



EAST AFRICAN COMMUNITY

EAST AFRICAN LEGISLATIVE ASSEMBLY

Official Report of the Proceedings of the East African Legislative Assembly

38TH SITTING - FIRST ASSEMBLY: SECOND MEETING - THIRD SESSION

Tuesday, 25 May 2004

The East African Legislative Assembly met at 2.00 p.m. at the Chamber of the Assembly, Ngorongoro Wing, Sixth Floor, AICC Complex, Arusha

PRAYERS

[The Speaker, Hon. Abdulrahman Kinana in the Chair]

The Assembly was called to Order.

MOTION

That the Assembly do resolve itself into: -

- a) A Committee of Ways and Means to consider and approve the Financial Statement; and
- b) A Committee of Supply to consider and approve the Estimates of Expenditure both of which constitute the Budget of the EAC for the Financial Year 2004/2005.

(Debate continued from 20 May 2003)

REPORT OF THE GENERAL PURPOSE COMMITTEE ON THE EAC BUDGET 2004/2005

The Chairperson, General Purpose Committee (Ms. Mahfoudha Alley Hamid)(Tanzania): I am indeed honoured to stand here before you and on behalf of the Committee for

General Purpose, which I chair, and on my own behalf. I am also honoured and thankful to the honourable Speaker for giving me the chance of being the first one to set the ball rolling in debating the Budget Speech presented to this august House by the honourable Chairperson of the Council of Ministers, Hon. Tom Butime. But let me first take this opportunity to pay tribute to the late Hon. James Wapakhabulo, who passed away recently in Kampala.

The late Wapakhabulo was the Chairperson of the Council of Ministers for the East African Community. He was an inspiration and a driving force behind the establishment of the current East African Community. We are most honoured to have known and worked with him. May The God Almighty rest his soul in eternal peace Amen!

I would also like to take this opportunity to congratulate and welcome Hon. Tom Butime, the Acting Minister of Foreign Affairs of the Republic of Uganda, on his appointment as the Chairperson of the Council of Ministers for the East African Community. We say *karibu*, and that we are looking forward to working with you – (*Applause*).

Honourable Speaker and honourable members of this Assembly, the budget that follows closely the signing of the Protocol on the Customs Union signals the operationalisation of the first stage towards Community integration, but it fails to recognize the urgency and the speed with which all the activities of the East African Community should be undertaken.

Hon Speaker, I say so because in pursuit of the pre-budget review function, the Committee on General Purpose sat on the 24th of March 2004 and went through the budget proposals as presented to the Committee by the Deputy Secretary General (Finance and Administration). The Committee made recommendations and proposed changes to the budget. But Mr Speaker, sir, the Finance and Administration Committee also sat from the 27th of March to 1st April, and made its own recommendations for consideration by the Council of Ministers.

We as the General Purpose Committee had high hopes that according to the mandate vested on us, we were supposed to scrutinise the budget proposals after review by the F&A Committee before it was presented to the Council of Ministers for its final recommendations to the Assembly. Mr Speaker, I am very sorry to say that unfortunately this was not done, and it is now the third year running. The

General Purpose Committee would like to express its disappointment and stresses that it has therefore not been possible for the Assembly, through the said Committee, to fully exercise its mandate as stipulated in Rule 72(4) and Rule 79(1)(g) of the Rules of Procedure – (*Applause*).

Because of that, Mr Speaker, our observation on the review of the 2003/2004 Budget is that there was underperformance because of budgetary constraints. The Committee has also observed that there was no clear circle, which is a long running problem and a challenge to the East African Community in fulfilment of the tasks set by the Council of Ministers.

Mr Speaker, the objectives and expectations as set in the Strategic Development Plans of 2001/2005 by the three Partner States and the Treaty have largely not been met, and are most likely not to be realised in due time. An analysis of performance versus expectations indicates that the performances are constrained because of the constraints on the Budget by the necessary resources, mainly financial and human, which do not back them. The expectations cannot be met fully and in time because of this budget constraint.

The Budget, which is based on the objectives set by the five-year Development Strategy and the Treaty, which provides the stages in the development of East African regional integration as the establishment of the Custom Union, which is the entry point of the Community, thereafter a Common Market, subsequently a Monetary Union and ultimately a Political Federation, can not be realised in time if the budget continues

to be like this year in year out.
(*Applause*)

The five-year development Strategy plan has not been realised and it is now only one year to the end of that matrix. Are we serious Mr Speaker? Will this Community be able to realise all those plans that have been planned to be fulfilled before the year 2005? I don't think that is possible because we are lagging behind and many of the plans have not even been signed as protocols or any other way.

Hon Speaker, let me say that the necessary capacity for the Secretariat to be able to fulfil the requirements of the Strategic Development Plan 2001-2005 has not yet been realized, and just to name a few, I would just like to quote that there is _

1. Easing of border crossings, introduction of ID cards for Tanzania and Uganda. This was supposed to have been through by June 2002
2. Developing a Protocol on Free Movement of Persons, Labour Services, Right of Establishment and Residence after the conclusion of the Customs Union Protocol. This was supposed to have been through by December 2002
3. Introduction of a common standard travel documents - let me say here that at the moment we have the East African Passport but it is popular and it has not been sold to the masses. Also the employment policy is supposed to have been through by December 2002.

Therefore, Mr Speaker, the present budgetary concept by the Council of Ministers seems to be unfocussed or oblivious of the very tasks that they

themselves have set. It is the observation of this Committee that the speeches made by the honourable members of the Summit and the honourable ministers of the Council of Ministers at various points and at various places are incongruent to the budgetary provisions. Also, over time, these Heads of State and our Ministers preach that they wanted the federation yesterday but on this trend, I don't think that will come the day after tomorrow. It won't! – (*Applause*)

Therefore, Mr Speaker, this Committee would also like to observe that it is pertinent for the Summit and the Council of Ministers to match their public promises with the necessary resources in order to fulfil those promises

We have been told that there has been a 40 percent increase in the Budget this year but, Hon. Speaker let me point out that the 40 percent that has been increased this year has been largely for the activities of the newly formed departments of the Lake Victoria Basin and the Customs Union. It has not been formed to cater for the needs of the East African Community as proposed in the Budget proposals.

In view of the resource constraints in the three Partner States, the Committee would like to accommodate the proposals as recommended by the Council of Ministers other than in the area of staff. The Committee recommends for the House to withhold its approval until the Council of Ministers reconsiders its decision on the professional staffing levels for the secretariat, and the Committee hereby recommends to the house to ask the Council of Ministers to approve an extra nine professional staff for the Secretariat. The budgetary implications

of this are estimated to be US \$ 270,000.

Mr Speaker, for the purpose of showing the magnitude of the problem of understaffing, the Committee has highlighted the overload on staff in only one sector i.e. the Social Sector, and Hon. Speaker, allow me to quote an example:

During one of our Committee meetings held on 16 May 2003, in the minutes it is recorded: Minutes of the eighth sitting of the Committee on General Purpose held on 16 May 2003, Minute Number 11/2003 sub-minute (2) reads: "The Committee resolved that the above mentioned Sectoral Committees should submit briefs and progressive reports containing their plans, programmes and accomplishments to the Committee for scrutiny." These committees are: -

1. Gender and Community Development Committee
2. Committee on the Facilitation of Movement of Persons, Immigration, Labour, Employment and Refugees
3. Health
4. Education Culture and Sports and
5. Finance and Administration

One officer who single-handedly handles all this apart from other activities as well as the Assembly handles, Mr Speaker, sir, all these Sectoral Committees, except for the Finance and Administration Committee. The East African Draft Calendar of Activities shows a timetable of this officer dealing in meetings and workshops, and I will quote just a six-months period from January to June. This very same officer has to attend 16 meetings and

workshops; not only to attend but she has to organise them as well.

When I say the figure 16, it might seem just moderate but I assure you Mr Speaker, that this figure is not moderate but it is really comprehensive because – let me quote in a jiffy what she has to do:

- Between 5th and 13th February, this officer had to go and attend and also organise workshops in the three countries within a span of 10 days; and then,
- From 27th February, she had to go to another meeting to review progress on the implementations of the Council decisions;
- From 7th to 12th March she had to go for UNIFEM sponsored seminar; and then,
- From 11th –12th March, she had to attend a meeting of Chiefs of Immigration to review implementations of previous Council decisions. That was in Dares Salaam;
- On 16th March, she had to organise and attend a regional stakeholders' workshop on "Gender and Community Development Framework" in Arusha;
- 15th – 16th April, meeting of labour experts to receive and discuss the report of labour studies and the harmonization of employment policies and labour legislation in Nairobi; but,

- 29th - 30th April, she had to attend a meeting of the Gender and Development Committee;
- From 15th - 16th May, meeting of the committee on the facilitation on movement of persons, immigration, labour, employment and refugee management;
- From 20th - 21st May, meeting of the Advisory Committee on Education, Training and Research in Arusha;
- From May 31st - 1st June, she has to attend the meeting of the Health Research Institutions.
- From 17th - 18th June, she has to attend the meeting of the Committee on Education, Culture and Sports.
- June 21st - 22nd she has to attend the meeting of the National Aids Commission in East Africa, and that is to share and compare experiences in the fight against HIV/AIDS and to draw up the regional corroboration framework on HIV/AIDS.
- June 28th - 30th she has a meeting of the Committee on Health, which among other things is to review implementation of Council decisions.

Mr Speaker, is it really humanly possible for one member of staff to be able to deal successfully with all those meetings and workshops and running around to the extent that even our committee which has requested her to give us briefs on some protocols and she has failed to do that for the past

one year? (*Shame, Shame*). This is because she cannot handle that and she is really chewing more than she can bite – (*Laughter*).

If this House has been denied for three years to be able to go through the proposed budget, and one of its functions is the pre-budget function, and the question of the pre-budget function to be denied, the big question for this Committee is, why? We are always told it is the budget, or it is one reason or another, but for three years! The first time was chance, the second time was confidence, I think this third time it is desire.

I myself with my Committee sat down and minutely went through the budget, and we feel that we can accommodate the budget as it is but we want the Council of Ministers to reconsider about the staffing position. The East African Community Secretariat is really understaffed. And being understaffed it is overworked. And being overworked makes it redundant. And being redundant makes it a failure – (*Applause*).

So before we accommodate the budget, we request the Council of Ministers to sit down and consider hiring nine members of professional level for the Secretariat. We have made simple mathematics and it came out that hiring the nine staff would cost not more than US \$ 300,000. And if US\$ 100,000 per country is going to bankrupt that country, we might as well not have the Community – (*Applause*).

Mr Speaker and honourable members, I request you sincerely and deeply to consider my committees request on the staffing of the East African Community Secretariat. On that note, Mr Speaker, I say that I reserve my

support for passing of this Budget until we get communication from the Council of Ministers on the question of staffing. Thank you – (*Applause*).

Maj. Gen. Mugisha Muntu (Uganda): Mr. Speaker, sir, I rise to second the Report of the Committee on General Purpose on the 2004/2005 Budget. The Committee was dissatisfied with the whole Budget as it is, but it also considered the resource constraints of the three Partner States.

After a lot of discussions, the Committee was willing to concede on many other areas and leave it to the Council of Ministers and the Partner States to, in the course of this year, look at the critical nature of the budgetary constraints causing the Community not to advance, as it should. We would wait in the hope that in the 2005/2006 Financial Year, the Council of Ministers would come up with a much better Budget than has been approved this year.

Mr Speaker, sir, when you look at the example that has been given, the Committee looked at only the Social Sector, and that is why it wanted to highlight the gravity of the situation in as far as staffing levels are concerned. If you look at the activities that staff at different levels have got to face, not only to fulfil the activities as drawn in the calendar of activities of the Community, but also to carry out activities that are linked to their sectors in fulfilment of the Development Strategy Plan 2001-2005, they also have got to carry out their day-to-day activities within their own departments to support the Secretariat. In addition to that, they have got to give support to this Assembly.

We did realise that it is not humanly possible for the staff of the Secretariat to carry out all these activities

efficiently and effectively. Even in cases where they are able to do what they do, I think it must be very strenuous, and I do not know whether any of us would want to be in their shoes. At this point, I think we should commend the Secretary General and his Deputies and their staff for the work that they have so far managed to do.

We know for example that because of the concentration of most of the staff on having to make sure that the Customs Union Protocol was signed, most of the staff had to abandon their activities to concentrate on the Customs Union Protocol. This means that after the signing of the Customs Union Protocol, they would now have to go and work on the backlog.

We do not even know whether they are paid overtime for the work they do on weekends and at night. If they are not, it means that someone is paying through their human effort for work that is supposed to be backed up in terms of resources by the Partner States. This is tantamount to human exploitation, and we would really like to ask the Council of Ministers to sit back and reflect because there is a limit to human capability!

So, it has really been a very painful decision to reach a position to recommend to this House that they withhold support to the passing of this Budget. We would not want to do that. We would like the activities of the Community to continue smoothly but at the same time, if we blinded ourselves to a situation like this, and we are quite aware that the Secretariat itself tried and they even had to limit themselves not to propose increase in staff levels because they are used to the work methods of the Partner States, it looks like in this budgeting process the

Partner States sit back and decide what to give to this Community. Therefore, the Secretariat restricts itself to managing within the available resources as they are given.

Mr Speaker, sir, we would like to request the Council of Ministers to consider this issue. We have tried to highlight this but only in one department. But we are aware that it spreads across the board. Unless we are waiting for a crisis where we see some staff of the Community breaking down physically or mentally so that we respond to a crisis, if we are not waiting for that to happen, I think it is timely that Council of Ministers sits and reconsiders this.

Mr Speaker, sir, we are aware of the response of the Council of Ministers when they were approving the Budget on the question of staffing levels. The position of the Council of Ministers was that they would have to wait until the Report of the Eminent Persons, which specifies the structure of the Community and terms and conditions of service, comes out. But we are also aware that the meeting has been tentatively scheduled for October or November.

We are also aware that even if the outcome of that meeting was to be positive, and even if they passed an increase of staff, it is a process to go through advertisements and, therefore, to recruit and therefore, effectively staff the Community. That would effectively take up to eight months. If we were to stick to that recommendation of the Council of Ministers, then we are not going to see any increase in the staffing levels for the year 2004/2005. We would only see that increase in the year 2005/2006, which means in the next one year, we

are going to have the same staff shoulder this burden.

I would not like to be in the shoes of those staff, and I think Members of the Council of Ministers too, would not like to be in the shoes of some of those staff. I think they are carrying out an overload that they should not. If we were to look at the staffing levels, then the amount of money we are talking about is not that much. We are really requesting the Council of Ministers to address the issue of staff at the Secretariat.

If the Secretariat does not function effectively, it affects many other areas, including this Assembly! If we do not get the necessary support from the different sectoral areas to the different Committees, how can Parliament function? We are going to do a lot of work, now that the Customs Union is in place. I do not know how it is going to be when more activities will come on board.

We would not like you to look at this as a matter that is not well considered. It is well considered, and we know that there is still time to address the issues raised. There are three weeks between now and the time when the budgets of the Partner States will be read. We think it would be worthwhile for the Council of Ministers to really reconsider this area. There can be co-ordination and discussion in the three organs, the Council of Ministers, the Assembly and the Secretariat to see how this can be worked out.

With those remarks, I support the recommendations by the Committee on General Purpose.

Mr Yonasani Kanyomozi (Uganda):
Mr Speaker, sir, after reading copies of the Budget Speeches that have been

read before this House since inception, I find myself in difficulties as to what would be the best way out. We congratulate the Speaker for having presided over the reading of those Budget Speeches and we also congratulate the Ministers for presenting them when they know well that they are unworkable propositions.

Mr Speaker, sir, I have looked at the Budget Speech which was presented to this House by Hon. Kikwete, I looked at last year's and the one for this year. I availed myself the EAC Development Strategy Plan, and I got worried because the Secretariat, which is supposed to service this Assembly, is inadequately staffed and provided for. That has a cascade effect even on the work of this Assembly.

Mr Speaker, sir, the indicative plan that the Minister mentioned to us shows things that should have been finalised by June 2002 in the Development Strategy. The Customs Union should have been in place by the year 2001, but it was not to be because resources availed to the Community are inadequate. We set this Community up with the view that it would save us!

When Hon. Kikwete spoke to us the other time, he even called upon the spirit of the dead and he justified why he had to invoke the spirits of the dead to make us have the necessary vigour. We started with a lot of vigour because that was our first Budget Session. But those spirits seem to have turned into ghosts and are disturbing us because we do not see them bring us to the actions that we want! I want to inform Hon. Kikwete that we want to drive away the ghosts and exorcise the Community and make it work. To make it work, we need the resources. The Budget should indeed provide for those resources that we require.

Mr Speaker, sir, there are many things we should have done and they are mentioned in the Budget. We should have by now free movement of capital, free cross-border trade, cross-border listing and stock exchanges working, but you will realise that all those sectors are manned by two economists; the one dealing with micro-economics and the another one with monetary and fiscal policy. It is not possible for these two economists to handle everything! They try to do their level best and they have achieved a lot. We thank the Secretariat for that. There are so many studies up there which we can look at but they will remain studies until they are removed from the shelves.

When things fail to work out due to lack of funds and manpower, the Secretariat resorts to studies and if they cannot implement what they have studied, what can they do? They resort to more studies – (*Laughter*).

Mr Speaker, sir, there is the proposed construction of a road from Arusha to Athi River, and a decision has already been made. But because there is no money to do the road, the Secretariat has now resorted to another study! These are the problems that we need to look at very carefully.

We are not saying efforts are not in place to address these issues; we know that the Ministers are doing their best to remedy the situation. Whenever Hon. Kalonzo Musyoka - he really uplifts our spirits but the thing will fizzle out and those good words will just disappear. What do we do?

I am requesting we look very carefully into our resources. I know that donors fund some of our budgets to the extent of 50 per cent, but we need to target and prioritise what we need to be done in this Community. The Community is

for the survival of this region and its people. It is not a small joke or a club. It is something that we need to do very well.

Mr Speaker, sir, we are getting into the year 2008, and the rules of WTO will come into force. Once they do and we are not prepared for them, we are going to have problems. We are pleased that certain things have been done; the Customs Union Protocol has been signed and the indicative plan states that it should be ratified by the end of June and that the Assembly should enact the Customs Management Bill and the Competition Law and Policy Bill by July this year. But when you look at the provision for this Assembly, we should run out of money by September this year! It is good that the Secretariat has now provided us with statistics, and I am going to propose that the ministers should now be pushing for a formula on how the Community is going to get money.

If you look under Table 6 of the EAC statistics of 2002, the total imports in this region is US\$6 billion per annum, and the trend could even be going higher since internal trade has not been harmonised yet. If the Community were only given 5 per cent of that, we would be in a position to have US\$30 million, which is three times the current Budget. I think that would help us to expand the Community and even create new departments and move on, and even finance our own studies instead of the total dependence that we have. Taking 5 per cent out of 100 per cent is not a big thing. ECOWAS is doing that and it is working. The same formula can work here. I am suggesting that our ministers should examine that.

Mr Speaker, sir, the Customs Union would have been ready in the year

2001 but it is late by three years. If we are going to beat the deadlines of the WTO, then we should have expanded the membership of the Community by now by bringing in Rwanda and Burundi. We should have expanded our market. We are now 90 million people but if we add on Burundi and Rwanda, we would be about 110 million. We should now even start thinking of persuading the Democratic Republic of the Congo and other neighbouring countries to come and join us so that by the year 2008, we shall be a big market which can actually sustain itself.

Mr Speaker, sir, another area that is in dire need is the telecommunications sector. When we mentioned it during debate on last year's Budget, there was a feeling that the East African Fibre Optic Cable coming from Durban would be in place by now, but we have not seen anything yet. I know that it is private sector funded but then the facilitation and the enabling environment should be there to make this thing happen. In fact, from what I have seen in the Budget, there is no mention of it at all. It is now going to be a forgotten thing and we will have to dig it in history.

Mr Speaker, sir, although this region is endowed with a lot of hydroelectric power and we know that Tanzania has coal and other geothermal resources, it still has the highest cost of energy in the region. This makes our industries less competitive even if we wanted to sell outside East Africa. No wonder our imports outstrip our exports and the figures are there. The balance of payment and trade are against us and yet the only solution, which would help us to move to industrialisation, is to get cheap power. Are there any attempts by this Community towards that end?

The only thing we find in the Budget is that the Petroleum Conference is going to be in Kampala in the year 2005. A conference on investment opportunities was held in the year 2003 and the outcomes are not known. They only said we have got a high potential of hydrocarbons! So, if they are there, what are we going to do with them? We need to do something here! We need to come up with a Third Development Strategy Plan, which would look at the past ones that failed. We need prayers of the ancestors to help us in this one so that we can move in the right direction.

Mr Speaker, sir, given observations of the Committee, may I sum up by requesting that the Council of Ministers - and we are happy to have the two ministers here with us - goes back reconsiders our request through the Committee and comes up with a better proposal to strengthen the Secretariat? Secondly, we need to reconsider whether to go through the Bills which have been lined up by the Council of Ministers within 60 days without asking the Speaker to go on a begging spree to get the committees to come here and look at those Bills. I hope the ministers will take this matter very seriously and accede to our requests.

Mr Med Kaggwa (Uganda): Mr Speaker, sir, I would like to take this opportunity to congratulate Hon. Tom Butime for joining us and wish him the best of luck in this unenviable job, which is he is conducting now. In the same vein, I wish to thank the Council of Ministers for having made effort at least to have sentences written on all the matters that are of importance. But I am afraid that they did not go far enough.

M. Speaker, sir, I will just run through the few things that struck my mind as the minister was reading the Budget Speech. In his own words, the minister said that the Budget was being presented at a crucial point in our regional integration and he went on to cite the signing of the Protocol. There is no doubt in my mind that, indeed this is a very crucial time.

I also observed that in this Budget they are going to have offices for the Customs and Trade Directorate, which I welcome but I must say that I am disappointed that the Budget is not in consonance with what is envisaged to be the work of the Directorate.

In this Budget, and indeed in the Speech, it is important to state that unless the Partner States come out boldly and in honesty and say that they want this Community to progress, it would be difficult for East Africans to believe what they say. Indeed, Hon. Kalonzo Musyoka expressed similar sentiments when he said this Budget was very little. That statement took me aback because my understanding is that he is part of the Council of Ministers, and I was just wondering as to whether our hopes, which are the hopes of the Assembly, which Hon. Kanyomozi alluded to wouldn't be dashed.

Mr Speaker, sir, the programmes that are laid out in this Budget and which arise out of the signing of the Customs Union have not been provided for adequately. I am wondering, if we go by precedence, whether they will be realised at all! This makes me worry and I start having doubts in my mind as to whether it is worth supporting Budget.

Mr Speaker, sir, hon. Kanyomozi alluded to the culture of studies, and I

was wondering whether it is not time to have a study on these studies because they are becoming too many and the public out there is yet to see the tangible results of those studies. I call upon the Council of Ministers to translate these studies into results. The ordinary people of East Africa would like to see results. As to what is done in the background will possibly matter to the elite who care to know what precedes the results.

Mr Speaker, sir, I must say I was pleased to read in the Minister's Speech that harmonisation of the curricular for the three countries has been adopted. That is a good thing and I welcome it. In the olden days, we had exchange programmes; students from Makerere going to Dar es Salaam, and from Dar es Salaam to Nairobi. This is something, which is welcome, and I congratulate the Council on that. I was also pleased when I read in this Speech that there is an effort to harmonise specific minimum training requirements for medical and dental doctors. I think at the appropriate date, when there will be free movement of persons and labour, this will go a long way in enabling doctors and dentists to operate freely within the region.

Mr Speaker, sir, I cannot miss to note with pleasure that finally, some accreditation has been achieved for the Community to the IMF, the World Bank and the Economic Commission of the United Nations. I urge the Council of Ministers to hasten and pursue our accreditation to the African Union.

Mr Speaker, sir, I saw in the minister's speech something to do with terrorism. While I support the efforts that are being made by our governments, I want to say that the Partner States should be careful in dealing with this

matter lest we land into the same problems the Americans are facing now. The governments of the three Partner States have a duty to protect their people, and indeed I take it that it is their first priority. So, while they participate in this struggle, they should not be made to do what they think is not right for them.

Mr Speaker, sir, I was disappointed that the Minister could concretely appreciate the work that the East African Legislative Assembly has done. The Treaty is very clear that it is the executive that brings Bills to this House, but to say that the Assembly continued to discharge its functions including legislation as if the Council of Ministers had done its part really hurt me. The Council of Ministers ought to have acknowledged that it was the initiative of this Assembly that saved the day! This Assembly came up with Bills except the Appropriation Bill, which came after this Assembly had indicated that it was ready to bring it!

Mr Speaker, sir, in the same vein, I would have expected the Council of Ministers to come out boldly and give us the legislative programme of this Assembly. What are we going to do for the remaining part of this year? People may misunderstand us that we are coming to Arusha to enjoy the sunshine or the cold, whichever is applicable! Under Article 14 of the Treaty, the Council is the policy organ of the Community; my little experience in Parliament tells me that. So when a budget is read, I would expect the Council of Ministers to guide us because they are hardly here and the only opportunity we get to be with them is during the Budget! They should also use that opportunity to tell us where we are going rather than keep

speculating as to what we shall be doing in the next financial year.

Mr Speaker, sir, it is good that the Council of Ministers has noted that there is no case that has come to the EACJ, but I am surprised that even this is mentioned. How will it have a case anyway? There is nothing! Article 27(1) restricts it to matters of the Treaty. I think if the EACJ were to have business, I would request that the Council of Ministers immediately implement Article 27(2). I think that would give the Court some work. It is high time that the Council of Ministers considered invoking this Article to have it operationalised.

Mr Speaker, sir, the people of East Africa remember vividly when we had the East African Court of Appeal. It was a source of jurisprudence and precedence. Indeed, East Africans had faith in it. It is even more urgent when in each of the Partner States the respective judiciaries are being bashed for being this or that. I would feel happier, if I were aggrieved because of unsatisfactory judgement in my own country, to move to a third country.

Mr Speaker, sir, on the question of the EAC Headquarters, I want to say that putting up the headquarter here is not the best option, especially when we look at the vision that is being portrayed of a strong and big East Africa. We appreciate the donation of land by the Government of the United Republic of Tanzania, but I think it would be worth considering getting a larger area and plan it for posterity. To put that building up behind AICC would amount to a stopgap measure. When Rwanda and Burundi come in the place will be small. The other day there was a delegation from Burundi and they want to come in as soon as possible. The Assembly is hardly five

years and I do not know how we are going to expand it. I do not need to belabour that point.

Mr Speaker, sir, on the outreach programme, I appreciate the efforts of the Secretariat but when I look at the Budget, and particularly after the signing of the Customs Union, I do not think this is the Budget that is going to finance the outreach programmes on the Customs Union Protocol, which the media has started to discredit before it is operationalised! As a Community, we have a duty to come out and tell the public the other side of the Customs Union Protocol but the Budget I see here will not carry us very far. I also believe that this is an area where the EALA can play a big role.

Mr Speaker, sir, I have no quarrel with us dealing with development partners but I would want to say that if the bigger part of running the Community is going to be with the hope of getting something from our development partners and other donors, I am worried that that may turn the Community into an NGO. The English have a proverb, which states that he who pays the piper calls the tune. We have our priorities and they have their priorities. I feel that the Partner States should do more, especially with the repeated statements that the EAC is on a fast track. They say the integration process should have been yesterday, but I will once again tell you what Charles De Gaul said that politicians never believe what they say, and they get surprised when others believe them.

Mr Speaker, sir, we must request our Partner States to carry this burden. The Minister reported that as at the time of reading the Budget, only 65 per cent of the contributions had been realised. I must acknowledge that that is an

improvement from the past years, but I also pity the Secretariat because if the Budget contributions do not come in time, then the indicative programme that Hon. Kanyomozi talked about will always abort, and the Secretariat will get the bashing here for no reason at all! So, I request that the Council do look into this and try to make the contributions in time.

Mr Speaker, sir, I welcome the statements requiring the Community to start negotiations with Rwanda and Burundi, but I would want to see some minimum requirements imposed on them. Such requirements would include good governance and human rights. Our own Partner States should also uphold these standards. They should not put it for Burundi and Rwanda while they do not apply in the Partner States. This business of saying do as I say but not as I do may not be good enough.

Mr Speaker, sir, I wish to conclude my contribution by saying that we have talked time and again about co-operation in foreign policy but I did not hear anything in this regard. I call upon the Council to give us a hint as to what is happening in the area of foreign policy.

With those remarks I thank the Chair and reserve my support for this Motion.

Dr. Harrison Mwakyembe (Tanzania): Thank you very much, Mr Speaker, sir, for giving me the Floor. Let me also begin by commending hon. Tom Butime as the new Chairman of Council of Ministers for his eloquent presentation of the 2004/2005 Budget of the Community.

Mr Speaker, sir, hon. Butime's presentation of the Budget, and later

his interaction with Members of this House later in the evening over a glass of water left most of us with no doubts at all that the new Chairman of the Council of Ministers is as committed to the cause of integration just as his predecessor was. I am saying this because I see in him not only a committed but also an approachable and open-minded Chairman of Council whom I believe will take this House very seriously. At the same time, I believe by looking at his conduct that he will attend all sittings of this House, and he won't miss any sitting under the pretext of attending to other important matters as if regional integration in East Africa is of secondary importance.

Mr Speaker, sir, hon. Butime has been with us since last Thursday, and we should take note of that. It is a new record in the history of the Council of Ministers. I would like to assure him of our full co-operation in his challenging assignment as the Chairperson of the Council of Ministers to steer the East African Community to its final goal of federating these states into a Federal Republic of East Africa.

I was motivated by the minister's clear understanding of the position in which we, as poor nations find ourselves in, and also the forces that play under the present conditions of globalisation. On Page 26 of his Speech he says: "In the rapidly evolving world economic system dominated by the forces of globalisation, regional integration is the only viable option and effective response for the East African countries. Mr Speaker, sir, it is gratifying that this clear bold and visionary understanding of the imperatives of integration is shared by Members of the Council of Ministers.

We have heard hon. Kikwete, hon. Musyoka and now Butime saying they wanted the integration yesterday. Our Heads of State also share the same clear understanding of the position we are in. One is tempted to believe that the entire leadership in East Africa has come to terms with the realities of globalisation, of ruthless competition. President Mkapa, in a global forum last year, said no one owes us a living or our wellbeing. *Ni unyama unyama! Kila mtu la lake!* Have we been able to match these bold and visionary statements with the commensurate deeds and actions, as well as concrete programmes? The answer is in the negative, just as my colleagues have noted.

Mr Speaker, sir, in this region there is a very wide gap between rhetoric and reality, especially in terms of committing our resources to the cause of the East African integration. It is the only option even when it comes to contributing USD 11 million. The Budget that was presented here by hon. Butime looks like the other budgets. A criminal lawyer would term it a “smoking gun”, evidence of lukewarm commitment to the cause of integration by the Partner States.

It is said that pessimists would always complain about the wind and optimists would always hope for the wind to change its course on its own, but realists would move forward. I am afraid that this region is full of optimists and pessimists who simply complain and hope for the wind to change its course on its own! We expect somebody else to fund the Community for us, and by so doing we are hoping for a miracle to happen. I think we are not prepared to pay a better price for a better life for the next generation. As I said, we are half-

hearted performers, and would want other people to pay the price for us.

Mr Speaker, sir, page 22 of the minister’s speech states as follows: “Today, two months to the end of the financial year, only 60 per cent of the Budget has been remitted by the Partner States. This is a modest improvement over the past year.” Here, he is talking about the Budget, which is ending next month, which was only a fraction of the budgets of the East African States collectively. I do understand, as my colleagues have said, that we are dependent on contributions from Partner States whose budgets are overwhelmingly donor supported, and I can see the same trend in the East African Community where our Budget will be an exclusive donor affair. Let me demonstrate what I am saying.

In the Financial Year 2002-2003 we had a Budget of USD 6,196,830, out of which USD 947,529 was donor money, which translates to 18 per cent of the Budget. In the Financial Year 2003-2004, we had a Budget of USD 8,482,269, out of which USD 2,057,690 was donor money, which translates to 24 per cent of the Budget. But in the Budget that is before us right now, out of USD 11,892,899, donors are expected to provide USD 2,790,670, which is about 24 per cent of the whole Budget. I am tempted to believe that next year’s Budget will have similar donor intervention just like the ones I have enumerated above. But the truth is that this year’s Budget has left out a big chunk of donor money deliberately in order to avoid showing the preponderance of donor money in our Budget.

Mr Speaker, sir, I have in mind what the minister said on Page 23 of his Speech: “I am pleased to note with

appreciation the commitment of funding from the German Government of Euro 8.0 million for construction of the EAC Headquarters. This is not part of the USD 11 million. This is not proper budgeting. He further says: "...in addition to the USD 500,000 in technical assistance." Since the USD 500,000 is a small amount, it is in the Budget. He further states that there is a firm commitment of Euro 1 million from the Government of Finland for projects in the 2004-2005 financial year. This also is not in the Budget.

I thought Article 132(4) states that the Budget of the Community would come from contributions from Partner States and receipts from regional and international sources? I do not really see why we should be so selective with such international receipts! There is no clear reason to hide the fact that we will get Euro 8 million, but I believe our Budget for the next financial year should be USD 11 million plus Euro 9 million, which gives us a total of USD 22 million. And that would give us 60 per cent donor component in our Budget. That is the reality and it is ridiculous.

Mr Speaker, sir, I understand a budget is a forecast of revenue to meet expenditure. Whoever was putting up the budget thought that this money may not come in this year, but in a normal budget, that money should have been factored in and then the Appropriation Bill – (*Interjection*) -

Mr Kanyomozi: I would like to inform the honourable member holding the Floor that the Committee on Accounts, while meeting with representatives of the Controllers and Auditors General's representatives from the Partner States questioned this matter seriously and advised us that in future, we must make sure that all

funds, no matter where they are coming from, should be recorded if they are going to be expended in the Community.

Dr Mwakyembe: Mr Speaker, sir, I wanted to emphasis here that regional integration is an interventionist programme; it is like a rescue operation to stop our marginalisation in the world economic system. What disturbs is that if it is a rescue operation, do you go to the same people responsible for your marginalisation for support? I do not have that broad understanding as other people have on this matter, but it is the same rich countries which today we paraphrasing as development partners, which are killing our agriculture by showering their farmers with subsidies to the tune of US D1 billion a day! It is the same countries that condemn us of distorting the market economy when we give our people a bit of subsidy. I think they are doing that deliberately because they know that agriculture is Africa's only hope of poverty alleviation. They also know that agriculture is the only area from in which we, as poor nations, can get competitive advantage.

Mr Speaker, sir, if regional integration is our genuine rescue operation, then we have to tighten our belts and fund it ourselves. Hon. Med Kaggwa did say here that he who pays the piper calls the tune. Our colleagues who went to Cancun were guided by one principle: "No deal is better than a bad deal." I think this should also guide us in Africa. No integration is better than bad integration. A bad regional integration would always turn out to be a perfect arrangement for our supper exploitation. It is hard for the exploiters to travel to the three capitals to arrange for exploitation, but when

all of them are in Arusha, it is very easy for them to do so!

Mr Speaker, sir, during the previous two budgets, we had themes attached to the Budget; I thought this was a good culture. I have the Budget, which was presented to this House last year by the late Wapakhabulo whose theme was "actualising the Customs Union", but this year, there is no theme attached to the Budget. Are we losing ownership of the integration process? It is theme less!

Mr Speaker, sir, we are told that implementation of the East African Community Power Master Plan is going on well, and at the end of this year we'll get a final report. I had the opportunity to come across Phase One Report of the East African Power Master Plan, which I am afraid has a very narrow outlook of our long term power requirements.

I am happy that the Phase One Report recognises the enormous and abundant hydropower potential we have in the region, especially in Uganda, which we need to exploit to the maximum, but I do not agree with them in their affinity for inter-connectors so as to tap electricity from South Africa as if South Africa has a river of electricity. I am sceptical about that for two reasons.

South Africa may have extra power today, but tomorrow it may not because it is also a developing country, and it is still industrialising. There are very rough economic studies now, which show that by 2008, South Africa will need all its power, which it is exporting to Botswana and other small states in the South. If our experts are going to cling on to these inter-connectors, then I think this is a non-starter.

Mr Speaker, sir, I have read the development visions of the three Partner States; they all aim at turning our countries into semi industrialised nations by 2025 or 2030. If we are to attain that, we need reliable, sustainable and cost effective power. You cannot get such power through interconnections. Our consumption of power will increase, and right now the average consumption of power per head is 25 Watts in East Africa. To reach the stage we are talking about, we need the consumption of power in East Africa to rise to 400 Watts. The interconnections are not a solution. The solution is to exploit the full potential of the hydropower in Uganda, as well as turning to fossil fuel potential, which is available in Kenya and Tanzania.

Mr Speaker, sir, ACRES International, which is the consultant in the East African Community Power Master Plan has been advising the three countries of East Africa since the 1960s, and I wonder whether it has anything new to offer to us. Are there no other companies in the world, which can advise us properly? This is why they do not see the larger picture. In Tanzania today, we are talking about the Mchuchuma Coal Reserves with 1.2 billion metric tonnes of deposits, and experts say we could have full power of over 400 Mega Watts for over 50 years from such deposits. After all, even the South Africa we are talking about, 90 per cent of their power is from fossil fuel. It is also true that 76 per cent of the power in the world is from fossil fuel. So, I simply wanted to emphasise the fact that we need a power mix in East Africa, which would take us a long way.

Mr Speaker, sir, lastly, I would like to comment on the East African

Community Headquarters which my colleagues have touched upon and it is mentioned by the Chairperson of the Council on Page 15 of his Speech. This Assembly has time and again expressed its views on this issue. Of course, we thank the Government of Tanzania for giving us the plot behind the AICC but we are not saying we should reject this plot. What we are saying is that it is small, and we could use it as an information centre of the East African Community. But we should have the headquarters put up somewhere else in a bigger piece of land. We have all witnessed the fact when our three Heads of State come here; Arusha comes to a stand still. When we will have Burundi, Rwanda and possibly Somalia, Sudan and the Democratic Republic of the Congo, it will be chaos here! Let us not think about ourselves. Let us think about the future generation of East Africans.

Mr Speaker, sir, I am not happy about this year's Budget for not saying even a single word regarding the Protocol on Free Movement of Persons who are said to own this process. If you look at the matrix, a protocol on this matter was supposed to be completed in the year 2002. If border restrictions and labour restrictions which always leave job seekers in remand prisons continue, then the people of East Africa would not feel part of the integration process. We are still debating and negotiating when foreigners, under the guise of investors, continue to flood East Africa with expatriates from the area of shoe-shinning, shoe repairs and chicken and chips makers! By the time we complete our discussions, the East African labour market would already be saturated with foreigners, thereby denying thousands and thousands of our young graduates their rightful places! When the same young

graduates try to go to Europe and America, they encounter serious immigration and even racist barriers. Those who scrap through are termed illegal immigrants, and at best they would be called economic refugees.

Mr Speaker, sir, may I take this opportunity to commend Kenya's Minister for Labour, hon. Ali Makwere for his stand, which I read in the newspapers, that he was not going to renew work permits for 16,000 expatriates in Kenya. I hope Tanzania and Uganda will take a leaf out of hon. Makwere's book. I am still inquiring from my colleagues from Kenya whether those 16,000 expatriates included Ugandans and Tanzanians. If there are Tanzanians and Ugandans in his list, then I withdraw my compliments.

With those remarks, I do not want to support the Budget, but I call upon the Council of Ministers to take our concerns seriously. Thank you.

Mr George Nangale (Tanzania): Mr Speaker, sir, I would like to commend the Summit, the Council of Ministers, the EALA, the EACJ and the Secretariat for the good job they are doing for the people of East Africa.

Mr Speaker, sir, the signing of the Protocol for the Sustainable Development of the Lake Victoria Basin and the eventual signing of the Customs Union Protocol during the previous financial year are significant historical landmarks that we should be proud of as a way of integrating East Africa. I am looking forward to a more prosperous year.

Mr Speaker, sir, on page 5 of his speech, the Chairperson of the Council of Ministers informed this House of the implementation of the Capital

Market integration and he says that it is proceeding well with regard to policy harmonisation and trading practices. I would like to say that I do understand that in Tanzania the Capital Markets have not been fully liberalised, and that explains why taxpayers' money still finance the operations at the Dar es Salaam Stock Exchange. I appeal to the Government of Tanzania to fully liberalise the Capital Market in Dar es Salaam so that the dream of having a powerful EAC Capital Market, equivalent to the Johannesburg, Cairo, Wall Street or London is achieved in our lifetime.

Mr Speaker, sir, we have seen the private sector lead in East Africa in the aspect of ICT development. I would like to highlight the case of the maritime fibre optic project and its development, which is at an advanced stage. However, the speed at which digitalisation of government operations is still disappointing. You walk into many government offices today; you find manual operating systems still in place while the world is moving head! We are now living in the "e-world" and, therefore, our governments should change as fast as possible.

Mr Speaker, sir, last year I had an opportunity to represent the House in the Business Summit in Nanyuki in Kenya. One of the key recommendations of that meeting was an appeal to the governments of the three countries to push the VAT collection period for businesses to quarterly rather than the existing monthly systems to improve the cash flow position of the businesses. We all realise that most of the businesses in East Africa are small and medium enterprises and, therefore, they are cash stringent. So, pushing the VAT to quarterly periods could improve the

cash flow position of many businesses in the region.

Mr Speaker, sir, I realise that the proposal that was put forward by the Committee on General Purpose indicated that the EALA needed about USD 4 million for its activities, but it was slashed to USD 2.4 million, and this will undermine the activities and programmes of the House, especially those of Committees. Are we really serious in getting East Africans involved in the integration process, which we all talk about? I would like to join my colleagues who have said the rhetoric approach that has now become very common among the policy makers in our countries will not get us anywhere. With those remarks, I reserve my support for this Budget.

Prof. Margaret Kamar (Kenya): Mr Speaker, sir, I would like to join the honourable members who have spoken before in thanking hon. Tom Butime for giving us a very elaborate Speech, which touches on various sectors. I also welcome him to this House.

Mr Speaker, sir, I would like to touch on the Sectors that are within agriculture, environment and tourism, being an outgoing Chair there. I would like to begin with agriculture and commend our Partner States for the adoption of the Common Agriculture and Rural Development Policy, as well as the harmonised Bio Sanitary and Sanitary Standards, which is a step towards ensuring proper trading under the Customs Union laws.

Mr Speaker, sir, in his speech, the minister also touched on trans-boundary animal diseases, and there is a preparation of a document towards that end which is on-going. But what is the reality on the ground? Those of us who were in the sub-committee that

was dealing with the cattle rustling problem between Kenya and Uganda will tell you that animals leave Kenya for Uganda almost on a daily basis, and animals leave Uganda for Kenya almost on a daily basis. This is something that should have been done earlier, but since it is on going we support it. But there is something, which should be noted by the Council of Ministers, that there is currently a ban by Uganda on livestock and livestock products trade with Kenya.

This is a ban that came with the ban of European animal products due to the mad cow disease in Britain. We do not remember in our lifetime when there was mad cow disease in Kenya but that ban is still standing: Animals are not supposed to be moving between these two countries but cattle rustlers are doing it informally, and the trade is going on.

Mr Speaker, sir, we have received letters from Farmers' Choice in Kenya appealing that we should intervene for them. I have written to the Minister in charge of livestock in Kenya to complain formally to the Ugandan Government but it looks like there is something between the policy makers and the technocrats that does not seem to be going through. But I just wanted to say that trade is going on, the mad cow disease is not there and the reality is that we seem to be ignorant of what is going on.

Mr Speaker, sir, the minister has also touched on quite a number of issues on water policies and water resource development strategies. I would like to urge the Chairperson of the Council of Ministers that this is something that is very urgent and is getting late because the three countries are implementing different policies.

Last year we discussed the issue of privatisation of water. I do remember that when we were in Kisumu for a workshop, we did impress upon the Minister for Water Development from Kenya who had come that there is need to address these issues. The other day it was surprising to read from the Kenyan newspapers that we are running two policies in Kenya on the privatisation of water. We have water that is being privatised and implemented by non-Kenyans, and that which is being implemented by Kenyans. These are issues that we need to implement and harmonise very urgently.

Mr Speaker, sir, we know that the Secretariat is thin on the ground and is expected to do all these, but I think there are some things that need to be done as a matter of priority so that we do not come back to untie a knot that has been tied so tightly.

Mr Speaker, sir, in the tourism and wildlife management, there is the issue of marketing East Africa as a single tourist destination. Just as hon. Kanyomozi said about studies, I think when studies remain the only way to keep the lamp burning we study and re-study. I remember a workshop where I was a Keynote Speaker on a study, which had been completed. The problem is that we sometimes ask a consultant to undertake a study and he goes out to discuss our results because we are very slow in implementing what we are supposed to be implementing. I am not sure that we have given the Secretariat the real support to get this out. We need to address some of these issues.

In my view, and we have sometimes discussed this with the Secretary General, having East Africa as a destination for conferences can turn

this region around. We may not even need any other investment. This can turn the region around but our slow speed in implementing some of the very noble objectives that we have can keep us for a very long time.

On the issue of Lake Victoria Development, we are very happy that a Protocol on Lake Victoria Basin has already been signed, but the question is: How long does it take to ratify some of these things? I think the Council of Ministers should address the issue of ratification and the need for protocols when we have a Legislative Assembly in place. I think the Council of Ministers should guide us on some of these issues. Since we have a Parliament sitting in Arusha, why do we need to use a protocol?

It looks like our programme is very noble but it takes very long for us to implement some of these things. It looks like experts come in, we give them noble ideas, study them and go to implement them in their own in countries or wherever they are before they are implemented here. If we have to wait for two years before we implement this Protocol, then we are diluting the intentions of this good document. I am therefore appealing that when it comes to programmes for the Community, we give the necessary support.

Mr Speaker, sir, as the Committee on General Purposes said, without adequate staff in this Community we cannot achieve our goals! How is it possible for one person to criss-cross three countries? I think in future we will need to invite everybody else to come to the headquarters instead of having one person run up and down. We need to rethink our priorities.

Mr Speaker, sir, on the Budget I do not have much to say because the issues of staffing and implementation of programmes have already been mentioned, and now that we have Bills to be discussed by this House on the operationalisation of the Customs Union, we really need to rethink how we are going to support these programmes. It is quite disturbing sometimes to keep raising the issue of money day in, day out on the running of the East African Community. Today, I think we need to think in the reverse. Maybe, we need to cut down on costs and our Partner States should start considering cutting costs on some of the things that are going in the Partner States.

Mr Speaker, sir, in June 2002, the Summit gave us a major answer that we need to negotiate as one. If only we implemented that, I think this Council of Ministers could turn the East African Community around. If we implemented the common negotiating strategy, it means we would act as one in international conferences and reduce costs by even sending one Head of State to represent the three in one conference.

During breakfast, I took the opportunity to discuss with the Chairperson of the Council whether it was possible for East Africa to have one Embassy representing the three countries in some small countries like Fiji. The Council of Ministers must help us to cut down costs so that we do not register ourselves as individuals when we should be thinking as one. I think the only way to raise money to run the Community is to cut costs. I know that even the cost of bringing Nine Members from each Partner State to Arusha is very expensive as per what the Partner States have paid, but if we can reduce costs by being one,

then we should do as a matter of priority.

Mr Speaker, sir, as I wind up, I would like to say that we should prioritise what we want to do in the Community. I was hoping that after analysis of all the programmes, we give ourselves an agenda for the next financial year. We know that the Customs Union is our agenda but what are the other agenda? This is another challenge to the Council of Ministers. I know that these ministers are overworked but since the Ministers are here with us, they can set direction and an agenda for the House. Even if we limited our agenda to what it is right now, we would not get value for the nine members sent here. The challenge is in the court of the ministers, but I still wish that there were ministers whose only docket remained the East African Community so that we get value for our money. Thank you.

Mr Calist Mwatela (Kenya): Mr Speaker, sir, I would like to join my colleagues in thanking and welcoming hon. Butime who is the new Chair of the Council of Ministers, and also send my condolences to the family of the late hon. Wapakhabulo, our former Chair of the Council of Ministers. May God rest his soul in eternal peace!

Mr Speaker, sir, I will begin by referring hon. Butime to Article 9(3) of the Treaty which states as follows:

“Upon entry into force of this Treaty, the East African Development Bank established by the Treaty amending and re-enacting the Charter of the East African Development Bank 1980 and Lake Victoria Fisheries Organisation established by the Convention (Final Act), and establishment of the Lake Victoria Fisheries

Organisation, 1994 and surviving institutions of the former East African Community shall be deemed to be institutions of the Community, and shall be designated and function as such.”

Further, I will refer him to Article 14(3)(e) of the Treaty, which stipulates the functions of the Council of Ministers to include consideration of the Budget of the Community. I further refer him to Article 49 of the Treaty, which gives the functions of the Assembly to include, among other things, debating and approving the Budget of the Community, and also to consider the Annual Audit Reports of the Audit Commission and any other Reports referred to it by the Council.

Mr Speaker, sir, where is the budget of these other institutions of the Community? Their budget should be part of the Budget of EAC. I know that those institutions are referred to as self-accounting institutions, but I beg to submit that that does not remove them from the scrutiny of this House, and from being Community Organs. So, there is a gross anomaly in the budget because it is incomplete. Unless those institutions are going to run on no money at all, I call upon the Chairperson of the Council of Ministers to make amends to correct that situation.

Indeed, we also expect that the same Chairperson of the Council of Ministers for our scrutiny should table the audited accounts of these institutions here. If we are going to run this Community in accordance with the Treaty, then let us follow every bit of it. That should be done before we approve the Budget.

Mr Speaker, sir, the Budget that we have in front of us is only 0.004 per cent of the gross domestic product of the EAC based on the statistics of the year 2002 prepared by the EAC. Are we really serious if that is what we can spare for this noble cause? As stated by my colleagues, the Summit and the Council of Ministers individually say they wanted the integration yesterday and our Budget is probably 100th of a ministry's budget in Kenya. Even from that angle, I agree with hon. Mwakyembe when he says there is a big discrepancy between what we say and what we are doing.

Mr Speaker, sir, the East African Community Power Master Plan has been mentioned in the Budget and I would like to refer you to Article 87 of the Treaty which talks about joint project financing. It states as follows: -

“The Partner States undertake to co-operate in financing projects jointly in each other's territory, especially those that facilitate integration within the Community.”

Mr Speaker, sir, a lot has been said about the generation of power, and we have had knowledge that we have huge coal and gas reserves in Tanzania waiting for foreign investors to come and exploit. I do not know why our three countries cannot join hands and develop these resources for use by East Africans. We are waiting for South Africa, Germany or some other country to come and do it. I do not know whether we fear that our Partner States are going to have undue advantage in exploiting resources within the region. We cannot have donors who will come and do it without generating profit for themselves. We could as well join hands and do it ourselves!

Mr Speaker, sir, the Bujagali Project in Uganda, which stalled ever since due to donor problems cost about USD 500 million. I represented the Speaker during the laying of the foundation stone of that project, but nothing happened since that time because a donor turned around and said the project was not good enough for the donor. The amount of USD 500 million for Uganda to provide as a country - I do not have the most current statistics but that would be like half of Uganda's revenue! But if you look at the revenues of the three countries, that figure is about one tenth!

This means it would be possible for the three countries to undertake a project of that magnitude, but here we are, with each of the three countries struggling individually to achieve what is almost impossible! Until and unless a wise donor comes around, nothing will be done. If I built for you a house, for instance, what will prevent me from instructing you on how to use that House? As hon. Med Kagga said, it is he who pays the piper who will call the tune.

There are certain things that we have to do ourselves like putting up our own homes. You do not want somebody else to come and put up your home, even if it is going to assist you! We all know even from the traditional sense that you have to be the person taking the lead and other people will come with some little grass here and there to assist you. But this is a case where we are expecting people to do everything for us!

Mr Speaker, sir, this is not right and our governments must face the fact that if we want the Community to serve East Africans, certain things must be done by East Africans using

taxpayers money, like for instance putting up the headquarters of the Community and the running of the Community. But if we continue at this rate, it will be the donors telling us what they want, and not us telling them what we want. We are slowly becoming dependent. There is no reason why we have not seen the Euro 8 million in the Budget. That should have been reflected in the Budget so that East Africans can see for themselves the level of donor dependency within the Community!

Mr Speaker, sir, Article 5 of the Treaty stipulates the objectives of the Community as follows: -

“To develop policies and programmes aimed at widening and deepening co-operation among the Partner States in political, economic, social and cultural fields, research and technology, defence, security and legal and judicial affairs for their mutual benefit.”

Mr Speaker, sir, whoever drafted those objectives, had a reason as to why he put the political element as the first one. I know that the political element has been mentioned in the Budget, but looking at Article 123(6), it states as follows: -

“The Summit shall initiate the process towards the establishment of a political federation of the Partner States by directing the Council to undertake the process.”

I do not know how the Summit will come up with that direction before the Council initiates the process. At this stage, we need to ask the Council of Ministers to take the lead towards political federation because the Treaty

gives everything to the Council. This is not an issue that will be decided by a meeting somewhere in the corners of the Secretariat in Arusha where the Assembly is ill represented. Those are not the reports we want. We want a meeting that will chart the way forward, and these countries should now be talking about the type of government we need for the East African States. We are waiting until Europe does it and then we follow?

There are now 25 members of the European Union. If you land in one, you will have landed in those 25 states. But today, if a tourist lands in Nairobi and wants to cross to Tanzania, the tour vehicle he is using cannot cross. So the tour operators have to co-ordinate with their counter-parts in Tanzania to receive the tourists at the Namanga border at a particular time. That is not integrating. That is what is happening today and it is not good for business.

Mr Speaker, sir, we expect to move freely, why should be asked at the border what I am coming to do here? I am an East African. Just like if I am moving from Kampala to Soroti, should anybody along the way ask me what I am going to do in Soroti? East Africans should not be asked as they move from one country to the other what they are going to do! We know that that was happening in the early 1970s. People moved throughout East Africa without any problem. If the Council of Ministers decided today that that is going to happen, it is going to happen. I understand that they decided about free movement of persons but they refused to implement it.

This Assembly has the right to demand for the free movement of persons within East Africa. How can we say

capital can move freely and at the same time you are saying labour should be restricted? What is the logic? Do we want the money to move by itself? I think people should move it! I think we are being ridiculed by the world that we are allowing capital to move freely and people should not move freely.

Mr Speaker, sir, there is a deficiency in the Budget, and there is a request that has been made by the relevant Committee which oversees budgetary matters and the Chairperson of the Council should address those two issues and we will be willing to pass the Budget. Thank you.

Mr Daniel Ogalo (Uganda): Thank you very much Mr Speaker, sir, for giving me the opportunity to contribute to this Motion. It is yet another time when we have to sit here and go through an annual ritual by which we pretend to be invoking the provisions of Article 49(2) of the Treaty, which gives us power among other things to debate the Budget, make provisions, allocate money and say we have done our duty.

Let me thank the Chairperson of the Committee on General Purpose for the good Report she presented, which has assisted in giving us direction on how to conduct this debate.

Mr Speaker, sir, last year's Budget, read by the late hon. Wapakhabulo identified five priority areas and that it was the objective of the Council that it would address these priority areas. So, in looking at this year's Budget, I would look to those priority areas and see how far the Council of Ministers has gone in order to properly evaluate the achievements of last year's Budget. The areas identified were the East African Customs Union, Lake Victoria, Outreach Programme,

Strengthening relationship with Development Partners and Institutional Development. We were told that these were the areas which the Council of Ministers would address and which we must look at along with others.

At the time of last year's Budget, we were informed that a Draft Protocol was ready and that the only remaining issue was the Common External Tariff. It was hoped that by the end of the year, the Protocol would have been signed. But it was signed on 2 March 2004, although it was late. For that, the Council, and more specifically the Secretariat, deserve congratulations for this achievement. It was a promise made to the people of East Africa, and indeed they produced it. However, it was also marred by some issues that we should address and learn from in order to improve our working methods.

Mr Speaker, sir, last year's Budget Speech was presented on 12 May 2003, and by that time we were told that the question of the Common External Tariff was already with the Summit. In other words, the Summit was to pronounce itself on the Common External Tariff. That was the only issue remaining at that particularly time. It was then signed on 2 March 2004. In other words, it took nine months for the Summit to make a decision on the Common External Tariff. I think that was too long. It is too expensive to the people of East Africa in terms of benefits lost for a decision to take that long.

Mr Speaker, sir, the Summit is composed of the Heads of State, and the people of East Africa have confidence in them. We should devise a method in which that respect is not reduced. In the East African Community Development Strategy Plan, the Summit committed itself by

saying that the Common External Tariff would be finalised by December 2001. Surely, if the Council of Ministers and the Secretariat have finished their work, we should find methods by which the Council of Ministers advises the Summit about some of these things and how they should move faster. If there is a problem on how they hold their meetings, or if there is a decision that needs to be reached quickly, it may be necessary to the Secretary General to go to the Capitals of the three countries to meet with the Heads of State. But it is not good for a decision to take nine months in the Summit. Therefore, the Council of Ministers should devise quicker methods for the Summit to take decisions.

Mr Speaker, sir, the second priority area was the Lake Victoria: In that Budget it was stated that the Protocol for the Sustainable Development of Lake Victoria was signed on 29 November 2003. This marked the fulfilment of a promise that was in last year's Budget. Again, we need to congratulate the Council of Ministers and the Secretariat for fulfilling this promise. But at the same time, we need to look at the process and see what we can learn from there, and how we should try to better our working methods.

We are told that a Protocol was signed and we are now waiting for Partner States to ratify it. This has also taken too long. The problem could be that these Protocols are taken and put in some ministries in the Partner States and are forgotten on a certain desk somewhere until the minister says how it is going to be dealt with. So, there should be a method by which we shall enforce and make sure that this is done fast.

I propose that Counsel to the Community could be of some assistance in case it delays. As the Protocols are sent to the Partner States, a Bill of about three provisions should accompany them. Copies of such Bills could be sent to the ministries while other copies are sent to the Parliaments of Partner States so that if there is delay from the ministry, Parliaments can move on their own and ratify them. That way, we could be able to avoid having to wait for ratification by Partner States.

Mr Speaker, sir, the other point that we should look at seriously in this matter is what was raised in last year's budget that there should be independent funding for the Lake Victoria Development Programme. It was hoped by the minister that revenues would be raised from beneficiaries and users of Lake Victoria because reliance on donors is unreliable and dangerous. They can dump us at any time. I also expected that in this year's budget, there would be modalities on how that would be raised from the beneficiaries and users so that there would be financial provision in this year's budget to make that body independent.

We all know the dangers about the donors. If you annoy them, they will not give you the money and the whole thing collapses and yet you have put all your hopes on that project. Where do you go from there? This is something, which was planned for, and yet I do not see it in this budget. So I will withhold my support for this Motion. The Council of Ministers did provide for it in last year's budget and I would like to see how we could raise money to make that body independent.

Mr Speaker, sir, under Lake Victoria, during last year's budget the minister stated that efforts and negotiations

dealing with matters of the Nile would be dealt with as a bloc. It has been said here that it will cut on costs if we negotiated as a bloc. We welcomed that idea but we do not see it reflected in this year's budget and it seems the three countries have disowned the Council of Ministers. It appears as if they are doing these negotiations on their own. You sometimes hear that Kenya is negotiating the digging of boreholes with Egypt, and Uganda is holding other negotiations with Egypt, and yet the Council of Ministers made a statement, which we thought was the way forward! There was also a memorandum of understanding between the EAC countries, Rwanda and Burundi. I would like the Chairperson of the Council, when he is winding up, to inform us how far he has gone on this because it has not been raised.

Mr Speaker, sir, without the necessary political will by the Partner States, we will not get anywhere. We will even cut costs in the Partner States by negotiating as a bloc, and we will not send that money to Arusha; we will have it doing other things in the Partner States. So, there must be the political will first. In as much as we think that when we reduce delegations to Europe and so on we will be saving money, the Secretary General may not get any money. After all, you only have to look at what our budget is to start questioning the existence of political will!

From what hon. Dr Mwakyembe said, when you calculate the Euro 8 million, it will come to USD9.6 million. So, the Euro 8 million that the Germans have given to the Secretary General for the Headquarters is much more than what the three Partner States have contributed for the budget of this Community! The three Partner States

have contributed a total of USD 9.1 million. That is how I want us to gauge the political will in this Community; we owe it to the people of East Africa. If the Partner States can afford what is less than what Germany can give for a house for East Africa, then there is a problem! It is necessary that the Council of Ministers look at this question of political will. In my view the vision of a united East Africa is not yet very clear – (*Interjection*).

Mr Ochieng-Mbeo: Mr Speaker, sir, I would like to inform the honourable member that COMESA has trained a team of 40 people to negotiate as a bloc on behalf of COMESA states, but EAC has not made any progress in that direction.

Mr Ogalo: In fact, that information goes to show how we should be moving forward. We told the people of East Africa in the Treaty that we were going to negotiate as a bloc and they agreed with the leadership of East Africa on this issue. In the Budget Speech, there is a statement to the effect that a study to operationalise the provisions of Article 123 on political co-operation has been completed. So, the issue of political co-operation is in the hands of the Council of Ministers. It is the duty of the Council of Ministers to give a time span within which political co-operation shall be achieved and the Secretariat will do the rest. Without a time span from the Council of Ministers, everybody's hands are tied!

Mr Speaker, sir, the other issue, which was classified as a priority, was the intensification of outreach programmes. In my view, and it has also been dealt with in this budget, I have looked at it and it mainly deals with how we have dealt with the media representatives; trying to make them

understand us and so on. They have had some seminar for that. In my view, this is an important matter but I do not think it is a priority. I think we should drop it and put there another one because last year what it consisted of was a workshop for the media and if I recall correctly, a seminar held for Members of Parliament in Zanzibar and Dodoma. In this year, it also consists of workshops for the media. It is important to make the media understand us but I believe that if we work very hard, the media will come running because there would be news here, and they would not avoid it. If the ministers left this House and told the media outside here that they had made a decision on political federation, this place would be full!

Mr Speaker, sir, the other matter that was classified as important, was the strengthening of relations with development partners. I notice that there was tremendous progress in the last financial year with Norway, Sweden, France and Finland. In this year, we can see the European Union and France also coming in. That is very good, but we must learn to start depending on ourselves. We must find methods by which we manage our own programmes. I want to repeat what Dr Mwakyembe said here that nobody owes us a living. We must find a method of getting value for our money.

So, my second reason for finding it difficult to support this Motion is that whereas progress has been made and grants given by development partners, there is no provision in this year's budget to take over from where the development partners have left. You do not expect them to keep on funding. We must show them what we have put in so that they come back to support us. We must woo them back. I request the minister to make financial

provisions in areas where we have had development partners assisting us, as a method of encouraging them that this is our project and we are interested in it. But if we are not putting in even a shilling and you are asking for more money, he will always think that we are not serious about it.

Mr Speaker, sir, on institutional development, in last year's budget there was some recruitment of new staff and the development of a new and efficient method of carrying out meetings in the Council of Ministers, and this is where I wholeheartedly agree with the recommendations of the Committee on General Purpose. We would have expected that since last year we had recognised that need and made some provision for it in the budget, we would increase the number of professional staff in the Secretariat so that all the things we want to do would be done. Institutional development is really the basis on which we would be able to carry the Community forward.

Mr Speaker, sir, I want to thank the Chairperson of the Council of Ministers for the format he has adopted because unlike last year's budget, it covers almost all areas in which we should be doing something. Whatever little has been done is reflected, and at least, we can build on that. I thank the minister for this new format.

Mr Speaker, sir, on Transport and Communications, there has been progress on a better road system, which would lead to better access to markets for our people to take their products for sale. This should be a matter of priority. It would, in my view, replace the question of outreach. If we put our mind frame on a better road system, which could allow effective delivery of services like

medicine, and allow them to sell their products, I think we would be improving the quality of life of the people of East Africa. This should be a priority because in the Budget the World Bank and the European Union have pledged to avail USD 400 million and Euro 375 million respectively over a five-year period. This should be a priority, which should be retackled.

Mr Speaker, sir, agriculture is the backbone of the economy of East Africa. We are told in this Budget Speech that there has been a major breakthrough with the adoption of the common agriculture and rural development policy. I am not very sure about what that actually means. What does it actually entail? What provisions has the minister made to support this agriculture and rural development policy? After adoption, do we just leave it there? There must be some support to push it so that it would make sense rather than leaving it on some shelf somewhere. Of course the minister should be able to tell us how that policy would be beneficial at the end of it, to the people of East Africa.

Mr Speaker, sir, on tourism and wildlife, I have a problem. Last year's budget on Page 20 says, "The overall marketing strategy and plan for tourism would be finalised and implemented in the 2003/2004 Financial Year" but it appears from this year's Budget Speech that that may not be the position. It seems the study is ongoing. So I want the minister to assist us. If we have not been able to implement this single market strategy and it is still on-going contrary to what we thought we had last year, what problems did the minister encounter for this obvious setback, and what has he put in place to overcome those setbacks? I would

request the minister to respond to this issue when he comes to reply.

Mr Speaker, sir, on judicial and legal co-operation, the minister in his speech states that:

"The Committee on Approximation of Municipal Laws in the East African context has reviewed and made recommendations for approximation in respect of 13 cross-sectoral areas. The Partner States are expected to expedite the adoption process of these harmonised laws."

If they had harmonised the laws for Kenya, Uganda and Tanzania and there is now one law, I would have thought that a law would have been introduced in the East African Legislative Assembly to enact a law, which is binding on all the three states. The problem with the approach that has been taken here is that you may harmonise, but when they go back to Dodoma, Kampala and Nairobi, the national Parliaments could carry out amendments to some of those provisions. So in that case, we would lose the harmony. If the Bill comes out differently from Kenya, Uganda and Tanzania, then the harmony is lost. I would have thought that the best method would be that once harmonised, such a law would be enacted by this Legislative Assembly and should be binding on the other Partner States as is provided for in the Treaty.

Mr Speaker, sir, I was also perturbed by the statement that the East African Court of Justice was yet to receive its first case. I just also want to agree with what hon. Med Kagwa said that if the Council of Ministers operationalised Article 27(2) of the Treaty, there

would be extended jurisdiction for the EACJ. If the Council decided tomorrow that in the matter of human rights the EACJ would have jurisdiction, the cases would come. I believe this should be the way forward to really make meaningful what we set out to do in the Treaty.

Mr Speaker, sir, on the EALA, I note that the minister's speech is composed of one sentence; at least the EACJ had two sentences! I suggest that in future, the Clerk of EALA should avail the Council of Ministers the details of what we have done. It appears odd that we have sat here, enacted Bills, done oversight, looked at reports, made recommendations here and there and asked Questions and we have only one line in the minister's speech!

Mr Speaker, sir, as a follow-up to some of these matters, I wanted also to refer to the budget of last year. The Minister said on Page 19 of last year's Budget Speech that:

"A Bill to operationalise the East African Community Competition Policy has been drafted and will soon be tabled before this august House for consideration."

Those are some of the things that we should have a follow-up on so that we know. That Bill has not been tabled in this House yet although we were told last year that it would soon be tabled. It would be good to know what the problems are. That also goes for the Industrial Development Strategy, which was supposed to be implemented with effect from 20003-2004 financial year, and also the East African Community Private Sector Development Strategy. This is the approach, which future budget statements should take. If something is

promised during this financial year, at least in the next financial year a statement should be made about it so that we do not lose track of it.

Mr Speaker, once again, I want to thank the minister and the Chairperson of the Committee on General Purpose for the presentations, and it is really with much regret that I must withhold my support for this budget. Thank you.

Mr Mohammed Zubedi (Kenya): Mr Speaker, sir, I would like to join my colleagues in welcoming hon. Tom Butime to join us as a Member of this House, and I would also like to extend my condolences to the family of the late hon. Wapakhabulo. May God rest his soul in peace!

Mr Speaker, sir, after reading the Speech by hon. Butime on the budget, I would like to comment on a few matters that were also commented on last year, but we do not know what progress has been made. Although we read that progress has been made, we would like more information on that.

Mr Speaker, sir, on Finance, Trade and Investment on Page 4, it says:

"Cross border business is growing and there is heavy movement of persons and goods, taking advantage of measures already in place to ease border crossing within the region."

Mr Speaker, sir, with due respect to this statement by the honourable minister, as a businessman, I do not think there has been any ease in border crossing as far as business is concerned. If there is any, we would like more information on that but as far we know, and most of my colleagues will agree with me, harassment at

border posts has increased so that advancement of *Kitu Kidogo* should be more. This concerns petty traders and not the big multinationals. *Wananchi* should be the first in line to benefit from this integration but today roadblocks have increased. Immediately you cross the borders of the three countries, you come across several roadblocks before you even reach the first village, asking you for all sorts of documents which are not even in existence. I do not think we have done much in easing border crossing. We request that this should be done as a matter of urgency and even before the Customs Union comes into effect in September, the concerned officers should be educated so that they know the rules and regulations that govern trade, and they should know where and when they should ask the necessary questions so that ease of border trade is actually felt by the people concerned.

Secondly, the minister's speech says: "Preparations are on-going for the establishment of the East African Monetary Union and terms of reference for the study of the EAC single currency have been agreed upon and the study is due to be commissioned soon." So, we would like to know how far they have gone and with what result.

Mr Speaker, sir, on transport and communications, we can see here that road transport is being improved, and there is a lot of road construction that is supposed to be taking place. Let us hope that happens sooner than later, but as at today, air travel within East African states is still expensive. It is sometimes cheaper to travel to Dubai or other international destinations than to travel from Nairobi to Kampala or Arusha! These are problems that affect the region as we move towards the

Customs Union and hopefully a common market. It is surprising that we have not even started addressing these simple issues that will help in the integration process like the free movement of persons. We have been mentioning these things every year but we have not had any progress.

Mr Speaker, sir, recently the airlines increased airfare by 10 per cent because world oil prices have gone up. That will automatically affect regional travel. We are already expensive when it comes to travelling within the three Partner States, and we are now even 10 per cent higher. Instead of working on ways to reduce those costs and to be cheap in travelling within the region, we are even going higher!

Mr Speaker, sir, as far as telecommunications is concerned, I do not think I have to emphasise on that. The tariffs on telephones in this region are one of the most expensive in the world, and we all know about it. We would like the Council of Ministers to address this issue and tell us what to expect in the future with regard to those tariffs. I am saying this because all these issues affect the cost of production of goods within the region.

Mr Speaker, sir, when we talk of forming a customs union, we should understand what we are going into and what the demands of a customs union are, and what we expect from it in order to prepare ourselves and strategise to work towards achieving that goal of establishing the customs union so that we can reap the benefits of a customs union. We should not form a customs union to please other people.

What are the benefits of the customs union protocol we have signed? How fast are we going to receive the

benefits of the customs union? The people of East Africa would like to see the tangible benefits of the customs union. They want food on their tables. If we are to benefit from this customs union, have we put in place the machinery that will ensure that we get the best benefits of a customs union? We do not have proper roads, our telephone tariffs are some of the highest in the world, and our electricity tariffs are the most exorbitant rates in world! Despite the fact that we experience a lot of power cuts in the region, we still pay high tariffs even for power that we never used!

Mr Speaker, sir, there have been conferences everywhere in the region inviting investors to invest in East Africa. When those investors do come, they do not want to see the customs union protocol; they want to know in very fine detail how much money they are going to get from the investment in this region. Business people care about one thing first; that is profits and how fast they can get those profits.

If you look at our region, not only will they not make any profits, they will go away. By the time they think of setting up an industry, the bottlenecks and red tape they have to go through will be enough to send them packing. But we will still have a customs union and we are supposed to be implementing it by 1 September 2004! We should ask ourselves whether we are really serious about this matter.

Looking at the Budget of the East African Community, which includes the Customs Union, is USD 11.8 million including donor funding, are our three countries serious that we can run a customs union which will bear results with a mere budget of USD 11.8 million? Our countries are not rich, they have very meagre resources

but we have embarked on a sequence of the integration process, beginning with the Customs Union, Common Market, Monetary Union and a Political Federation. Before we reach the stage of political federation, we have to surmount the first three economic steps. These steps need a lot of money.

The European Union today is very successful because those countries sat down and decided that they wanted a union, and they calculated the cost for that union. They did forego many things and put their money where their mouths are, and they succeeded. I would like to concur with hon. Kalonzo Musyoka that we should strive to reach where we stopped in 1977 when the East African Community collapsed. We had a working Community and we are very sorry that it collapsed. If it had not, we would be very far today.

Mr Speaker, sir, for us to reach the level of 1977, there is a cost to be paid, and I do not think we are prepared to pay the cost to reach where we were in 1977, let alone to move forward. We had working institutions during the former Community, and for us to build similar institutions we need a lot of money. We have to invest to reap the benefits. If the three countries have decided that they do not want to spend money, then we do not have to embark on this project because we do not expect any benefits.

Mr Speaker, sir, recently we were in a seminar talking about the Customs Union and it came out that there was little information out there and even Members of our National Assemblies do not know what we are doing here, or even worse, they are not interested in what we are doing here. If they do not know what we are doing, then they

cannot be interested with our activities! I think that is why when our budgets go to the Partner States, we are not given any money because nobody knows what we are doing and they do not even know what the Customs Union is! I am not exaggerating because, that is what came out in that seminar.

In the same seminar, we said that we hoped this customs union would not become a market for only imported goods from outside so that outsiders benefit from it more than ourselves. That would be the biggest joke of history. I am saying this because we have already put our Common External Tariff at 25 per cent, knowing very well that under the WTO rules, we cannot go higher than that. So, we can only go lower than 25 per cent. If we do not build our own industries to satisfy our own needs, that means we are going to go lower than 25 per cent under the WTO rules until a time comes when we are only 5 or 6 per cent like the other countries in the world, and that is by 2008. After that, our borders will be opened, meaning our markets will be flooded from a pin to an aircraft.

If that is the customs union we are establishing, then we are not in the right track, but if we are establishing a customs union for our people to benefit from employment so that we benefit from industrialisation and produce our own goods and services, then we have not prepared ourselves for the year 2008. I do not think we have even woken up to the fact that that is going to happen because it is going to happen. We are closing our eyes during daylight thinking that it is dark! These are the realities of the day.

Mr Speaker, sir, when we hear of these meetings where our ministers meet and

reach consensus on certain issues, they are not agreeing on how to enrich us. They are agreeing on how to flood us with their goods and we are integrating because that is the only way to survive today. There is no other way to survive except to integrate and unite. But we are not uniting for survival; we are uniting for extinction! We shall sit here every year and examine the Budget of the Community, our term will end, and other people will come. We will be leaving by the year 2006 but 2008 will be around the corner! If we are going into this project of integration, then these are the realities of life, and we should prepare ourselves for them.

Mr Speaker, sir, tourism and wildlife management, as mentioned by my colleagues who spoke before me, is one of the most vital areas of our economies. I think the three countries have already realised that this sector is the top foreign exchange earner in our region but we have not taken any steps to integrate this sector as a matter of urgency to market this region as one because the product we are marketing here is one. We are marketing the beautiful beaches and the wildlife that is the same in the three Partner States.

Last year we were told that harmonisation of policies in that sector was moving well and this year the same statement has been repeated, but we have not seen result that we are marketing East Africa as one. We would like to know what our three governments are doing about marketing East Africa jointly. There should be one brochure out there saying, "visit East Africa", but here we have one study after another! These studies will be overtaken by events. We will be left studying and the world will be moving forward and we will be undertaking one study after another, and maybe that is what people want us

to do! I think we are not even prepared to implement the outcomes of those studies.

Mr Speaker having said that I wish to request the Council of Ministers to consider these issues and come up with solutions which we will debate and make recommendations on but we should keep asking ourselves whether we want this project to succeed or not. If we do, then we should sit down and seriously consider the costs involved and be prepared to forego and sacrifice so many other things for this very noble project, which will come up with beautiful results in the future for the people of East Africa to enjoy.

With those remarks, I join my colleagues in reserving my support for the Budget. Thank you.

ADJOURNEMENT

Mr Speaker: Honourable Members, that concludes our business for today. The House is, therefore, adjourned until tomorrow at 9.00 a.m.

*(The House rose at 5.50 p.m. and
adjourned until Wednesday, 26 May
2003 at 9.00 a.m.)*