



EAST AFRICAN COMMUNITY

EAST AFRICAN LEGISLATIVE ASSEMBLY

Official Report of the Proceedings of the East African Legislative Assembly

21ST SITTING – SECOND ASSEMBLY: FIFTH MEETING - FIRST SESSION:

Tuesday, 26 February 2008

The East African Legislative Assembly met at 2.30 p.m. at the Chamber of the Assembly, AICC Complex, Arusha

(The Speaker, Hon. Abdirahin Haithar Abdi, in the Chair)

PRAYER

(The Assembly was called to Order)

COMMUNICATION FROM THE CHAIR

The Speaker: Honourable Members, I wish to make the following communication:

Whereas Clause 1 of Article 54 of the Treaty provides that the Speaker of the Assembly can invite any person to attend the Assembly, notwithstanding that he or she is not a Member of the Assembly;

And Whereas in the exercise of the powers so conferred upon the Speaker, the Speaker invited His Excellency Yoweri Kaguta Museveni, the President of the Republic of Uganda and Chairperson of the East African Community Summit to address the Assembly on the 26th of February 2008; and,

Whereas the address of His Excellency President Yoweri Kaguta Museveni to the Assembly will require the attendance in the Chamber of other persons, other than the Members;

Now Therefore, in exercise of the powers conferred upon the Speaker by Clause 1 of Article 54 of the Treaty, the Speaker has directed that all those persons whose presence

has been deemed desirous in this meeting of the Assembly on Tuesday, 26 February 2008 be admitted to the Chamber.

Hon. Members, it is now my pleasure to invite our chief guest into the Chamber.

(H.E. President Yoweri Museveni was led into the Chamber)

The Speaker: Your Excellency, President Yoweri Kaguta Museveni, President of the Republic of Uganda and Chairperson of the Summit of the East African Community; Your Excellency, Dr Ali Mohammed Shein, the Vice President of the United Republic of Tanzania; hon. Eriya Kategaya, Chairperson of the Council of Ministers of the East African Community; honourable Ministers and Members of the Council of Ministers; the Secretary General of the East African Community; honourable Members of the East African Legislative Assembly; distinguished guests; ladies and gentlemen;

Your Excellency, in warmly welcoming you to today's special sitting of this House, may it please you to note that you are the only Head of State within the Community that has so far addressed this House twice – *(Applause)*. But more importantly, Your Excellency, today's occasion is even more historical; this is the first time that the a chairperson of the East African Community Summit will deliver a state of the Community address to the people of East Africa. The wider section of the people of East Africa will now have an opportunity to receive first hand, and possibly debate, the policy direction that the East African Community intends to take in the following year. This is important to us, Your Excellency, as the representatives of the people, for it allow us to receive feedback from *wananchi* and in that, we expect to take into account their views while legislating. It is therefore our sincere hope that this will remain an annual event for it will also enable all other organs and institutions of the Community to harmonise their work plans accordingly – *(Applause)*.

Your Excellency, your acceptance, albeit at short notice, to address the Assembly is very warmly appreciated by this Assembly. To us, this is a clear testimony that you value and hold this August House in high esteem and that you are fully committed to the ideals of the Community – *(Applause)*.

To some of us, this is not a surprise. As early as your student days in Dar-es-salaam way back in the 1960's, mention had began to be made of a young man, Yoweri Museveni, a student of Political Science whose major thrust of his debates hinged around three main issues: complete decolonization for Africa; unity of the African people; and the need to build strong, stable African governments buttressed on the strong roots of real democracy and sound economic principles – *(Applause)*.

Indeed, as a testimony to your ideals, while the rest of the students went home or other places of luxury for holidays, you left in the opposite direction straight to the bushes of Mozambique to join the other freedom fighters in that country in the quest to liberate that part of Africa – *(Applause)*.

When you eventually took the mantle of leadership in your country in the mid 1980's, the politico-economic history of Uganda was permanently re-written. From a country then known for dictatorships, abuse of human rights and economic stagnation, you have transformed this part of East Africa into a democratic, stable and economic miracle performer consistently for two decades now – (*Applause*). This is no mean achievement but a manifestation of a strong and clear leadership, which very much needs to be emulated.

Your Excellency, your efforts have not been addressed at your home country Uganda, only. Indeed, in 1993, together with your two brothers from Kenya and Tanzania, you decided that there was need to revive the East African Cooperation, a goal you fulfilled with the signing of the Treaty for the establishment of the Community in 1999 – (*Applause*). Without need to delve into any details, the results of that decision are already beginning to bear fruit, as the people of East Africa are now closer to real unity than ever before.

Your Excellency, in the last one year when you have held the mantle of leadership of the Community, you have ably steered the region towards faster integration as a means of accelerating the development of the people of East Africa.

We commend Your Excellency and the Summit for the wise and strategic decision to:

- i. admit our two sister countries of Rwanda and Burundi to the family of the East African Community; and because of which you have today officially opened the expanded chambers to accommodate the new Members – (*Applause*).
- ii. direct that the entire East African integration process should be fast tracked so as to attain full integration by the year 2013;
- iii. direct that negotiations for a Common Market do start, and indeed they have commenced;
- iv. direct that in all this, it must be ensured that the people of East Africa are consulted as widely as possible throughout the entire process.

To us, Your Excellency, we note with pride that true to your long held ideals, you continue to be the pillar of the process of economic, social and political integration of East Africa, a milestone this Assembly is proud to congratulate you upon – (*Applause*).

Your Excellency, we also commend you for your continued efforts at peace in the region. We particularly applaud Your Excellency for accepting to hold peace negotiations with the rebels of the Lord's Resistance Army. It is our sincere hope that this process will finally deliver peace to that most deserving part of East Africa – (*Applause*).

Your Excellency, we also commend you for your initiative towards solving the current political crisis in Kenya. The stability of Kenya is indeed in the strategic interest of the entire region, and this August House pledges its support to Your Excellency and the Summit in your efforts to finding a lasting solution to this problem – (*Applause*).

Your Excellency, we regret and condemn the unnecessary death of ordinary Kenyans, Ugandans and any other East African in the mayhem. However, we thank Your Excellency, the government and the people of Uganda for showing the true spirit of East Africa by accepting to host your brothers and sisters from Kenya who are now refugees in Uganda – (*Applause*).

On the international scene, we applaud Your Excellency and the people of Uganda, for showcasing East Africa on the world map by hosting one of the most successful Commonwealth Heads of Government Meetings ever – (*Applause*) - in this truly gifted by nature part of East Africa. This is a clear demonstration of the potential and capacity that this region has, and is our sincere conviction that with continued visionary leadership, this region will finally take off.

Lastly, Your Excellency, in the last seven months of the existence of this Assembly, we have, together with Summit, enacted six pieces of legislation for the Community – (*Applause*). We anticipate that this number will double in the next 12 months, owing to the level at which the integration process has reached now. We have also passed several resolutions and asked the Council numerous questions regarding the integration process. With the admission of new members, the scope and mandate of the Community has correspondingly grown. This in no doubt calls for more obligations on the part of the partner States. It is our humble appeal to the Partner States, through Your Excellency, to ensure that these new challenges are favourably addressed if the Community is to succeed. On our part we would only like to reiterate our resolve and commitment to work closely with the Summit, the Council of Ministers and the organs and institutions of the Community for the faster realisation of the objectives and goals of our region.

Your Excellency, before I invite you, I would like to recognise some dignitaries with us today: First of all, I would like to recognise the regional Commissioner of Arusha region, the hon. Justice Gerald Niyungeko, President of the African Court of Human and Peoples Rights; the hon. Abdulrahman Kinana, the former Speaker of the East African Legislative Assembly; the hon. Med Mulumba, a Member of Parliament from Uganda; the Hon. Silver Bahane Niyibizi, Member of Parliament from Uganda; the hon. Mohamed Abood, Deputy Minister for East African Cooperation, Tanzania; the hon. Pandu Amour Kificho, Speaker of the House of Representative, Zanzibar; and finally, the hon. Alfred Mkezanfura, President of the Chamber of Deputies, Republic of Rwanda – (*Applause*).

Finally, Your Excellency, it is with great pleasure and honour that I execute my humble duty to welcome Your Excellency to address this August Assembly today, Tuesday, 26 of February 2008. *Karibu*, Your Excellency – (*Applause*).

His Excellency, the President of the Republic of Uganda and Chairman of the Summit of the East African Community Heads of State (Mr. Yoweri Kaguta Museveni): The Right hon. Speaker of the East African Legislative Assembly, Your Excellency, Dr. Mohammed Shein, the Vice-President of the United Republic of Tanzania, the honourable Ministers for East African Co-operation, the Secretary-General of the Community, the honourable Members of the East African Legislative Assembly,

and all dignitaries who are here today, it is my great honour and pleasure to address you on this auspicious occasion of the 5th Meeting of the Second East African Legislative Assembly. Being the first time to address the Assembly, I take this opportunity to congratulate you, Mr. Speaker and the honourable Members on your election to the Second Assembly. *Hongera* - (Applause).

This is a great honour, trust and responsibility which have been bestowed on you, and I have every confidence in you to meet the challenge.

Mr. Speaker, the 5th Meeting of the Assembly is taking place at the confluence of significant developments in the East African Community with the deepening of the East African Community integration, the on-going process towards the establishment of the Common Market, and the enlargement of the Community with the recent admission of Rwanda and Burundi. Today, the East African Community embraces a strong and large market of a combined population of 120 million people, has a land area of 1.8 million square kilometres, with a combined GDP of US\$41 billion.

Although the size of the East African economy is still embarrassingly small...you know, I really get embarrassed to quote some of these figures. To say that the whole of East Africa has an economy of US\$41 billion, *hii ni aibu*, because a small country like Belgium with only 10 million people has got a GDP of US\$300 billion. *Lakini sisi hapa, watu 120 milioni tunatosheka na uchumi wenye ukubwa wa dola 41 milioni*. In other words, Belgium with 10 million people and smaller than Karamoja in Uganda – there is one area of Uganda called Karamoja – has a GDP of US\$300 billion; in other words, about eight times bigger than that of the whole of East Africa. *Ndiyo wakati mwiningine mimi naogopa kutaja hizi takwimu. Naogopa, unajua kwenye mkutano...iwe hapa Afrika*, there is the no problem because *hapa Afrika hakuna aibu* because people do not know that they are backward. If you do not know you are backward, *unajivuna; unaona wewe ni mtu. Lakini ukiwa kwenye watu ambao wanajua*, I sometimes fear to quote these figures. US\$41 billion for the whole of East Africa; Belgium US\$300 billion GDP; this is not good, but here in East Africa with professors of economics *na watu mashuhuri was kila aina*, we see no problem with this!

Anyway, although the size of the East African economy is still embarrassingly small...you know, when they were drafting my speech, they quoted US\$41 billion thinking it was a big figure. *Lakini mimi nilibadilisha*. They wanted me to say that this was big thing but I said, “no, no; *msiniingize kwenye makosa yenu*.” So, I had to slaughter the speech. *ilibidi nikate nitoe hii ndani* because I could not say that US\$41 billion for 120 million people is anything to talk about in the modern world.

Although the size of the East African economy is still embarrassingly small, compared to other economies in the World with comparable populations, the potential is great. Yes, the potential is there, but the reality is not impressive at all. Most significantly, this meeting of the Assembly also comes at a time when our region is experiencing a crisis, namely the political situation in Kenya, which is causing great concern to the East African region and, indeed, the international community as a whole. Combined, these

developments present our region with great challenges and the need to rise to the occasion and redouble our efforts and commitment to strengthen the Community. Indeed, it is in times of crisis that we can test and demonstrate the capacity of our regional organization to overcome any setbacks and remain firm and steady on the course to fulfil its mission.

Over the past year, the Summit has been seized of the critical issues in the strategic direction of the East African Community. The process towards the establishment of the political federation of East Africa as well as the steps in building a single and strong regional economic bloc remain the two major goals of our regional organisation. These are intended to cope with the powerful movement for globalization and to put a stop to the perennial marginalization of our economies and societies within the world economic and power systems.

The integration of East Africa, if you do not look at it as desirability on its own merit, you could also look at it as a defence mechanism to save the black people from another tragedy. In the past, the whole of Africa was colonized. It was not colonized because we could not fight, but because our leaders, the chiefs, at that time did not unite us to resist colonialism. So, even today, with this powerful movement of globalization, we need a defence mechanism to gather our strengths so that we can be able to withstand this massive global movement, otherwise we shall repeat the mistakes of the past.

During the exercise that was undertaken last year to find out the views of the East Africans on political federation, the regional consultative process delivered a verdict of broad public support for the idea of federation among the majority of the East African people that were consulted.

There was, however, some divergence of opinions on the timing of such a federation. The samples showed that the populations of Kenya and Uganda overwhelmingly supported both the federation and the fast-tracking as recommended by the Amos Wako Committee. The population sampled in Tanzania, on the other hand, overwhelmingly supported the idea of the political federation of East Africa but did not support the integration timetable as recommended by the Amos Wako Committee. There were also concerns expressed about issues like land and natural resources in relation to this political integration.

The East African authority, after our long meeting here in Arusha, decided to maintain a united position on this matter by directing for the fast-tracking of a common market to be achieved by 2010 and a monetary union to be achieved by 2012, so that we deal with the issue of a political federation at that stage. Concurrent with this movement, some of the Partner States had internal issues to deal with so that the way to the political federation is clear. There was also the issue of conducting consultations on the issue of political federation among the populations of the new East African Community Members: i.e. Rwanda and Burundi.

It is, therefore, most gratifying to note the good progress of the ongoing negotiations for the Common Market. The swift progress we are making in the Common Market

negotiations is commendable – (*Applause*). Similar efforts should be exerted in respect of the negotiations for the Monetary Union. You will remember that in our meeting of the EAC Authority at Ngurdoto, we said that we should fast-track the economic union and the monetary union, and then deal with the political integration.

Therefore, by moving first on these two – the economic community and monetary union - we are bringing nearer the idea of the political federation itself. So those who are working on the monetary union should work fast because I am informed that the economic community negotiations are going fast. The same should happen for the monetary union. For those who are old enough will remember that we used to have one currency, the East African Shilling and we had one board, the East African Currency Board. So, there is nothing particularly difficult in that, especially now that we are all following free market policies; it should not be that difficult.

In one of our dialects there is a noun “*ekyaaha*” which refers to clumsiness. In the pre-colonial Uganda there was a joke about one of the clans whose members built a hut without leaving space for the doorway - *omuryango, ekisaasi* - only to discover the mistake when the house was complete. *Hawa watu walijenga nyumba bila kukumbuka kuacha nafasi ya mlango. Sasa, baada ya nyumba kumalizika, wakagundua kwamba haina mlango.* It was a joke among those clans.

The recent problems in Kenya, tragic as they were, nevertheless illustrated this point of short-sighted political architecture. There are architects for buildings, but there are also architects for politics. I do not know what they call architecture in Kiswahili – (*Interjection*). I am told it is called “*Usanifu*”. *Sasa kuna usanifu wa majengo na lazima pia tutazame usanifu wa kisiasa.*

The violence in Kenya immediately caused shortages in Uganda, Rwanda, Burundi, Southern Sudan, the Democratic Republic of Congo, and I was told that some parts of northern Tanzania were also affected. Although Tanzania has got a coast, but it seems some parts were being supplied from Kenya. I also met some people Southern Sudan; very deep inside Southern Sudan from a place called Rumbek. They told me they had not had fuel for seven days, when I met them. They were Members of Parliament from Southern Sudan. They told me that when they left Rumbek - which is a town deeply inside Southern Sudan, about 300 to 400 miles from the Uganda border - there had been no fuel there for the previous seven days before I met them. So you can see, therefore, that what happened in Kenya affected the whole region.

What does this highlight or prove? It proves what the religious leaders always talk about: “What God has put together, let no man put asunder.” The religious leaders restrict this to micro-social units such as families, unfortunately. They only use it in relation to *ndowa na mambo kama hayo*: very small thing, micro unit. “What God has put together, Man shall not put asunder.” That is what the reverend tells you when you are getting married! But I wish the religious people could apply this to Africa; a bigger project: “What man God has put together, man shall not and cannot put asunder.”

The problems in Kenya, however, have again highlighted this message: “What God put together, Man shall not put asunder.” God put Africa, East Africa together; no man should put them asunder. It is like a house where the bedroom is another country, the sitting room is another country, and the guest room – *entarire* -is another country. To go from the sitting room to the bedroom, you need a Visa, etc.

The post-election violence in Kenya and the concomitant difficulties throughout the whole region have shown that the head cannot be independent of the neck; the neck cannot be independent of the chest; the chest cannot be independent of the abdomen; the abdomen cannot be independent of the limbs; and *vice versa*. Of course, you can have amputees and cripples; they are also there. *Unaweza kuwa na walema; wana weza kuwepo*, but they, however, do not lead a full life. Their potential is diminished to the extent of the loss of the parts of their bodies.

The political fragmentation that was imposed on Africa since 1884 creates that irrational situation. The consequent multiple management of what is, essentially, one house creates all sorts of complications.

On this point, the scholars and all these other commentators do not actually bring out what used to happen before colonialism. Although I do not have much time to delve into it today, but before colonialism, there was one huge trade area. You could go with goods from Zanzibar up to Uganda and Congo. It was a well established trade route. If you want to know more about this, you can read some of the writings by what they call “the explorers” like Hannington Speke’s book, “*The Source of the Nile*”. You should read it, you Members of the East African Legislative Assembly. I recommend it; I give you homework...and also the scholars should read. You see, because of lack of writing, we do not have written records. So these first Europeans who came are a good source of written information.

Of course, we have got unwritten information; we know this situation very well, but what is written is sometimes stronger. So, if you read books by Hannington Speke and Stanley about their travels through these areas, you will see that there were very active linkages between the coast and the interior, up to Congo. Actually, up to a place called Nyangwe, which is on the River Congo. But there were chiefs on the way demanding what they called “*hongo*”. What is “*hongo*” in Kiswahili? *Rushwa? (Interjection)* It was like “*kodi*”. They were demanding *hongo*: You would go from Bagamoyo, there would be a chief there to take *hongo*, then from there to Tabora, the chief there would take *hongo*, and then to Usuvi, they would take *hongo*, from there to Bugyinza, they would take *hongo*, from there to Karagwe...actually the ruler of Karagwe was a very clever person; he was the smartest of all that whole crowd of chiefs. He was very welcoming to outsiders. He was a very enlightened person; he was called Rumanyika. Then, from there you would go to Buganda, to Nkore, to Rwanda, to Bunyoro up to Southern Sudan, which was called Dani, and Congo was called Bulega. We called it Bulega traditionally in our area.

So, this trade area is not new; when we talk of the East African Community, do not think that we are inventing anything new. In fact, what we call the Community now is smaller than what it was, because it does not include Congo. The only thing we are trying to do now is to remove the *hongo* - we do not want to be like those chiefs - so that it is real free trade. There was trade, but it was not free; it was interfered with.

I am, however, glad that our brothers in Kenya are handling the problem with maturity – (*Applause*). We condemn the violence that took place in Kenya. It was unfair on the affected families and also unfair to the neighbouring countries. *Kwa sababu walifunga njia yetu na sisi hatuko kwenye ubishi wao? Why do you close njia yetu? I want to go and ask wale Wakenya; you people, why do you close our road? Why do you not fight pembeni huko kama mnataka kupigana; away from the road? It was very unfair on the affected families and the neighbouring countries. That violence was ideologically confused. Indiscriminate violence is reactionary.*

I am sure the Kenyan leaders, both the government and opposition, will also deal with the constitutional and political issues that arose out of the elections so that normalcy is restored. Because among the arguments which were going on ...I went to Kenya, and I spoke to His Excellency Mwai Kibaki, and I spoke to Raila Odinga, and you could see within the dialogue that there were some constitutional as well as political issues, which they need to address. I am sure they are addressing them.

The constitutional issue is who won the elections. The Electoral Commission of Kenya announced that *Mzee* Kibaki won. Now, the Rt. Hon. Odinga said, “No, you did not win.” There was that problem. Now, the normal course of doing things would have been for the one who was not happy to go to court, but the Orange Democratic Movement (ODM) people decided not to go court because they said they had some problems with the courts. Now, some other form of arbitration must be done to settle that issue, because who is the President of Kenya is not a negotiated position; you do not negotiate that! I become President or not; it is by elections. So, that is constitutional, in my opinion.

Then, these other issues they are talking about are political. But I do not want to go into that issue in detail because Mr. Kofi Annan is dealing with it in detail. I have also been there, and President Kikwete is also going there today. So, that can be handled in more details in a quieter forum. But the issues are constitutional and political; that is what I could see in that situation...and ideological also, because indiscriminate violence is not ideologically correct. You do not go and attack women and children that you are angry. If you are angry, you go and organize your violence properly, not to come and attack people who have nothing to do with your quarrels.

So, I hope you, the Members of the East African Legislative Assembly will sharpen your ideology, because being called a leader is not enough. You can be called a leader but you do not contribute to the solution, instead you contribute to the confusion. *Msifikiri hizi nchi zote ambazo ziko na vita hazina viongozi. Wapo, lakini hawajui la kufanya.* So, the leadership must also sort out their ideology: Ideological, constitutional, political.

On the issue of the political integration, I submitted my views for the strategic importance of an East African federation in my speech during the launch of the consultations on fast tracking the East African political federation, in Uganda on 13 October 2006 - I am sure these people have a copy here, which they will give the Speaker, and also on the occasion of receiving the report of the consultations at Ngurdoto on 20 August 2007. I also made another speech on that occasion, which is also here. I will ask my people here to hand over those speeches to the Speaker – (*Applause*).

His Excellency Benjamin Mkapa, His Excellency Mwai Kibaki and I also made a strong call for political federation in our Communiqué of August 2004 in Nairobi. That communiqué should also be available to you, because in that communiqué, we were also giving the reasons why federation, and why the fast-tracking. It is, therefore, not necessary to repeat the points in this speech which I am making now.

As we continue to debate the tempo of working for the East African federation, we should also undertake joint efforts in some of the following areas: foreign policy co-ordination, co-operation in defence, co-operation on matters of regional peace and security, and so on.

Co-operation in these areas is possible and useful even in the short run. Even the mere sharing of ideas in these areas is quite useful. Uganda became a frontline state against Arab chauvinism espoused by some regional countries. I do not want to mention those countries. But some countries had an idea that Africans should become Arabs, but the Africans did not want to become Arabs. So, it was a big, big problem in which Uganda was involved.

Our resolute stand against this chauvinism...what is the translation of “chauvinism” in Kiswahili? *Ujeuri wa...* when you think you are the only – (*Interjection*). We will have to translate this. Our resolute stand against this chauvinism as well as our fight against all types of extra-judicial actions has, finally, enabled the people of Uganda to begin enjoying unprecedented peace. We could share our experience with our East African partners as well as learning from them. Above all, we can use the institutions of East Africa together as we build capacity in the areas referred to above.

In order to attract investments, we need to ensure security in the whole region. You know, when the problems of Uganda, Rwanda, Burundi and Kenya are on television, the investor will not know the difference between Uganda, Kenya and Tanzania; they will just say, “*Ah, Afrika yote iko na shida.*” So, we should co-operate in ensuring quiet in this part of the world.

You will remember that South Africa used to have a lot of problems during the time of apartheid, but since the end of apartheid, although South Africa still has problems of crime, the perception of peace has made the economy of South Africa grow to the extent that South Africa now has got a GDP bigger than Spain. The GDP of South Africa now is something like US\$220 billion. That is bigger than Spain, but still smaller than Belgium. So, you can see how *mwafrika yuko mbali*. When the ANC (African National Congress)

took over, the GDP of South Africa was US\$89 billion; it is now US\$220 billion. So, *wa me sukuma*. So that perception of peace is very important for our region.

I am, therefore, most pleased to note that co-ordination on foreign affairs, inter-state defence co-operation as well as inter-state security co-operation are high on East African Community agenda today.

Since 1986, the economy of Uganda has recovered and grown, some mistakes notwithstanding. One such mistake was on account of our Parliament delaying the construction of the Bujagali dam. This resulted in power shortages. Nevertheless, in the last calendar year, the GDP grew by 7 per cent - (*Applause*) The size of the GDP of Uganda has grown six times since 1986 from Uganda Shillings 3000 billion in 1985/1986 to Uganda Shillings 19,000 billion (19 trillion) in the Financial Year 2006/2007. This works at US \$ 11.2 billion. In GDP terms, the GDP of Uganda is now US \$ 52.9 billion.

With assured energy in about two years' time, the economy will grow much faster. However, there is one aspect we cannot handle alone – cheaper transport to the sea. That is why political architecture is very important. I am there inside the continent, and even if I became very efficient and our economy was growing, if we do not solve the problem of transport to the sea, how shall we sustain that? But this is not under our control; the road to the sea is through Tanzania and through Kenya. So, therefore, however hard we work, we must work with Kenya and Tanzania on the issue of transport to the sea.

We cannot, for instance, handle railway modernization without working with Tanzania and Kenya. Now, this railway system which we have in East Africa is really fit for the museum – (*Laughter*); it is embarrassing. I brought some people from Germany to look at the railway system linking with Southern Sudan, and they also looked at the system in Kenya and the one in Tanzania, and they told me “this is really...we do not know what to say.” (*Laughter*)

I think East Africa must work on this railway system. We, in Uganda...the economy is growing very fast and will grow even faster. As you know, Uganda is a very rich country with a lot of natural resources. But we do not have access to the sea except through Kenya and Tanzania. We have access to the sea through the Nile...you know the River Nile goes straight to the Mediterranean Sea, but on that side, we are “Bashir-locked” – (*Laughter*) There is a man called Bashir...otherwise, we have access to the sea through the Nile, but there are regimes there which block us. Otherwise, we could go by water and rail up to the Mediterranean! The Nile is navigable in most of the parts except some few areas. That is why, therefore, however hard we work in terms of building that economy - which we are doing - we must work with Kenya and Tanzania to deal with the issue of cheap transport to the sea.

This rail transport is very crucial for lowering the costs of doing business, especially in relation to our exports and imports. Given what has already been achieved, resolving the problem of electricity and transport to the sea will enable the economy of Uganda to grow by leaps and bounds. The economy of Uganda can grow by 9, 10 or even 11 per cent; it is

not a big problem, especially once we solve the issue of electricity, which we are now about to solve.

The problem of electricity was caused partly by our Parliament of 1996 to 2001. There were some confused people in that Parliament who opposed the dam, and then they linked up with some outsiders who said we were in a new danger of too much electricity. So we ended up with a very big shortage. But those problems are now solved. We are building the dam at Bujagali and we are going to build more at Kamdeen, at Ayago South, and we shall do so with our own money – (*Applause*) - because this “*ombaomba*” is also part of the problem.

In my language we say, “*engaboyakyeri togihera mwana mbazi.*” You cannot give a child a laxative...you know, when you give a child a laxative, then he needs some re-hydration; some drink. You cannot give a child a laxative when you do not have a drink in your house and you say I will get it from the neighbour. The neighbour might not have it and the child will die of dehydration.

So it is just like this Bujagali Dam which we are building now. These fellows were playing around with us, and we decided that we were going to build it with or without loans from outside – (*Applause*). So we created an energy fund, and we started building the dam. We said to the World Bank and the like, “it is up to you; if you agree, you bring the money, if you do not agree, we shall finish the dam”. So then they came, and I said, “If you have agreed, *mzuri*”. So, they paid us back, because we had advanced them US\$100 million from our energy fund, now they paid it back. *Mzuri!* But even for the other dams, we shall not wait for anybody. If there is a dam to be built, it will be built and we have the money. In any case, it is actually cheaper!

When you hear that the private sector is building a dam, it means that they are using borrowed money, with interest. Now, that interest will go into the cost of the dam, and then the users will have to pay the cost of the dam plus the cost of the money, and so the tariff will be up. It is really not correct. When you hear that China is now underselling us in the world, it is because they use government money to build dams. But here, our people had got the idea that we must get private sector to build...the private sector cannot go into everything - (*Applause*).

For instance, with US\$300 million, you can build the dam if you are using taxpayers’ money. But using borrowed money, the cost goes up to US\$500-600 million, because there is interest. And when the dam is finished, the tariff; the charge for the public will now have to take into account the cost of the money. So, on that one, I am finished; when I am in meetings, sometimes they talk and I am just sleeping because I am not listening to what they are saying - (*Laughter*).

It is better to preserve your energies. If they come, *mzuri*, if they do not, we shall build the dams. So, we are handling the issue of power, but we cannot handle the transport to the sea, because this is under Tanzania and Kenya. On the northern side, we are “Bashir-

locked.” Here, we are land-locked, and there we are “Bashir-locked”...That is East Africa!

The high rates of growth we enjoyed in the past were in spite of the terrorist campaign in Northern Uganda and lawlessness in Karamoja. The terrorist campaign in Northern Uganda, of course, was supported by some of our regional partners, but we dealt with it. These areas are now peaceful. You can imagine the impact that peace will have on the economy. In the past, we have been getting growth rates of 6 per cent and at one time we even went up to 10 per cent, but using more or less half of the country, because the northern part and Karamoja were in turmoil. Now that these parts are peaceful and the fact that we are going to solve the problem of energy using the dams on the river and also this petroleum which we found recently, you can see that the economy will grow much faster if the whole of Uganda is developing. But the transport to the sea is very crucial.

It is against this background that I urge this Assembly to gauge its future role in taking East Africa to greater heights of achievement – (*Applause*). That is where you come in now. The Members of the East African Legislative Assembly; have they come to add to the confusion or to the solutions? Because if you think that being a leader is enough in itself...you can be a leader unto confusion or a leader unto solutions. Africa is not short of leaders; we have been having very many leaders, so why do we still have problems? That means that it is not just leadership, it is the ideological orientation of that leadership.

The term of this Assembly will see some momentous developments within the ambitious programme of the Third East African Community Development Strategy (2006-2010), including planned institutional development, major infrastructural development works, general programme expansion towards the Common Market and Monetary Union and, last but not least, the process, already begun, of the review of The 1999 Treaty for the Establishment of the East African Community, to accommodate present and future demands of the expanding programme and membership of the East African Community - (*Applause*). I would call upon this distinguished Assembly to readily embrace this challenge and strategic commitment to develop the Community.

In adopting this commitment, we should not be oblivious to the critical role of the broad range of stakeholders in the regional integration process. These are the civil society, the business community and the political parties which have to be deeply involved in the awareness of and participation in the regional integration process if the East African Community has to meet its objectives with any degree of success.

The role of the Media in promoting worthy causes cannot be underestimated – (*Applause*). The Media has the power to make or break causes, however well intentioned or justified. The Media can make or break the Community, however strongly the protagonists may profess or proclaim commitment to the East African Community cause. If we want to build the Community, if we really want the cause of East African unity and development to succeed, we must do everything within our power to get the Media on our side – (*Applause*) - including starting better papers and radios than the ones we have now. If the ones which are there are doing a useless job, then you have to start others. We are

going to engage in that struggle in Uganda, to ensure that the radios are not monopolized by liars.

Indeed, one of the longstanding pre-occupations of our regional co-operation, on which I have personally constantly laid emphasis, relates to the publicity and marketing function of the Community. I would like to commend the Secretariat for the process it has initiated in implementing a new publicity and marketing strategy, under the East African Community re-branding project, that seeks to involve the people deeply in awareness, support and participation in the regional integration process - (*Applause*). This project is cross-cutting and highly participatory of the broad spectrum of East African Community stakeholders and should receive our unreserved support.

During the time I have been leading Uganda, I have been dismayed and infuriated by the failure of the political stratum, the administrative cadres as well as other elements of the elite - religious, cultural, and so on in identifying the strategic weaknesses of Africa, let alone resolving them.

When I attended the G.8 Summit in Sea Island, USA, I pointed out to those leaders what I considered to be those strategic bottlenecks. They are contained in a booklet, which my staff will distribute to you, honourable Members, through the Speaker. One such strategic bottleneck that is bound to cause unnecessary and completely avoidable crises is the low level of industrialization and modernization in East Africa.

Attached here below is a table of the comparative figures of some selected countries in the world according to population (labour-force) distribution among the sectors of agriculture, industry and services. (*Addendum IV*).

I will integrate it late in the speech, but if you look at this fact sheet on labour force by sector; if you look at, for instance, Canada, the percentage of the labour force in agriculture is only 2 per cent. The ones in industry are 22 per cent while the ones in services are 75 per cent. If you come to East Africa; Kenya, the proportion of the labour force in agriculture is 75 per cent; in industry and services together, it is 25 per cent. Now, if you come to Tanzania, the proportion of the labour force in agriculture is 80 per cent; industry and services is 20 per cent. Uganda; the proportion of the labour force in agriculture is 73 per cent. In the UK, it is 1 per cent. In the USA, it is 0.7 per cent. You can imagine in a country like the USA with a population of over 300 million, only 0.7 per cent are in agriculture, 23 per cent in industry and 76 per cent in services. In Rwanda, the proportion of labour force in agriculture is 90 per cent; in Burundi it is 93 per cent. This is very serious.

As you can see, too many people in East Africa still depend on agriculture rather than being active in industry and services. This phenomenon, in turn, means that East Africa cannot provide enough jobs for the increasingly educated population. If you do not have enough industries, you cannot provide enough jobs for the increasingly educated population because agriculture cannot absorb all these people. Even the ones in agriculture, they are in what we call disguised unemployment. They are there but not

really doing much; it is like they are being accommodated there. They are sheltering there. That means we shall not create enough jobs and it means that we cannot earn as much foreign currency as we could have; it means we shall not collect enough taxes, hence the ignominious practice of having to be in the relationship with the so-called donors; it also means environmental degradation on account of the increasing population, using primitive techniques which result into little production per unit of land area, hence many people being forced to encroach on the forests and on the wetlands. You know, we always have problems with people encroaching on wetlands and forests, and we are always arresting them and putting them in jail and so on, but this is not their fault; it is the fault of us the planners. If we had provided enough industry, they would have moved there. But now, there are too many people in the countryside.

So, this phenomenon promotes horizontal rural migration instead of the healthier vertical migration from farm to factory. Horizontal migration causes tribal tensions and other problems. You get a tribe which is more numerous, they exhaust the land area in their original home area and then because there are no factories to go to, they go horizontally to another rural area. There, they find the indigenous tribe of that area and so they clash. But who is the cause of all these? It is not these poor peasants who are just looking for where to go; it is us who are planning for the whole system. Now, there is a big problem to get the political class - certainly in Uganda - to understand this. As soon as they are elected in Parliament, they are just there.

I am glad here you clap with your hands when you are in session; for them they clap with their feet - (*Laughter*). I heard you banging tables, and I thought this was an advancement from what I see there - (*Applause*). In the Parliament of Uganda, they clap with their feet. This is a new technique. They are just there: “honourable minister; honourable this, honourable that; Excellency this...” *Lazima hawa waheshimiwa watafute dawa ya jamii. Kama hamtafuti dawa ya jamii, tutakuwa hapa kama weheshimiwa tu, historia itakuja kutuhukimu* - (*Applause*).

Without industrialization, you cannot support a population which is growing. I will give you an example: Look at South Africa: South Africa had more political problems than any of these African countries because there were *wazungu; wafrika; nini*, but because they have got factories, since independence, those problems have not shown up. *Mtu anatoka nyumbani anakwenda kwenye kiwanda; haendi kuvamia lile kabila jingine, kwenda huku au kule kunaweza kuleta matatizo mengine huko*, but at least, you can see that movement is vertical: From village to factory. That is a modern vertical movement. *Hii ya hapa kwetu ni horizontal. Mmaasai akimaliza majani hapa anakwenda kwa Wasukuma halafu makabila yanaanza kupigana. Kule kwetu Uganda kuna groups yanayokwenda huku na huko* - (*Laughter*). But the problem is caused by the elite!

In 1810, England had a population of only 10 million people. At that time, there was a man called Alfred Malthus. He said these people are too many and they would not be managed. Food production is growing arithmetically while the population is growing geometrically. Now, England has got 60 million people and they are all much richer than

they were in 1810. So, you can see the problem is not population, but the problem is the structure of the economy - (*Applause*).

The problem is not *ukabila*; the problem is the structure of the economy. This is the sole responsibility of the political class. I am really trying very hard to convince the political class to see this point, because they do not see. They are very full of themselves; very important!

One day, I was chairing a meeting. I had an American old man who has got a company called GAP in the USA. It has got a turnover of about US\$40 billion, just like the GDP of East Africa. One company has got an annual turnover almost the same size as the GDP of the whole of East Africa. So, this old man was sitting here on my right, and on my left, I had a very important Ugandan, and all these other Ugandans...honourables, what have you; they were all there. Then, I was persuading this man to come and invest in Uganda. At the end of the meeting, this big man here – (*pointing to his left*) - told this one – (*pointing to his right*) - “Here is my card; you write to me.” I told him in Luganda that this man cannot write to you – (*Laughter*). “*Ono omusajja tasobola okuwandikira ggwe!*” You are the one to write to him; because you are the one who wants him to come and invest here!

But you can see the problem of inverted self importance. *Huyu mtu ambaye hana kitu anamwambia huyu*, “you write to me.” Is he applying for a job or what? You are the one trying to convince him to come and help you create jobs in your country, and you want him to write to you to say, “I beg to come to your country so that you...” I told him in Luganda that this man cannot write to you.

So, the problem is that *huyu Mwafrika hajui watu muhimu duniani siku hizi. Zamani wafalme walikuwa ndiyo watu muhimu*. Now, we think *wanasiasa ndiyo watu muhimu*. That is what we think now. That seems to be the thinking; *wanasiasa*; honourable this and that, *wale wengine ni watawala, na watu wa dini ni wafalme*, but we are forgetting two people who are the most important people in the modern world. The first one is the consumer; the one who buys what you produce. *Huyu ndiye mtu muhimu sana; mtu ambaye ananunua kitu unachotengeneza wewe. Mwingine ni investor*; the one who has got the knowledge and capital to invest. Now, Africa does not know this. This is my conclusion, because you know, I have been in power for a long time. Some people are saying “*agende agende*”; that I should go away. I say, go away where? Why are you staying here you yourselves? (*Laughter*) *Mnafanya kazi hovyoo halafu munasema mimi niende. Acha na mimi nipatie picha ili nione mambo mnayofanya hapa*. You are still working...*bado mnafanya kazi vibaya* when I am still here; now what will happen if I go away? *Acha nitazame kwanza* – (*Laughter*).

So, this is my conclusion: East Africa needs to recognize the crucial role in the modern world of these two people; the consumer and the investor. These are the primary players. *Sasa kazi ya kiongozi ni nini? Kazi ya kiongozi ni kufacilitate hawa watu*. If you facilitate them, your economy will grow and you will solve your social problems. But, unfortunately, this message is not clear to the political class and to the administrative

class. It is a big struggle every time. *Sasa wanasema Museveni ni rafiki wa Wahindi*, as if they are members of my clan or something. Yes, I am using *Wahindi kujenga uchumi wangu. Ninawatumia*, and the people have no eyes to see this!

This company called MTN in Uganda last year paid a tax of US\$100 million to the Ugandan Government. Sometimes I travel to Brussels to sign agreements of US\$30 million for five years – (*Laughter*) - A whole President, His Excellency, goes to Brussels to sign an agreement of US\$30 million for a five year programme! *Lakini kampuni moja*, MTN, gives the Uganda Government US\$100 million in one year. So what would happen if we had 1,000 such companies in Uganda? That is where the answer is. But our people do not see this. They look at business people as if they are vermin; *wamekuja kuvamia inchi yao*.

The political integration of East Africa, in the form of a federation, would accelerate the process of industrialization and modernization because of the bigger market being a more attractive investment destination and more clout in trade negotiations with other strong countries or blocs such as the USA, China, India, Russia and the European Union. It is the factor of size that helped India and China to frog-leap in terms of development and social transformation. It is imperative that the political strata, the elite and other elements of the elite wake up to the need for economic and social transformation so that the labour force shifts from agriculture to industry and services. Otherwise, we should prepare for disoriented social and political convulsions which will be to the eternal shame of the elites involved.

Agriculture alone - moreover subsistence agriculture - cannot cater for the employment needs of the 120 million East Africans; it cannot earn enough foreign currency and it cannot generate enough taxes. As we work for the East African federation, let us, at the level of each country, work to bring in and facilitate more and more investors. We must combat all the negative anti-investor attitudes and practices like corruption, indifference to their needs, delays, and so on. As each of our economies grows, East Africa will be stronger.

Mr. Speaker, in conclusion let me state that we have a clear and urgent mission to transform the East African Community into a positive force in the lives of our people and not just an abstraction in their minds. Visions, which have a tendency to fly about like confetti wherever one turns today, are invariably conveyed in mere words, but bold visions, and real visions, need bold actions to match the words.

I would, therefore, urge you in this Second Assembly to evince a singular commitment to promote the cause of regional integration and development in East Africa for the benefit of the present and future generations.

I extend my confidence in your commitment and preparedness for the historic task ahead and, once again, congratulate you and wish you happiness and great success in your important mission. I thank you for your attention and wish the Second Assembly great success. I thank you for listening to me – (*Applause*).

The Speaker: Honourable Members, I now call the hon. Kate Kamba to give a vote of thanks on our behalf.

Ms. Kate Kamba (Tanzania): Your Excellency, President Yoweri Kaguta Museveni, President of the Republic of Uganda and Chairperson of the Summit of the East African Community Heads of State; Your Excellency Dr. Ali Mohammed Shein, the Vice-President of the United Republic of Tanzania; Hon. Eriya Kategaya, Chairperson of the Council of Ministers of EAC; Honourable Ministers and Members of the Council of Ministers; Judge President, hon. Justice Gerald Nyongeko; Hon. Deputy Minister; Hon. Speaker of the Zanzibar House of Representatives, the hon. Pandu Amir Kificho; The Hon. Speaker of the Chamber of Deputies of Rwanda, the Right Hon. Alfred Mukezamfura; The Arusha Regional Commissioner; Hon. Members of Parliament from Uganda and Tanzania; The former Speaker of the East African Legislative Assembly, Hon. Kinana; Members of the Diplomatic Corps; Distinguished guests, Ladies and Gentlemen.

Your Excellency, on behalf of the Speaker and Members of the East African Legislative Assembly, I humbly stand before this august House to give a vote of thanks for what you have actually directed us to do. As our Speaker has correctly stated, we as an Assembly are highly impressed with your total commitment to the East African Community cause - (*Applause*). Mr. President, you have demonstrated, both in words and in deed, your total commitment. As a pioneer of the East African integration, as is well illustrated, and in this State of the Community Address, you, Mr President, have given us a road-map that sets in motion all the aspirations of the East Africans. Thank you very much - (*Applause*).

Mr. President, always when you speak to us, we really feel at home. You have given good living examples, which have shown why none of the East African countries is independent of the other. Whatever happens in any part of the region affects the others, both positively and negatively.

Your Excellency, in your address you have indicated that in this aspect of interdependence we need to work together in the areas of transport and communication, as well as other infrastructure, which depend on shared resources, for example, the Nile and the Indian Ocean. Therefore, as you correctly stated, this should be one of the projects in the Third East African Community Development Strategy; a project which will resolve some of these issues, especially in terms of transportation and communication. I think there is no other person who is actually going to steer this if not you and the other members of the Summit - (*Applause*).

You have looked into the issue of energy, which is the cornerstone of any development. You mentioned the Bujagali Dam, but when you go south, there is the Stigler Gorge, which has a capacity of 2000 megawatts. We also have gas in the southern regions of Tanzania, and we also have a new discovery - which you have not mentioned - of oil,

which is soon going to come from Uganda. All these have the potential to make East Africa prosperous.

Mr. President, we congratulate the efforts so far made in Uganda to use internally generated taxpayers' money to build infrastructure – (*Applause*). I am sure the rest of the region and our leaders in Tanzania, Kenya, Burundi and Rwanda are going to do the same to build an infrastructure which will speed up the progress of the people of East Africa. We should move from where we are towards a better East Africa.

You Excellency, I have been listening to your speeches since I joined politics, and the issue of peasants and subsistence farming has been a thorn in your life. You have made programmes and projects in Uganda to try to uplift the standards of living of the peasants in Uganda, and you have now given us figures to indicate that Uganda, and, indeed, the region, is still dependent on agriculture. These figures are really miserable.

Your Excellency, when you look at the potential natural resources that our countries have and the good leadership in the region, we in this Assembly, together with those in our Partner State Assemblies and those in leadership at all levels, need to take bold decisions. We need to go back and ask ourselves: are we doing this thing in the right way? Is this how it should be? Do we need to be here in this House? Do we need Parliament? In spite of all the good governance, we are almost not moving but marking time. I think we should think of ways and means of how to make better the lives of our people.

Your Excellency, we are really delighted to be given the figures of Canada, Belgium and even South Africa. We also have the figures of South East Asia where they made bold decisions. Take the example of Vietnam, which has been fighting for many years under the imperialists. It was a net importer of rice. Vietnam gave itself a target that they should never import rice. They said that if they could fight an imperialist war and win, then they could fight hunger. And as I address you here, these people are no longer importing rice; they are net exporters of rice in this world – (*Applause*).

Mr. President, our people are looking for a proper sense of direction. They are grappling with poverty; they are in shelters and not in dignified houses. If you travel throughout East Africa, after more than 40 years of independence, people still do not have shelter, or a proper place that one can call a house. These are the questions which our people are asking us: for how long are we going to wait?

Your Excellency, I am proud and gratified that I have been given this opportunity to give a vote of thanks to you, Mr President. Our main prayer to our leaders and people of East Africa is that we should all strive to maintain peace so as to guarantee us a prosperous region. We all pray for an East African Community which is proud and dignified in the eyes of the world economically, socially and politically. That is the main reason for our coming together to forge this unity called the East African Community; an East Africa that provides opportunities for all, and has a future for all.

Your Excellency, as an Assembly, we promise to give true allegiance to the Summit and all organs of the East African Community. We promise you our total support and we will work diligently towards the realization of the aspirations of the East Africans as prescribed in the Treaty.

Mr. President, we commend you because this is the first time for us as an Assembly to have a State of the Community Address. Thank you very much - (*Applause*). This address, given by the Chairman of the Summit, we indeed value it from the bottom of our hearts. It is our sincere hope and wish that this tradition will be institutionalized for the rest of the life of the East African Legislative Assembly – (*Applause*).

Mr. President, we as Members of the Assembly always thank God that we are participants in this noble cause of building a strong and integrated East African Community of which you are among its pioneers. We have to strive to change the lives of people. History will judge us harshly if we are not going to perform. You have given us words of wisdom, and as I said earlier, a road-map towards a strong, rich, integrated East Africa in a federal state, which we are all striving towards – (*Applause*). We promise you that we are working towards that attainment.

God bless you, Mr. President, God bless East Africa, and may peace prevail in the region.

I thank you all for your attention - (*Applause*).

The Speaker: Thank you very much hon. Kamba. I do not think I want to add anything to that. I think she said everything that we would have said as Members. But I only want to say *ahsante sana Mheshimiwa Rais*. Like the hon. Kamba said, this is the first State of the Community Address, and I hope it will continue. I hope in your next Summit, you will propose that this tradition continues - (*Applause*). I would now like to say that His Excellency is now at liberty to leave the chamber at his pleasure.

(H.E. the President is escorted out of the Chamber)

The Speaker: Honourable Members, we have come to the end of our business for today. Immediately after the adjournment, I request all the invited guests to move straight down to the gardens for the cocktail party. Secondly, all honourable Members are requested to move down as well, but first to assemble at the usual venue for a photo session with our chief guest, and thereafter, to join him at the cocktail party in the garden. As we are running late, I request that we do this quickly.

ADJOURNMENT

With those few remarks, I adjourn the House until tomorrow at 2.30 p.m.

(The House rose at 4.30 p.m. and adjourned until 2.30 p.m. on Wednesday, 27 February 2008)

