman:** Hon. Members, I think to come to the defence of the minister, he has already told you that it is an oversight and he has apologised and promised that it won't be done again. Let us continue. I now put the question that the sum of US \$ 18, 266,102.001 be provided as supplementary for the financial year 2010/11.

*(Question put and agreed to.)*

#### BUDGETARY ESTIMATES FOR FINANCIAL YEAR 2011/12

Vote 001, Secretariat

**Mr Munya:** Mr Chairman, I propose that US \$ 50, 220, 384 be approved.

**The Chairman:** Hon. Members, the proposal on the floor is that the sum of US \$ 50, 220, 384 under Vote 001 be provided for the expenses of the East African community Secretariat including the Defence Liaison Office including the Directorate of Customs for the financial year 2011/12.

But before we continue, I would like to bring to the attention of the hon. Minister the figure that is given here and the one that is given in the proposed budget for the financial year under the MTF is different. There is a figure of 50, 220, 383 and that is what Council passed. So, it is more by \$ 1. May be a percentage but there is a discrepancy in this figure and the one approved by Council.

**Mr Munya:** Mr Speaker, we stand corrected. I have already apologised over the shoddy work.

**The Chairman:** Debate is open.

**Ms Mmari:** Thank you, Mr Chairman once again. When we were going through the budget and when I submitted my comments, I still wanted to find out what happened to the unused money whether it has been rolled over to make part of this or it is put somewhere. In fact I was very specific asking for the balance sheet so that I can see where that money for the underutilized activities from 2010/11 has been put.

**Dr. Massaburi:** Thank you, Mr Chairman. I would like some clarification or I would like to put a proposal on the capacity building under the human resource management. There is one target under Code No. 03, which is on capacity has about six activities but only three have been allocated with finances including about \$ 348, 000, which will be contributed by Trademark East Africa and it is for salaries of the officials who are going to provide technical assistance.

It seems the left out activities which are all new, will not make the achievement of the target possible and therefore, the money which is being contributed by Trademark is not actually making a better use of the finances.

But again we have another activity which is under target 09, which requires the Secretariat to engage a consultant in two activities which are ongoing. I am proposing that the money which is allocated for the consultancies be implemented by the technical experts from the Trademark because the MoU between Trademark and the EAC provides for the East African Community to identify services which need short-term technical assistance or consulting support to agree with the Trademark to be implemented in that specific target. So, I don't see the reasons of utilising these 348, 000 to implement activities which will not be achieved.



**Dr James Ndahiro:** Mr Chairman, I wanted to move an amendment that a budget line be created to institutionalize midterm reviews of our budget so that we don't wait for the end of the financial year to engage in the performance and the debt on shortcomings of which we would have resolved in the midterm review. So, it is a recommendation I am moving, Mr Chairman for the Council to institutionalize midterm reviews as a policy of the Community. Thank you.

**Dr. Sezibera:** Thank you, Mr Chairman. I wish to say that some of the matters that are being raised on the floor were raised at the General Purpose Committee and we had the occasion to discuss the spending in detail like some of the issues raised by hon. Massaburi .

If you allocate as you have seen in the schedules, first of all capacity building for the institutions of the Community is funded by many partners including Partner States but the capacity building activities are different and the budget is clear on it.

As far as the studies alluded to are concerned, yes, there are two separate studies funded by different partners as reflected in the budget. They also require different expertise; they have different underlying project documents and Mr Chairman, those issues have been considered and we think that it is better for the budget to be passed as it is without a reallocation because the reallocation will not achieve the objectives for which we have set ourselves.

Thirdly, I wish to say that the underutilization of resources that have been reflected in the documents you have received is more apparent than real. It is apparent because the figures that we have go up to March 2011 and the financial year is ongoing

and spending continues. Therefore, there are no monies set aside now that are unused from the last financial year. And I wish to join the hon. Minister in saying that whatever lacuna we have noted in this budget process, here is the commitment; we have the commitment to rectify in the next budget. Thank you.

**Dr. Massaburi:** Thank you. Maybe let me refer to the relevant pages. If we check page 51 of the MTF document, target C03C, this target goes up to page 53 with a total allocation of 388, 448. All these activities are supposed to achieve the target for EAC capacity building framework and strategy development, which is meant to be improved by June 2013.

The first activity is to conduct a five-day workshop for 120 EAC staff-performance contract. The second one is again on performance contract. The third one is for EAC capacity development action plan. The remaining three activities are not funded; there are no finances and the last one is for the technical assistants, which is provided by the Trademark. Now, how can these activities build the framework for strategy when they are all new?

At the same time, this activity for the review of the capacity development action plan is planned to be implemented in the second quarter, according to the operational plan. But these technical experts are employed for 12 months at a total cost of \$ 449,048. Now, according to the Treaty, which requires this House to actually approve the activities and all these six activities are new. I don't see the reason for approving an activity which will cost us \$ 348,000 and yet it will not achieve the objective that is set aside, which objectives we

would like to achieve by 2013 but the monies from the Trademark is not further projected in the next MTF two years to come.

When you come to page 57, we want to engage a consultant - this activity is ongoing; we approved it last year. We want to engage a consultant to address job evaluation at a cost estimate of 179,000 and on the next page; there is another 129,000 to engage a consultant for 90 days to undertake comprehensive review of the terms and conditions of the staff of the Community. So, these are ongoing activities and because the Memorandum of Understanding allows the EAC to prepare the terms of reference for the technical staff from the Trademark to undertake activities, which we have identified, why can't we develop those terms of reference and ask the Trademark to actually do the technical assistance instead of the consultants and the money which was allocated for the consultant from the Partnership Fund be reallocated to the Community work for public hearings in the next year?

**Ms Wanyoto:** Mr Chairperson, I would like to honestly admit that I am having difficulties in understanding what exactly the hon. Member is saying because first of all, the activities that he is talking about are totally different. The activities being funded by Trade Mark are different from those taken by the by the consultant. And we explained at the committee level that you cannot have a consultant doing what another donor has given money for and a different activity; it is not possible to combine them. In any case, partnership funds are given with conditions; you request for them on basis of a project and you are specifically funded for that project. So, I don't see how you can be able to reallocate money from one partnership project to another.

**The Chairman:** Hon. Minister and hon. SG, I would like to remind you that as a committee, this is the House. So, we wouldn't like to hear or overrule whatever you did in the committee.

**Dr Ndahiro:** Hon. Chairman, unless the Council of Ministers tells me how the money allocated for that activity will be achieved through the technical assistance otherwise, I will have my approval on that new activity.

**The Chairman:** Hon. Ndahiro, may be you can help us.

**Dr Ndahiro:** Mr Chairman, yes, we discussed this issue and what hon. Massaburi is fundamental to which I think that we all agree that this budget process and in particular this year's, is an improved version from last year's. They have tried though there are still some shortcomings which is evident by this one. But we thought even at the committee level that probably the Secretariat should improve in future by trying to source for money relevant to priority areas because money is given to the Community according to the proposal that we submit.

So, if we are mindful to submit relevant proposals that are going to improve or allow us achieve the objectives then hon. Massaburi will not have these problems. But as of now, that is an issue and we should agree that in future, these issues should be looked at seriously though for now we should all agree to pass the budget the way it is. Thank you. *(Applause)*



**The Chairman:** Let the hon. Minister answer and then we will come back to it.

**Mr Munya:** Mr Chairman, we have acknowledge throughout that there are shortcomings. Even though there are improvements, we acknowledge that there are some shortcomings that we undertake to improve and to which we have even apologised and I continue to apologising for. We shall improve in future and also take into account the proposal on midterm review that will also help us in making the budget more accountable and more transparent.

**Ms Mmari:** Mr Chairman, I am really sorry that I am asking the same thing over again. In the minister's submission, when he was talking of challenges, he very specifically said that they could not utilise the money that we approved both from the Partner States and the Development Partners. In some cases it was 43 percent; in some cases 45 percent and some 60 percent. But on average that of the Development Partners is about 46 percent.

If you take the money from the Partner States, this money has been submitted 99.9 percent. So, that money is here. They did not, for example, recruit the money that was allocated for **PE**. Mr Chairman, I have been asking for this money so that at least if we are talking of reallocation, or if there is something that needs to be given money, we know exactly how to utilise that money. That is the place where we can be talking about that money. And usually when you budget, you also prepare a balance sheet - that is a statement of affairs as at a given time, which means that they know exactly which money is where. So, why is it so difficult to tell us where this money is so that we can think of where to put it.

**The Chairman:** Hon. Member, I think maybe to help the Council of Ministers, the SG has already said that this money is still there because the utilisation rate was up to March. So, they still have March, April, May and June, which is four months; that is one.

Two, there are also mechanisms whereby the money which is not used goes to the **float**. So, I don't think it goes anywhere; it goes to the **float** and I think that is a directive from the Council of Ministers. So, it is been there all along. So, it is not only the Secretariat but also the other institutions whereby the money which is not utilised goes to the **float**.

The other thing about the balance sheet - I don't know- I have been here for the last 10 years passing these budgets but I have never heard of a balance sheet being brought. I think it is more of the accounts that come from the audited accounts. So, it may be different from what it is in private organisations. But in Parliament here, I don't think we usually have balance sheets. Maybe someone else can help us.

**Dr Ndahiro:** Mr Chairman, thank you. I would like to inform my colleague that what she is asking for is important but it depends. When the Budget Committee takes on the role of the Public Accounts Committee, then they have a chance of looking at the financial statements and the balances from the previous year, form part of the opening balance of the new financial year. Now, I think the Accounts Committee - if she is a member of that committee, she should look at it from that committee. It should be the opening balance of the new financial year.

**Ms. Wanyoto:** Thank you, Mr Chairman. You have been asking us to help so that we can make progress. So, I would like to beg the indulgence of my colleagues especially hon. Massaburi and hon. Mmari so that we can make progress and pass this budget. But I would also like to request with emphasis, Mr Chairman, that we do a midterm review of the budget performance. That one should be a must. *(Applause)*

Mr Chairman, you have been very lenient to the Council of Ministers but they have let us down so many times. I would like to follow up on the issue of hon. Sara Bonaya's motion. We told them in all earnest to come and spend more time in Arusha in order to give policy direction and support the Secretariat—these gaps you are seeing today are as a result of their own fault; it is their weakness and they normally offload their weaknesses on the Assembly especially in the Summit where we are not. Hon. Members, this is a serious matter.

When there are problems here and we raise them, when they go to Summit, they misrepresent us, which I cannot accept. So, today, the Speaker has requested that we help and so we must support him plus our House and pass the budget. *(Applause)*

We support the process and the mood- a progressive budget but we must have a budget review and we should never be taken for granted.

**Ms Kimura:** I also just wanted to unlock where we are about this process and point out to Members the document on explanatory notes and assumptions on the EAC Budget because right there, we have what was budgeted for the year and also have as of 20<sup>th</sup> February or 30<sup>th</sup> March, which bears out what the hon. Secretary General has said that we are progressing and it will be upon hon. Mulengani's committee to review the performance as at the end of the year.

In the meantime, Mr Chairman, the Committee on Accounts actually did recommend a midterm review on activities of the Community. This was recommended and we hope that it can be taken on board in the course of the coming year. Thank you, hon. Chair.



**Mr Chairman:** Hon. Massaburi, I think you have heard the explanations from the Council, do you concede or you are still insisting?

**Dr Massaburi:** Hon. Chair, I would like the Council to explain to me on how we are going to utilise the 348,000 without implementing the prior activities and achieve the objective which is set there?

**Mr Chairman:** How many activities are there, six?

**Dr Massaburi:** They were six.

**Mr Chairman:** They are doing three.

**Dr Massaburi:** The two are different from this one. The two are financed by the Partner States and actually, they are doing the review of the action plan of which these technical assistants would now use to implement the activities. Now, we are approving the money to pay for the technical assistants for activities, which will not actually realise anything for the Community. What are these people going to do for the 12 months while this activity for the planning is planned to be done in the second quarter but we want to employ these people for 12 months? And some of the activities are not any finances but we are saying that we are going to achieve these objectives by 2013 and yet there are no projections.

But again, we have a leeway to better use the consultants from Trade Mark through this Memorandum of Understanding and they take the money which we are going to use from the Partnership

Fund and reallocate that money to do a better thing for the Community. Now, we are using the money which is not actually adding value to the Community. That is my concern. I would now like them to tell me how they are going to achieve the objectives which are set as the target by paying this 348,000 as salaries to then technical assistants.

**Mr Chairman:** Hon. Massaburi, I am not talking for the Council of Ministers but I would like to say that they already said that under the trademark of the East African Partnership Fund, they have different - I guess they put project documents there and they cannot move from one part to another. That is what I think they are telling us. If only the Council of Ministers can only say that they are going to source for funding for the other three activities that are not funded and make sure that they are going to be done; maybe they can give that assurance and then we can continue.

**Mr Munya:** Yes, Mr Chairman. We thank you for that assistance and we undertake to look for funding for those extra activities that are not funded. *(Laughter)*

**Mr Chairman:** Hon. Members, I now put the question that the total sum of US \$ 50, 220, 383 under Vote 001 be provided for the expenses of the East African Community Secretariat including the Defence Liaison Office and the Directorate of Customs for the financial year 2011/12.

*(Question put and agreed to.)*

**Vote 002, East African Legislative Assembly**

**Mr Munya:** Mr Chairman, I move that a sum of US \$ 11,679, 682 be approved.

**Mr Chairman:** Hon. Members, the proposal on the floor is that a sum of US \$ 11,679, 682 under Vote 002 be provided for the expenses of the East African Legislative Assembly for the financial year 2011/12 debate is open.

**Dr Nyiramilimo:** Thank you, Mr Chairman. We have noticed in this budget that the representation role of EALA Members was not provided for but during our General Purpose Committee meeting, our representative to the Council of Ministers has promised that they will try to find funds because this is a very important role and I would like him to confirm this in the House. Thank you, Mr Chairman.

**Mr Munya:** Mr Chairman, we undertook to do everything that we can to find money for this activity because we think that the representative role is extremely important. For now, we don't have any money but we undertake to look for money and this undertaking was given at during the committee meeting and we are also giving it on the floor so as to enable Members do this important representative role.

The Chairman: Hon. Members, I now put the question that the sum of US \$ 11, 679,682 under Vote 002 be provided for the expenses of the East African Legislative Assembly for the financial year 2011/12.



*(Question put and agreed to.)*

**Vote 003, East African Court of Justice**

**Mr Munya:** Mr Chairman, I propose that a sum of US \$ 3,289, 104 be approved.

**Mr Chairman:** Hon. Members, the proposal on the floor is that a sum of US \$ 3,289, 104 under Vote 003 be provided for the expenses of the East African Court of Justice for the financial year 2011/12 debate is open.

I now put the question that the sum of US \$ 3,289, 104 under Vote 003 be provided for the expenses of the East African Court of Justice for the financial year 2011/12.

*(Question put and agreed to.)*

**Vote 004, Lake Victoria Basin Commission**

**Mr Munya:** Mr Chairman, I propose that a sum of US \$ 44, 491,149 be approved.

**Mr Chairman:** Hon. Minister, I have been helping you out a lot today. I would also like to say that if you look at this sum—because you deducted a dollar from the office from the Secretariat, it is supposed to read 50. So, I now propose the question that a sum of US \$ 44, 491,150 under Vote 004 be

provided for the expenses of Lake Victoria Basin Commission for the financial year 2011/12 debate is open.

**Mr Abdul Karim Halerimana :** Thank you, Mr Chairman. On this issue, yesterday I raised a question about Rwanda being excluded in these areas which will be assisted. The answer has not been given today but I wonder whether it will be included? Thank you, Mr Chairman.

**Mr Chairman:** I think hon. Harelimana if you were listening keenly you should have got that because the minister did answer that issue while giving his responses. Maybe you were out having tea at that time. *(Laughter)*

I now put the question that the sum of US \$ 44, 491,150 under Vote 004 be provided for the expenses of the Lake Victoria Basin Commission for the financial year 2011/12.

*(Question put and agreed to.)*

**Vote 005, Inter University Council for East Africa**

**Mr Munya:** Mr Chairman, I propose that a sum of US \$ 12,444,241 be approved.

**Mr Chairman:** Hon. Members, the proposal on the floor is that a sum of US \$ 12,444,241 under Vote 005 be provided for the expenses of the Inter University Council for East Africa for the financial year 2011/12 debate is open.

I now put the question that the sum of US \$ 12,444,241 under Vote 005 be provided for the expenses of the Inter University Council for East Africa for the financial year 2011/12.

*(Question put and agreed to.)*

MOTION FOR THE HOUSE TO RESUME

**Mr Munya:** Mr Chairman, I beg to move that the House do resume and the Committee of Supply and the Committee of Ways and Means report thereto.

**Mr Kaahwa:** Seconded.

**Mr Chairman:** Hon. Members, the proposal on the floor is that the House do resume. I put the question that the House do resume.

*(Question put and agreed to.)*

REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

**Mr Munya:** Mr Chairman, I beg to report that the Committee of Ways and Means has considered and approved the financial statements and the Committee of Supply has considered and approved the revised estimates of expenditure for the financial year 2011/12 totalling to US \$ 18, 266, 182 and the Budget for the East African Community totalling to US \$ 122,124, 560 for the financial year 2011/12.

**Mr Kaahwa:** Seconded

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

**Mr Munya:** Mr Speaker, I beg to report that the Committee of Ways and Means and the Committee of Supply be adopted.

**Dr Sezibera:** Seconded.

**The Speaker:** Hon. Members, the proposal on the floor is that the report of the Committee of the Whole House be adopted. I now put the question that the report of Committee of the Whole House be adopted.

*(Question put and agreed to.)*

THE EAST AFRICAN COMMUNITY SUPPLEMENTARY APPROPRIATION BILL,

2011

SECOND READING ON MOTION

**Mr Munya:** Mr Speaker, I beg to move that the East African Community Supplementary Appropriation Bill, 2011 be read for the second time.

**Dr Sezibera:** Seconded.

**Mr Munya:** Mr Speaker, the object of this Bill is to make provision for the supplementary appropriation out of the budget of the East African Community or separate the amounts of money for the services purposed for the Community for the financial year ending 30<sup>th</sup> June 2011.

**The Speaker:** Hon. Members, the proposal on the floor is that the East African Community Supplementary Appropriations Bill, 2011 be read for the second time. Debate is open.

**Mr Clarkson Otieno Karan (Kenya):** Mr Speaker, Sir, I do understand that Appropriations Bills in a number of incidences are procedural motions if there is no any disagreement. And after the minister had apologised for a number of things, I would want to pass it but before that, I would like clarification on: No. 1 of this Supplement Bill because I believe that the funds we are approving or appropriating are funds which are for the period up to 30<sup>th</sup> June, 2011. But if you read this Bill, you find that it becomes effective on the 1<sup>st</sup> Day of July 2011. So, I do not understand which area it is covering. So, I am seeking clarification from the minister to tell me whether this Appropriation Bill is for funds which were passed in the supplementary budget or it is for funds included in the current budget we are discussing, Mr Speaker?

**The Speaker:** Let him apologise. Hon. Karani, I think you have read that the Appropriation Bill is for 2011. So, it is for this financial year ending June.

**Mr Karan:** Yes, Mr Speaker I do understand that one but the effective date of the appropriation Bill is for 1<sup>st</sup> July, 2011. So, I would like clarification on that.



**The Speaker:** Anyone else before I call the minister?

**Mr Munya:** Mr Speaker, I once again want to really apologise for this anomaly because the Bill cannot be providing for money for the financial year ending 30<sup>th</sup> June, 2011 and therefore, has to come into effect after the year has already ended. So, it is another mix-up, which we want to apologise for and assure the House that it will not occur again.

**The Speaker:** Hon. Members, I think you know the rules of the House; when do you amend? It is during committee stage. So, please, you can wait and amend during committee stage.

**Mr Munya:** Mr Speaker, we are taking your advice on this matter.

**The Speaker:** Hon. Members, I now put the question that the East African Community Supplementary Appropriations Bill, 2011 be read for the second time.

*(Question put and agreed to.)*

THE EAST AFRICAN COMMUNITY SUPPLEMENTARY APPROPRIATION BILL,

2011

BILLS'

COMMITTEE STAGE

Clause 1

**The Chairman:** Hon. Members, I propose that clause 1 do stand part of the Bill.

**Mr Munya:** Mr Chairman, I would like to move an amendment on clause 1 and specifically I would like to delete the last sentence of clause 1 which reads: "first day of July" and substitute it with "26<sup>th</sup> May," so that it reads that: "This Act may be sited as the East African Community Supplementary Appropriations Act, 2011 and shall come into force on the 26<sup>th</sup> May, 2011."

**Dr Masha:** Mr Chairman, I was restraining myself from making a comment on the budget but I would like to also be assured that we don't appear to be passing things for the sake of it. Today is the 25<sup>th</sup> of May and tomorrow is the 26<sup>th</sup> and all Bills need the signatures of the members of the Summit. Now, are we being realistic or is the minister being realistic to even suggests that by tomorrow this will already be signed by the members of the summit? I need some clarification on this.

**Mr Munya:** Mr Chairman, perhaps from my other views that hon. Masha is observing, perhaps if there was no fault on the Bill after all.

**The Chairman:** Hon. Minister, maybe I can help you. What the Clerk is advising here, when you deem to have come into effect, you could even say it would come into effect today because you can't look at assent and say that tomorrow's assent because it can take three months under the Treaty. So, you can't say that it is going to come into assent after 30 days. And even if you look at the other Bills that we have passed in this House, some of them we talk about the Council working on private Members Bills but when you say, "Deem it," you can even make it from July 2010.

**Mr Akhaabi:** Thank you, Mr Chairman. In fact your direction is the correct position. You deem it retrospectively and if the Council were to propose an amendment to deem the Act to have come into effect on the 26<sup>th</sup> of May, 2011 that would be quite in order.



**Ms Byamukama:** Mr Chairman, I think we are falling into problems. Not only are we doing retrospective approval but also deeming the assent of Bills. I think this is very serious. The procedure is very clear.

**The Chairman:** It is not assent.

**Ms Byamukama:** Yes, it has to be first assented to before coming into effect. It cannot come into effect if it has not been assented to. The Treaty is very clear: "*The Heads of State may assent to or withhold assent to a Bill of the Assembly.*" So, now by deeming it, you are now even stepping on the powers of the summit to withhold assent. I don't support that. Let us put a date which will enable the Council of Ministers to get it assented to properly.

**The Chairman:** Hon. Dora, if we go by the way you are doing it, we can never pass any Bill in this House because you cannot put a date in such terms. You can say, "next year" or something like that.

**Mr Akhaabi:** Thank you, Mr Chairman. With great respect to my Learned Friend, hon. Dora, when a Bill is deemed to have come into effect and the Summit gives assent, the Summit also deems to have acceded to that deeming. In fact that is the way it is done. The assent deems the Act to have come into effect on that day. They are assenting to that.

**The Chairman:** Hon. CTC can you give us direction, please.

**Mr Kaahwa:** Mr Chairman, the committee is addressing the Supplementary Appropriation Bill and it has taken into account the retrospective aspects of this Bill. I, therefore, propose an amendment to the effect that it reads: "This Act may be sited as the East African Community Supplementary Appropriation Act, 2011 and shall be deemed to have come into force on the 1<sup>st</sup> Day of July 2010."

**The Chairman:** Hon. Members, I now put the question that clause 1 as amended be part of the Bill.

*(Question put and agreed to.)*

Clause 2

**The Chairman:** Hon. Members, I propose that clause 2 be part of the Bill.

**Ms Zziwa:** Thank you very much, Mr Chairman for the opportunity. I am seeking clarification on 2 which eventually will be ushered in onto the schedule. During the Budget Speech, the Chair Council of Ministers talked about a retrospective approval of a supplementary budget of US \$ 958, 591 of Lake Victoria basin Commission for the financial years 2008/09 and 2010/11. But looking into the schedule, I don't see the there. May seek clarification as to where these monies are which are actually spelt out on page 22 of the Budget Speech? There is a lot of money from the French Government, from the International Union for Conservation Nature, from the Republics of Uganda and that of Kenya, from United Nations, from AMREF, from Maritime Communications, from EAC, from IDRC, where is all this money? I would have expected it to be part of the schedule but it is not there. I seek clarification, Sir.

**The Chairman:** Hon. Zziwa, I think what we are approving here are those activities that the Assembly approved in December last year. I think whatever the minister read; he may have to come again for retrospective approval because it was not what we had approved in December and that's why we have retrospective approval in terms of the Appropriations Bill. So, what he has in his budget is something else. Maybe he will come and again apologise when he brings another Appropriations Bill. *(Laughter)*

But I don't know. Hon. Minister, maybe you can tell us.



**Mr Munya:** Mr Chairman, I would like to agree with you that what we approving is what is contained in the schedule. We are not approving anything outside the schedule. Even in the speech, I have not yet got any specific reference that he was making from the speech. If I gave figures that are not in the budget, then they are not part of what we are approving, Mr Chairman.

*(Laughter)*

**Ms Zziwa:** Thank you very much and thank you for the guidance, Mr Chairman. But I appreciate that the Chair Council is the very person who is talking about a retrospective unless if he is going to bring another retrospective supplementary approval. But I think this exercise which we are doing, he is the very one who talked about it that the Council is seeking the Assembly's retrospective approval for a supplementary budget. I think it is clearly stated on page 21, that is, paragraph 76. That is why I was seeking where it is; it is not part of this schedule. So, that is why I was asking where it is and when should I expect it? Or when do we expect another retrospective approval?

*(Laughter)*

**Ms Byamukama:** Mr Chairman, I support what hon. Margaret Zziwa is saying and I would like to maybe propose that we may need some bit of time because when we indulge in retrospective approval and you go ahead and start deeming even when the Delegation of Powers Act doesn't allow us to have powers of assent delegated to any entity or person, then we are now having a problem and we may be in breach of our very own laws. So, maybe, this Mr Chairman, with all due respect we may need to sit down and look at more closely because I still have a problem whereby we deem a law effective and yet we don't have powers.

**Mr Chairman:** Hon. Dora, I think that was voted on and passed. It is up to you to go to EACJ. *(Laughter)* But I want to state that we have already finalised with that.

**Mr Munya:** Mr Chairman, I wanted to go on to say that if you look at the Bill, page 6 the amount that is required for this financial year is 564,779. That is the amount that is being approved for this financial year. The other amount is for financial year 2008/09, which we could not include in this budget because it is for a financial year that already elapsed and we were advised that we couldn't include it in the Supplementary Bill.

**The Chairman:** Hon. Waziri, I was going to help you out but now you have made it worse. What happens to the other money? It is an illegality. Can't you have retrospective approval even for those other years? What is to stop you from having it? And are we sure that the money they are talking about is the same money or is it different? Hon. Members, I think when we were in Kampala it was very specific in terms of the amounts of money that we approved. In this particular budget, it is talking about the Council. The Assembly shall ... the supplementary budget totalling 958 for the Lake Victoria ... for the Financial year 2008/2009 and 2010/2011.

**Dr. Ndahiro:** Mr Chairman, I think if my memory serves me well, probably we have added to the confusion ourselves. I remember in Kampala we asked the Council of Ministers to make sure that all the money, whether spent in 2006 or 2005 were utilised by EAC institutions without due approval and consideration by this House should be brought together for that effect. Probably they have mixed them up but this is the procedure we requested ourselves. So the money from 2008/2009 of course cannot be put in the current budget for approval unless he has a separate schedule to indicate that that money for 2008/2009 that requires retrospective approval as requested by this House. That can work, Mr Chairman.

**Ms. Mmari:** Thank you, Mr Speaker. I think the minister has asked to be listened to for some time and he admitted having made mistakes but the difference that we are talking about is 393,812 which is properly provided for under paragraph 77. The difference between 958,591 that he is asking for in his speech and what has been provided for here in 564,779, the difference is 393,812 and that has proper explanation on paragraph 77 so I think it is a question of the minister explaining what is contained in paragraphs 76 and 77. That will answer hon. Margaret's question.



**The Chairman:** Honourable, I think you are right. I think what they can say is they have brought for the 500 and what have you and they will bring the other one some other time. I think that is an easier way of going about it. But honourable minister, I would also like to say that if you look at your Council report in the last Council, it was to a point of insulting in terms of how you handled matters of EALA and in terms of seeking approval in this same budget. So sometimes when people throw a lot of big stones and they live in glass houses, it is also not very fair. I think if today we were to ask for you to expunge some of those things in that report, I think we would also be fair to say that the Council was very unfair to us. Honourable, you can continue.

**Mr Munya :** Mr Chairman, I agree with you completely that those who live in glass houses have no business throwing stones and I agree with the explanation hon. Mmari has given is the correct explanation that the balance which is 393,812 is the one that has its explanation in the budget speech paragraph 77.

**The Chairman:** And you are assuring this House that you will bring another supplementary?

**Mr Munya:** Yes, Mr Chairman, we will undertake to do so.

**The Chairman:** I think we are over. Hon. Members, I now put the question that Clause 2 be part of the bill.

*(Question put and agreed to.)*

The Schedule

**The Chairman:** Hon. Members, I propose that the Schedule be part of the bill.

*(Question put and agreed to.)*

The Title

**The Chairman:** Hon. Members, I propose that the Title be part of the Bill. I now put the question that the title be part of the Bill.

*(Question put and agreed to.)*

MOTION FOR THE HOUSE TO RESUME

**Mr Munya:** Mr Chairman, I beg to move that the House do resume and the Committee of the Whole House reports thereto.

**The Chairman:** It is seconded. Hon. Members, I now put the question that the Whole House do resume.

*(Question put and agreed to.)*

#### REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

**Mr Munya:** Mr Speaker, I beg to report that the Committee of the Whole House has considered the bill entitled the East African Community Supplementary Appropriation Bill, 2011 and passed it with amendments.

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

**Mr Munya:** Mr Speaker, I beg to move that the report of the Committee of the Whole House be adopted.

**The Speaker:** Seconded. Hon. Members, the proposal on the floor is that the report of the Committee of the Whole House be adopted. I now put the question that the report of the Committee of the Whole House be adopted.

*(Question put and agreed to.)*

BILLS'

THIRD READING

THE EAST AFRICAN COMMUNITY SUPPLEMENTARY APPROPRIATION BILL,

2011

MOTION

**Mr Munya:** Mr Speaker, I beg to move that the East African Community Supplementary Appropriation Bill, 2011 be read for the Third Time and do pass.

**The Speaker:** Seconded. Hon. Members, I will now put the question that the East African Community Appropriation Bill be read for the Third Time and do pass.

*(Question put and agreed to.)*

BILLS'

THIRD READING

THE EAST AFRICAN COMMUNITY SUPPLEMENTARY APPROPRIATION BILL,

2011

A BILL FOR AN ACT ENTITLED THE EAST AFRICAN COMMUNITY

SUPPLEMENTARY APPROPRIATION ACT, 2011

**The Speaker:** Can we have the AC on? I can see the minister sweating.

**Mr Munya:** Mr Speaker, I beg to move that the East African Community Appropriation Bill, 2011 be read the Second Time.

**The Speaker:** Hon. Members, I didn't know that you became Clerks and you are calling the order. Hon. Clerk.

THE EAST AFRICAN COMMUNITY APPROPRIATION BILL, 2011 FOR SECOND

READING ON MOTION

**Mr Munya:** Mr Speaker, I beg to move that the East African Community Appropriation Bill, number 11 be read the Second Time.

**The Speaker:** Seconded.

**Mr Munya:** The object of this bill is to make provisions for appropriation part of the budget of the East African Community of specified amounts of money for the services and purposes of the Community for the Financial Year ending 30<sup>th</sup> June 2012.

**The Speaker:** Hon. Members, the proposal on the floor is that the East African Community Appropriations Bill, 2011 be read for the Second Time. Debate is open.

*(Question put and agreed to.)*

#### BILLS'

#### SECOND READING

#### THE EAST AFRICAN COMMUNITY APPROPRIATION BILL, 2011

#### COMMITTEE STAGE

#### Clause 1

**The Chairman:** Hon. Members, I propose that Clause 1 be part of the Bill. I put the question.

*(Question put and agreed to.)*

Clause 2

**The Chairman:** Hon. Members, I propose that Clause 2 be part of the Bill. I now put the question.

*(Question put and agreed to.)*

Clause 3

**The Chairman:** Hon. Members, I propose that Clause 3 be part of the Bill. I now put the question.

*(Question put and agreed to.)*

Clause 4

**The Chairman:** Hon. Members, I propose that Clause 4 be part of the Bill. I now put the question.

*(Question put and agreed to.)*

The Schedule

**The Chairman:** Hon. Members, I propose that the Schedule be part of the Bill.



**Mr Munya:** Mr Chairman, I beg to move that the Schedule be passed with amendments. Specifically Vote number one to be amended to read as follows, "50,220,383". Also Vote number four to be amended to read "44,491,150". The rest remains the same, Mr Chairman.

**The Chairman:** Hon. Members, minus and a plus makes the same things. I now put the question that the Schedule as amended be part of the bill.

*(Question put and agreed to.)*

The Title

**The Chairman:** Hon. Members, I propose that the Title be part of the Bill. I now put the question.

*(Question put and agreed to.)*

MOTION FOR THE HOUSE TO RESUME

**Mr Munya:** Mr Chairman, I beg to move that the House do resume and the Committee of the Whole House reports thereto.

**The Chairman:** Hon. Members, I now put the question that the Whole House do resume and the Committee of the Whole House do report thereto.

*(Question put and agreed to.)*

REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

**Mr Munya:** Mr Speaker, I beg to report that the Committee of the Whole House has considered the bill entitled the East African Community Appropriation Bill, 2011 and passed it with amendments.

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

**Mr Munya:** Mr Speaker, I beg to move that the report of the Committee of the Whole House be adopted, with amendments.

.....: Seconded.

**The Speaker:** Hon. Members, the proposal on the floor is that the report of the Committee of the Whole House be adopted.

*(Question put and agreed to.)*

BILLS'

THIRD READING

THE EAST AFRICAN COMMUNITY APPROPRIATION BILL, 2011

MOTION

**Mr Munya:** Mr Speaker, I beg to move that the East African Community Appropriation Bill, 2011 be read for the Third Time and do pass.

*(Laughter)*

.....: Seconded.

**The Speaker:** Hon. Members, I will now put the question that the East African Community Appropriation Bill, 2011 be read for the Third Time and do pass.

*(Question put and agreed to.)*

BILLS'

THIRD READING

THE EAST AFRICAN COMMUNITY APPROPRIATION BILL, 2011

A BILL FOR AN ACT ENTITLED THE EAST AFRICAN COMMUNITY  
APPROPRIATION ACT, 2011

**The Speaker:** Hon. Members, we have come to the end of Business today. I think it has been a very long day but very productive. I would like to congratulate hon. Munya - (Applause)- for weathering the storm and managing to pass- I think actually it has been the easiest budget since we have started as an Assembly but I think I would like to congratulate him and also the Council and the Secretariat for doing a good job. I think we have improved as the years go along.

Hon. Minister, I know you have made a lot of commitments and we will hold you, the Council and the Secretary General so as to ensure that the commitments that you make on this floor are actually implemented.

Hon. Members, with those few remarks, I would like to adjourn the House until tomorrow, 2.30 p.m.

*(The House rose at 7: 30 p.m. and adjourned until  
Thursday, 26 May 2011 at 2.30 p.m.)*