



EAST AFRICAN COMMUNITY

EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)

Official Report of the Proceedings of the East African Legislative Assembly

52 SITTING – SECOND ASSEMBLY: FOURTH MEETING – SECOND SESSION

Friday, 27th February 2009

The Assembly met at 2.30 p.m. at the Chamber of the Assembly, Ngorongoro Wing, Sixth, AICC Complex, Arusha

PRAYERS

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

The Assembly was called to Order.

PROCLAMATION

The Speaker: Hon. Members, amidst us here today is His Excellency, Paul Kagame, the President of the Republic of Rwanda and the current Chairperson of the EAC Summit of Heads of States. *(Applause)*

I have, in accordance with the provisions of Article 54 of the Treaty, invited him to address this Assembly.

I would now like to make the following proclamation to welcome the presence in the Assembly of the President of the Republic of Rwanda and Chairperson of the EAC Summit of Heads of State.

Whereas Clause 1 of Article 54 of the Treaty provides that the Speaker of the Assembly can invite person to attend the Assembly notwithstanding that he or she is not a Member of the Assembly, if in his or her opinion the business of the Assembly renders his or her presence desirable; and,

Whereas in the opinion of the Speaker, the attendance or presence in the Assembly of His Excellency the President of Rwanda and the Chairperson of the EAC Summit of Heads of State is desirable in accordance with the business now before the Assembly;

Now, therefore, it is my great pleasure and honour, on your behalf, Hon. Members to welcome the presence of His Excellency President Paul Kagame and Chairperson of the EAC Summit of Heads of State in this Chamber. *(Applause)*

WELCOME REMARKS BY THE SPEAKER

The Speaker: Your Excellency, President Paul Kagame,

President of the Republic of Rwanda and Chairperson of the Summit of the EAC Heads of State,

Hon. Monique Mukaruliza,

Chairperson, Council of Ministers of EAC;

The Hon. Ministers and Members of the Council of Ministers of EAC;

Hon. Members of the East African Legislative Assembly;

The Secretary General of the East African Community;

Your Excellencies the Ambassadors and High Commissioners;

Distinguished guests;

Ladies and gentlemen;

Your Excellency, I welcome you to today's special Sitting of the Assembly at which you are about to deliver to the people of East Africa, an address on the State of the Community. It has always been the desire of this House that at the beginning of each year, the Chairperson of the Summit, through the East African Legislative Assembly, delivers to the people of East Africa this important policy statement. It is our conviction that this address will not only be for their information about the programmes to be undertaken at EAC, but also as a means of generating debate among all the ranks of East Africans to help evaluate to whether the Community is heading in the right direction.

I wish therefore to thank Your Excellency for accepting our invitation to address this House in that context and for acknowledging the importance of this address.
(*Applause*)

Your Excellency, the address you are about to deliver shall not merely remain a record item in our HANSARD, but soon after your departure, we are not only going to vigorously debate it, but we shall also share it with as wide a population of East Africans and from whom we shall request a feed back.

Your Excellency, you are the second Chairperson of the Summit to deliver this address to the Assembly after your immediate predecessor did so in February 2008. But you have your own record in this House of being the first Head of State to do two things:

Firstly, during our Sitting in Kigali last September 2008, you were the first Head of State ever to open the session of the Assembly. (*Applause*)

Secondly, you are also the first ever to open the Inter-Parliamentary Relations Seminar (commonly known as the Nanyuki series). (*Applause*)

Your constant willingness to interact with this House is a testimony to the respect you accord us and with it you also have the highest regards and honour of this Assembly. (*Applause*)

Your Excellency, it is about eight months now since you took the mantle of leadership at the helm of the East African Community and in this short spell of time, profound progress has been recorded. Notable among these are;

1. The successful holding of the meeting of the Summit in June 2008 at which the Judges of the re-structured EACJ were appointed and thus enabled this important organ to function effectively;
2. The successful holding of First East African Investment Conference in June, in Kigali where the cream of the East African business people and the East African Community made far reaching recommendations on the required path to an improved business environment that will lead to increased trade and investments in East Africa; and
3. The successful holding of the COMESA/SADC/EAC Tripartite Summit of Heads of State in October 2008 in line with the vision for a fuller integration of the African continent which culminated into a resolve to establish a Free Trade Area and later a Customs Union encompassing the three regional blocks.

Further, again under your leadership, Your Excellency recently organized a Strategy Retreat for all Organs of the Community which in your words was to “reflect on how to improve collaboration among our institutions, and how to generally render them more responsive to the needs of East Africans”. We commend Your Excellency for this retreat, and as you will bear witness, it came at an opportune time as the institutional challenges that face us were identified and the required solutions prescribed. We further commend Your Excellency for the undertaking you made to ensure that the resolutions of that retreat will be brought before the next meeting of the Summit, and to the attention of the other decision making bodies of the Community.

We hope this retreat will remain an annual event that shall be the avenue for EAC to do stocktaking and self-reassessment as to whether those of us who were accorded the privilege to drive the integration agenda are truly to the task.

Your Excellency, in May this year, the Members from Rwanda and Burundi will be marking one year in the House. I wish to report to you that the integration in this House has been phenomenal, and if there is any true spirit of integration anywhere, it has been witnessed in this Assembly in the last eight months. (*Applause*)

In whatever we do or decide, say or recommend, we are all driven by one common desire, to build a better East Africa than we found. This is clear testimony that the full integration of our people is real and can be achieved. The Assembly is now very vibrant with the addition of this new impetus. We call upon the Partner States and the other organs to play their part with more vigour and vibrancy as well.

Your Excellency, since your last interaction with this August House in Kigali in September last year, we have been able to pass a total of twelve pieces of legislation. And I am happy to report to this August Assembly that you were the first Head of State to signify your assent to all the twelve Bills. *(Applause)*

Another significant achievement for us was the conduct of Public Hearing Workshops in December last year on the proposed Protocol on the Common Market. In fulfilment of Article 7(1) (a) of the Treaty, the Assembly held Public Hearing Workshops in all the five Partner States at which the concerns and recommendations of the ordinary citizens were captured. We shall in due course forward our report to the Council of Ministers and it is our sincere hope that the issues raised shall be taken on board.

Lastly Your Excellency, on our part, we re-iterate to you our resolve and commitment to work closely with the Summit, the Council and the other organs and institutions of the Community for the faster realization of the objectives and goals of our Community.

Finally before you deliver your address, may I take this opportunity to introduce to you some of our dignitaries that are present here to witness this occasion:

We have Dr. Nico Scholten, President of AWEPA; the Regional Commissioner, Arusha, Ambassadors and High Commissioners from the Partner States, Judge President of the East African Court of Justice, Hon. Ministers from the Republic of Rwanda, Hon. Ministers from the Republic of Burundi---

(The Minister for East African Community for Burundi, Ms. Hafsa Mossi stood up in acknowledgement)

The Speaker: Hon. Mossi, you are a Member of this House! *(Laughter)*

Hon. Ministers from the Republic of Uganda; Hon. Ministers from the Republic of Kenya and Hon. Ministers from the United Republic of Tanzania. *(Applause)*

Your Excellency, it is now with great pleasure and honour that I execute my humble duty to welcome Your Excellency to address this August Assembly. *(Applause)*

THE STATE OF THE EAC ADDRESS

The President of the Republic of Rwanda and Chairman of the Summit of the EAC Heads of State (Mr. Paul Kagame):

Right Hon. Speaker, Sir,

Hon. Ministers from the East African Community Partner States,

Hon. Members of the East African Legislative Assembly,

Leaders of our Institutions and Organs,

Distinguished Invited guests,

Ladies and Gentlemen;

Permit me, first of all, Mr. Speaker, Sir, to express my sincere appreciation for your invitation to address the East African Legislative Assembly as we reflect together on our Community's recent achievements and our near term goals as well as the challenges we face in deepening and broadening our integration process.

These reflections are taking place at an opportune moment, given that we are marking the first decade of our Community's existence since the signing of the Treaty in November, 1999.

During this 10 year period, the East African Community has made considerable progress in terms of laying the foundation for a strong economic market. East Africans, therefore, have reason to aspire towards even more ambitious but achievable objectives for social, economic and political transformation. *(Applause)*

I thank you very much, indeed, leaders of our East African Community Institutions for the important roles you are playing in these processes and encourage you to remain dedicated to building a stronger Community to serve the people of East Africa.

Distinguished Ladies and Gentlemen;

I begin by observing that East Africa is currently enjoying greater peace and stability - *(Applause)*. This in turn provides a conducive atmosphere for economic growth and development. I am pleased to note that the peace dividend is also spreading in our broader neighbourhood of the Great Lakes, a significant step forward as we in East Africa cannot develop in isolation from the rest of our continent.

Equally important is the fact that our external relationships are healthy, both with regards to our long established trading and development partners and new ones, as I will highlight in my address.

It is vital, however, to appreciate the fact that East Africa faces considerable challenges, starting from the on-going financial crisis and recession that are critically impacting the global economies, especially the developed world where the difficulty began.

It is unlikely that our region will escape the effects of this crisis one way or the other in terms of the goods and services we provide to the global market. That is why we must take near term as well as long term measures to mitigate our vulnerability, including the consolidation of the national and regional factors that account for the positive changes experienced in East Africa during the past decade; that is changes that have been enhanced by our policy choices. A good example is the launching of the Customs Union in 2005 and the enlargement of the Community with the admission of Burundi and Rwanda in 2007. *(Applause)*

Contrary to the belief that the Customs Union would retard economic opportunities for some countries, it has, in fact, stimulated trade and investments. This is illustrated by the fact that in 2007, the total intra-East African Community trade increased by 22 per cent compared to the previous year. The total East African Community trade with the rest of the world also increased by 27 per cent in 2007, up from 23 per cent in 2006. This should further encourage us all to commit to an even quicker phase of integration towards the Common Market.

Mr. Speaker, Sir, the next major milestone after Burundi and Rwanda accede to the Customs Union on the 1st of July, 2009 is the establishment of the Common Market. Several issues still stand in the way to achieving this, including access to land, movement of people and the right to permanent residence. This is a time for bold steps, not only in terms of resolving these outstanding matters that are obstructing the Common Market, but also require us to execute critical decisions we have already made.

In this respect, I highlight the Non-Tariff Barriers (NTBs) and the red tape that still drastically increase the cost of doing business in our region. We look forward to continued progress in addressing this critical matter.

Negotiations for the Common Market continue. We hope that the draft protocol will be ready for the East African Community Summit of Heads of State scheduled for April of this year. I take this opportunity to thank the East African Legislative Assembly for conducting public hearing workshops in all Partner States last December on the proposed protocol. (*Applause*)

Involving East African citizens in these exercises fulfils our aspiration that our Community becomes people-centred.

Distinguished Ladies and Gentlemen;

Increasing the competitiveness of the East African Community is hindered by additional factors, especially the state of our regional infrastructure. You will all agree that building infrastructure, railways, roads, bridges, communication towers, is a means to achieving wider development ends and that these assets create the conditions for facilitating trade and investment, and are fundamental for prosperity creation. As Hon. Members are aware, during the Summit in Kigali in June last year, the Heads of State met at a special retreat and received a report from the East African Community Council of Ministers on regional infrastructure development. Consequently, the Partner States adopted comprehensive strategic plans for infrastructure development, including railways, ports and harbours, roads, energy, inland waters and the aviation industry. The execution of these plans is at various stages, but I wish to single out the railway development that remains worrisome.

It is fair to say that modernisation and expansion of railway services in East Africa is not proceeding according to our collective vision of a dynamic market served by a network that links our coastal cities of Mombasa and Dar-es-Salaam with their hinterland counterparts. Let's face it; these highly strategic infrastructure assets that could drastically cut the cost of doing business in our region and neighbouring countries call for most urgent attention. I note that the East African Railways Master-plan has been finalised and that the final draft report is currently under review in Partner States. The challenge here is the implementation of these plans for renovating our railway network as well as extending it to Partner States that are not yet connected to it.

The same reasoning applies to the civil aviation sector. Indeed, one of the reasons for establishing the East African Civil Aviation Safety and Security Oversight Agency is to exploit the economies of scale of combined technical resources and the regulatory capabilities required to render our regional air space safe and secure, as well as to promote the growth of this critical infrastructural sector. The challenge, again, is the

implementation of strategic plans that will render the aviation industry viable while supporting other growth sectors.

Distinguished Ladies and Gentlemen;

In the area of communication, the East African Community broadband infrastructure network is being implemented. Both the East African Marine System and the East African Sub-marine Cable System are making good progress. Though the two are separate projects, they share one objective of providing broadband international connectivity in our countries. I am pleased to note that the East African Marine System project is expected to be in service by the end of 2009, while the East African Sub-marine Cable System is expected to operate commercially in 2010. *(Applause)*

We congratulate private sector business leaders that are spearheading these important economic activities.

With regard to the energy sector, I am pleased to note that the oil pipeline extension from Eldoret to Kampala is going on well and will be completed by the fourth quarter of 2009. *(Applause)*

Further, the terms of reference for the feasibility study on the extension of the oil pipeline from Kampala to Kigali and Bujumbura have been finalised. *(Applause)*

Similarly, the terms of reference for the feasibility study for the Dar-es-Salaam-Tanga-Mombasa natural gas pipeline have been completed and approved by the East African Community Sectoral Council on Energy. *(Applause)*

Let us also appreciate the fact that the 2005 East African Power Master-plan has been reviewed and updated following the accession of Rwanda and Burundi into the East African Community, and most crucially, this plan identifies regional power generation and transmission line projects.

Once again, the challenge lies in the execution of these plans and I trust that we remain on course in this respect.

Mr. Speaker, Sir, in the case of our waterways and natural resources, I am pleased to note that the Lake Victoria Basin Commission is steadily implementing its 2007/2010 operational strategy around several key pillars, namely; unlocking the vast potential in the Lake Victoria basin by maximising the utilisation of natural resources, improvement in the quality of life and environmental sustainability.

Various environmental and conservation programmes in different parts of our region are also underway, including, for example the Lake Victoria Environmental Programme Phase II and the Mt. Elgon Regional Ecosystem Conservation Programme.

The latter has now been redesigned to focus more on the sustainable livelihoods of the mountain communities so as to enhance their interests in conservation of this trans-boundary resource.

Climate change adaptation which is a global concern is now included in the programme. It is my view that we in East Africa must do more in implementing environmental and conservation policies, as well as regulations that are to actively

address the relative neglect of these vital natural assets, upon which most of our people still depend.

Distinguished friends and colleagues;

As highlighted earlier, a premium must be placed on promotion of investment and trade to make East Africa a dynamic and competitive market. At the broader continental level, the East African Community participated actively in the Tripartite EAC-COMESA-SADC Arrangement, culminating in the hosting of the first Tripartite Summit in Kampala last October. The Tripartite Summit resolved to establish a Free Trade area and later a Customs Union.

We should continue to pursue the Tripartite Arrangement vigorously while consolidating the East African Community integration process. *(Applause)*

Indeed, it is critical that we sustain the momentum of promoting investment and, in this respect, I am happy to note that various summits including those on petroleum, tourism and general investment are scheduled throughout this year in different cities of East Africa.

The programme of marketing and promoting East Africa as a single tourist destination is similarly welcome, with focus being put on improving standards and expanding facilities in the region's hospitality industry. *(Applause)*

We request the Sectoral Council on Tourism and Wildlife Management to fast-track the introduction of the Single Tourist Visa to facilitate free movement of tourists in the region in the effort to make the region more competitive in the tourism sector. *(Applause)*

Generally, we should double our efforts of promoting the East African Community as an attractive destination for business beyond the traditional European markets. This outlook is exemplified by the conclusion of the Trade and Investment Framework Agreement between the EAC and the USA in August, 2008.

This framework will cover issues relating to the African Growth and Opportunity Act (AGOA), the World Trade Organisation, Doha Round trade talks and will also provide opportunities for broader economic engagement with the world's largest economy in a multi-sector partnership. We should furthermore explore other strategic partners in the world markets.

I take this opportunity to thank East African business and governmental leaders that were part of my delegation to the India-Africa Business Partnership Summit in New Delhi, earlier this year. *(Applause)*

With regard to the negotiations for a comprehensive Economic Partnership Agreement (EPA) with the European Union, we must work harder as a block to meet the threshold date of July, 2009 for completion of this exercise. *(Applause)*

It is important to emphasise, however, that while trade and investment levels are growing, our economies remain largely commodity-based. There is very little value addition.

I request that the processing and value addition become a priority concern for strategic reflections, so that we can consolidate our thoughts on how to quickly address this key hindrance to prosperity creation in our region.

Mr. Speaker, Sir, Hon. Members, Distinguished Delegates;

The ultimate goal of our Community is the realisation of the political federation of the East African States. *(Applause)*

This is a commitment based on our common heritage and our fundamental belief of pursuing a common destiny. To this extent, I am pleased to note that national consultations on political federation, having earlier been completed in Kenya, Uganda and Tanzania, were extended to Rwanda and Burundi in 2008. The reports will be considered by the Summit at its next ordinary session.

In the meantime, promoting good governance in the context of East African Community integration is critical. In this respect, the negotiation of an East African Community regional framework to guide this exercise is at an advanced stage.

This is also true in the area of fighting corruption, in light of the fact that our region has a poor perception in this regard, and the draft protocol for combating corruption is now programmed for stakeholder validation before adoption by the relevant policy organs in Partner States and the Community.

This leads me to institutional development of the Community, an important component in our integration agenda. At our recent Kigali retreat, we reviewed our key institutions, including the East African Court of Justice, East African Legislative Assembly and the East African Community Secretariat. The East African Business Council, whose application to be come part of our family of institutions is pending, also participated in this exercise. I wish to thank all those who participated for the good work that was done. *(Applause)*

An associated task underway is the road map for integrating staff from Rwanda and Burundi into these institutions. Institutional effectiveness also brings into the equation budgetary challenges.

I trust that the work done at the Kigali Strategic Retreat remains a useful tool for strengthening our institutions, an exercise that hopefully will become an annual good practice. *(Applause)*

Mr. Speaker, Sir, Hon. Members, Distinguished Ladies and Gentlemen;

Let me conclude by restating that we have to continue reforming our institutions into decisive organisations, able to execute our integrations goals and objectives, and whose performance is going to be measurable and demonstrable.

We should never relax, relent nor retract on the path of unity and development that we have set for ourselves. There can be no doubt that with determination and consistency of our purpose, we shall realise our vision of a more productive, competitive and prosperous East Africa.

Once again, I thank you, Mr. Speaker, Sir, and the East African Legislative Assembly Members and Distinguished Ministers who are here for this opportunity to address you this afternoon.

I thank you for your kind attention. (*Applause*)

The Speaker: I would now like to call Hon. Janet Mmari to give a Vote of Thanks.

Ms. Janet Mmari (Tanzania): Honourable Speaker, sir, I thank you for bestowing upon me the honour to move a Vote of Thanks to a great son of Africa. (*Applause*)

Your Excellency, Paul Kagame, the President of the Republic of Rwanda and Chairman of the Summit of the East African Community;

Honourable Members of the Council of Ministers; honourable Ministers from the Partner States; honourable Members of EALA; honourable Members of the Diplomatic Corps; Development Partners; all invited dignitaries, ladies and gentlemen. Mr Speaker, it is with a lot of humility that I stand in this august House to move a Vote of Thanks.

Your Excellency, I listened very carefully to your great address: It was moving and it threw a lot of challenge to all present here and definitely to those who will have the opportunity to read and get to know what you said.

Your Excellency, you cited the issue of peace and security in the region. Let me take this opportunity to thank you personally for the initiatives that you have taken to ensure that there is peace. We look at what is happening in our sister country of the Democratic Republic of Congo, and we all know that everything is almost running smoothly at the moment, and that there is peace. The women and children will be able to enjoy their livelihoods. We thank you. (*Applause*)

This now reminds me of the speech you gave in Germany last year where you said that peace and security is an essential item; it is an essential ingredient for people to enjoy their livelihoods. You went on to conclude that the plight of Rwanda is the plight of Africa.

Your Excellency that Speech reverberates in my mind and it actually reminds me of another great son of Africa, His Excellency the late Julius Kambarage Nyerere, who believed in the continent of Africa and said that it was not important for Tanzania to be independent unless the whole of Africa was independent. (*Applause*)

Your Excellency, when you talk of strong economic growth in the region, you touch on the very basis of our vision and mission, and what the integration of East African means. All East Africans, including those probably not living in Africa, should come together and ensure that we build a strong socio-economic and political Community, which will be the envy of everybody.

It is important to underscore this because when you look at the region, we are poor. We have always been counted as poor; the “dark continent”, and, for sure, we should not remain so. We have all the resources. We are rich; we just have to believe in ourselves and we shall do it. (*Applause*)

Your Excellency, you talked of regional infrastructure improvement. I wish to say that it is easier to go to Europe than to make connections to move from Tanzania to Burundi. It takes a whole day. Somebody who moves from one destination in East African can be in Europe before the other partner he was with reaches their destination in East Africa. That is not acceptable.

It is against this background that I am seriously looking at the implementation of all the projects that we have put across, particularly when you look at the Northern Corridor and the Central Corridor, which will be able to join the Partner States, including our neighbour, the Democratic Republic of Congo, which, I believe, God willing, should be one of our Partner States.

Your Excellency, you talked of environmental protection and tourism. Let me thank you personally, because you are one of the first presidents to stay in London and say we should have one single tourist destination in East Africa.

Your Excellency, all the things that you said, particularly when you now touch on the structures that we need to have within the East African Community to ensure that we achieve the mission and vision of the people of East Africa, are vital. We believe this is the time we now need to say, yes, the structures must be there, but we have to have strategies to ensure that they are erected and will function.

Your Excellency, you advocate good governance. You talked of fighting corruption and I think when you look at your country, because charity begins at home, yours is an exemplary country. You can walk with your head high saying that you are a Rwandan. We were there; we saw it and we testify! (*Applause*)

Your Excellency, the East African Legislative Assembly shares your vision, and we believe that given our responsibility, we surely need to ensure that we move Motions and enact legislations that will ensure that we actualise the vision.

Your Excellency, I know you are a man of action and very few words - (*Laughter*). And for this reason, I would not want to tire you with a lot of words. (*Laughter*)

Since you are on the driving seat now, we are promising you that we have heard you. You posed the challenges, and we will be behind everybody else to ensure that the challenges that you posed, specifically those aimed at making sure that the plans are implemented, will be done. (*Applause*)

On behalf of my colleagues, I wish now to conclude by saying that the Assembly is fully behind you, and we hope that this will not be the last time that you visit and address the Assembly. We hope when we invite you, you will find time to be with us. We promise that your recommendations and directions will not be just another document on our shelves. We will definitely follow them.

Your Excellency let me once again thank you very much for having accepted this invitation. I thank you. (*Applause*)

ADJOURNMENT

The Speaker: Honourable Members, I don't think there is anything I can add to that, but to say, *Asante sana, Mheshimiwa Rais*.

Hon. Members, we have come to the end of our business today. Before I adjourn, I would like to make a few announcements. To our invited guests, there is a cocktail that will take place immediately after this session. So, I would request that you go down to the gardens.

The Members of ELA are invited down to the court for a photo session with His Excellency the President.

I now adjourn the House sine die.

(The House rose at 4.00 p.m.)