



EAST AFRICAN COMMUNITY

IN THE EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)

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

42ND SITTING - SECOND ASSEMBLY: THIRD MEETING – SECOND SESSION

Tuesday, 9 December 2008

The East African Legislative Assembly met at 2.30 p.m. in the Chamber of the Parliament of the Republic of Uganda,

PRAYER

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

The Assembly was called to order.

PAPERS

The following Paper was laid on the Table: -

(by the Minister for EAC Affairs, Rwanda, and Chairperson of the EAC Council of Ministers (Ms Monique Mukaruliza)

The Report of the Council of Ministers to the Summit for the Period 30 November 2006 to 29 February 2008.

The Speaker: Let it be referred to the Committee.

The Report was referred to the Committee on General Purpose.

QUESTIONS FOR ORAL ANSWER

Question Ref: EALA/PQ/OA/13/2008

Ms. Safina Tsungu Kwekwe (Kenya): Asked the Chairperson, Council of Ministers:

“One of the key strategies for deepening and widening the EAC integration process is the promotion of the tourism sector. Arguably, tourism attractions in the EAC Partner States, to a large extent, compliment each other, and for this reason, the EAC Development Strategy 2006-2010 has accorded it priority in order to enhance competitiveness, stimulate investments in the region, and to generate a higher level of linkages in the economy.

Strategic intervention options towards this end include the harmonisation of laws, policies and regulations; consultative meetings by sectoral committees, the development of a tourism marketing plan and strategy; facilitation of cross border tourism in order to make EAC a single tourism destination; running joint program development of a sustainable financial base, etcetera. However, if not well planned and implemented, these strategic efforts may be interrupted by global key challenges facing the sector, namely: the high marketing costs and fierce competition from other formidable competitors in other regions.

Therefore, could the honourable Chairperson, Council of Ministers, while having regard to the imminent coming into force of the EAC Common Market:

- 1. Update this august House on the efforts aimed at enhancing cooperation of the Partner States in this sector in order to promote the industry and to maximise gains;*
- 2. Inform this august House whether the Sectoral Committee has engaged any consultative meetings, and whether they have made any binding resolutions since its inception?”*

The Minister for EAC Affairs, Rwanda, and Chairperson, EAC Council of Ministers (Ms Monique Mukaruliza) (Ex-Officio): Mr Speaker, tourism has emerged in this decade as a central pillar of the service economy and it uniquely helps society to respond to the global challenges we face. Tourism has experienced continued growth and deepening diversification to become one of the fastest growing economy sectors in the world. Modern tourism is closely linked to development, and encompasses a growing number of new destinations.

In the recent past, global tourism has been directly affected by a variety of unforeseen incidents that have affected the patterns of growth and development of the industry worldwide. The tourism industry and those employed directly and indirectly in the industry have faced bitter uncertainty and vulnerability as a result of terrorist attacks, health crises, security scares, natural disasters, and etcetera. From these negative events, some destinations become losers and others winners. Research and experience have proved that tourism has inherent strengths and resilience that few other economic activities can match, so it is not that people will stop travelling altogether, but rather that they change their travel habits. However, it is believed that most tourists have relatively short memories and will resume travelling when they feel the immediate threat has passed. As a result, history suggests that disasters tend to have no lasting impact on

tourist flows. For example, the terrorist event in Nairobi, Dar-es-Salaam and Mombasa had no long term impact on tourist flows. After three years, it picked up again.

Other global key challenges facing the sector, especially in our region, as pointed out by hon. Kwekwe include the high market costs and fierce competition from other formidable competitors in other regions. Challenges include major shift or changed consumer demand where hatred or conscientiousness prevails as many tourists await discounted rates, being conscious of long haul trips and becoming more cost sensitive of value for money.

Mr Speaker, effort aimed at enhancing cooperation of the Partner States in the sector in order to promote the industry and to maximise gains include the following:

1. Development of a Tourism Marketing Plan and strategy:

A tourism and marketing plan and strategy has been developed and incorporated into the EAC Development Strategy 2006-2010, and it is currently under implementation. The Plan's focus is on the establishment of an East African Tourism and Wildlife Coordination Agency, which will be the marketing arm for the Community, and will coordinate all tourism activities, as well as being the centre ground for public and private partnerships. The interim board will establish the East African Tourism and Wildlife Coordination Agency, which comprises directors of Tourism and Wildlife, heads of the tourism boards, representatives of the private sector and the EAC Secretariat met and developed the draft manual of operations, and the draft protocol for this agency. The two operational documents for the Agency were considered by the ministers responsible for tourism on 1 November 2008, who forwarded the document to the legal department for appropriate action.

2. Marketing the region as a single tourist destination:

The EAC Secretariat has managed to work with Partner States and organisers of the big international tourism fairs like the International Tourism Fair in Berlin and the World Travel Market in London. This has been under implementation since March 2007. The Secretariat is currently negotiating with the World Travel Market and the International Tourism Fair organisers to work out logistics for a common stand for all the EAC Partner States in future travel fairs. Plans to start promoting the region to the virgin markets like China and Japan are already underway. To date, all EAC Partner States are close to each other in both the International Tourism Fair and the World Travel Market. Ministers responsible for tourism have agreed that by the year 2010, the region should be branded as a single destination, and all the countries should be under one roof in the international fairs.

3. Road Shows:

Mr Speaker, regional tourism road shows are being planned. They will be held on a rotational basis. The Secretariat has set aside some money in this financial year for the planning committee that will do feasibility studies for the first regional tourism road show. However, the heads of the tourist boards have considered the idea and proposed

that the committee should access the feasibility studies of upgrading some of the road shows that are being done in the Partner States rather than starting afresh. The committee will start working in January 2009, and will finalise its report by March 2009. The committee will also work out the feasibility studies for the regional tourism fairs for local and international buyers.

On the Tourism Crises Management Plan, in view of the greater uncertainty and vulnerability of the tourism industry, the heads of the tourist boards recommended that a comprehensive tourism management plan to halt crises and risk in the sector be prepared. It will be more informative, requiring all stakeholders to give full attention to different types of crises and related risk management in the following four stages: awareness of risk reduction, planning or readiness, response and, recovery. These activities are included in the next financial year 2009/2010.

On the consultative meetings by sectoral committees, the Sectoral Committee on Tourism and Wildlife has already held ten consultative meetings from its inception in the year 2000, and it has made recommendations, which have led to several binding decisions by the Council of Ministers. Progress so far made in promoting the industry and maximising its gains as highlighted in the answer to the first part of the question is a result of consultative meetings by various working groups, subcommittees, and the Sectoral Committee itself.

Mr Speaker, various decisions made in this area have been endorsed as decisions of the Council of Ministers. They include: firstly, the establishment of the East African Tourism and Wildlife Coordination Agency, an agency that will take the lead in the implementation of overall tourism marketing plan and strategy; secondly, the preparation and implementation of the EAC standard criteria for the classification of hotels and other accommodation facilities, an activity which is on going. The road map for the classification of hotels and other accommodation facilities in the region will be presented to the Sectoral Council on Tourism and Wildlife in January 2009, for consideration. Thirdly is the issue of the treatment of East Africans using accommodation facilities and visiting attractions in Partner States. Partner States were urged to have the decisions fully implemented by June 2009; fourth is the arrival and departure cards; fifth is the implementation of the East African Tourism and Wildlife marketing plan and strategy; sixth is the participation in the international travel market to jointly market and promote East Africa as a single tourist destination; and finally, the establishment of centres of excellence and jointly addressing the costs of training and explore ways of making fees affordable based on a unified structure for East Africans.

Mr Speaker, the Council decisions and their implementation status in the sector were reconsidered by the Sectoral Council on Tourism and Wildlife Management, which was held on 1 November 2008 in Arusha. The Sectoral Council on Tourism and Wildlife Management took note of the implementation status of the Council decisions, and urged the Secretariat and Partner States to expedite the implementation of ongoing activities. Furthermore, the Sectoral Council urged the Secretariat to convene a special Sectoral Council that will fast track the introduction of a single tourist visa, harmonisation of laws,

marketing the EAC, branding, concessional park fees and funding to make the EAC region more competitive. This meeting is scheduled for 19 to 22 January 2009 in Kigali, Rwanda. I thank you. (*Applause*)

Ms. Kwekwe: Mr Speaker, I would like to congratulate the Chairperson, Council of Ministers for her elaborate answer. However, I have two supplementary questions: One, the Minister has given us details of the kind of activities that are being done at the sectoral committee level. I would like to know the specific actions that are being taken to develop and promote other tourism products other than the already existing ones. In mind I have conference tourism, cruise tourism, sports tourism and cultural tourism. This is because this region has a large potential for these kinds of tourism.

Secondly, the chairperson has told us about exploring the virgin markets of China and Japan, but what is specifically being done in East Africa to market East Africa to East Africans apart from the road shows?

Ms. Mukaruliza: Mr Speaker, on specific action to develop and promote the tourism sector, as I have already stated, there is the establishment of the East African Tourism and Wild Life Coordination Agency, and this agency will take into account all the aspects in the tourism sector to be developed and promoted. And all these proposals made by the hon. Kwekwe will be included in the next marketing plan.

For the second question on marketing EAC to East Africans, this agency, when it is functioning, will also make plans on how this marketing will be done. But all this will be included in the next marketing plan.

Dr. Fortunatus Lwanyantika Masha (Tanzania): Mr Speaker, I wish to thank the Minister for the comprehensive statement she has made; I have a couple of questions to ask. Since she is planning an agency for tourism and wildlife and all the other good things she has stated, would the Minister assure the House that in the foreseeable future - and preferably before this agency goes into operation - a Bill will be brought to the House so that it operates with a legal mandate from the House?

Secondly, if I heard her correctly, there is a protocol being discussed to deal with tourism; would the Minister tell us why she sees the necessity of the protocol instead of bringing a Bill to the House on the same matter.

Ms. Mukaruliza: Mr Speaker, on the first question, a Bill has already been introduced to this House by way a Private Member's motion, and the Council will support it. (*Applause*)

On the second question, the protocol is a policy document which is an integral part of the Treaty and the Bill emanates from the policy. We cannot bring the Bill before we adopt the policy. I thank you.

Mr. Clarkson Otieno Karan (Kenya): Mr Speaker, I am happy to learn of the commitment the Minister has given to the House, but she is aware that recently a son of East Africa was elected the President of the World, and as such, East Africa will be a hot tourism destination area. What specific steps is the Council of Ministers taking to ensure that this Bill on tourism is fast tracked and passed as a matter of urgency so that East Africa can capitalise on the gains of tourism within the next five years? (*Loud Consultations*)

Ms Mukaruliza: Mr Speaker, it will be discussed in the next meeting of the Council of Ministers, and then in the next session of the Assembly in February, we hope we shall discuss the Bill. (*Applause*)

The Speaker: Is hon. Karan proposing that Lake Victoria be named after him or what? (*Laughter*)

Mr Abdallah Mwinyi (Tanzania): Mr Speaker, I want hon. Karan to clarify what he meant by the “President of the World”. I am not aware of any individual or any office of President of the World. Is he deceiving this assembly? (*Laughter*)

Mr Karan: Mr Speaker, I do not expect that kind of clarification to be sought by the hon. Member because he knows exactly what I am speaking about. (*Laughter*)

Mr Mike Kennedy Sebalu (Uganda): Mr Speaker, I want to thank the Minister for her response, but there is something regarding enhanced tourism within the East African region that I want to seek more clarification about from her. We are in the process of negotiating a common market, and one of the touchy issues there is the freedom of movement, which, in my view, is a facilitating factor if we are to tap the full potential of tourism within the region.

The East Africans would want to move to any part of East Africa with minimum restrictions or inconveniences through laborious procedures. So, how is this going to be done sooner than later such that even tomorrow or the day after, the East Africans can benefit from free movement, and in so doing enhance tourism so that before we look at the potential from Europe and other places, we get our people to understand and know their region? I believe that the advent of the European Union has enhanced Europe’s tourism potential within Europe because people move freely within Europe; our numbers are just complimentary. How do you intend to see this done sooner than later as a way of boosting tourism, especially domestic tourism within the region?

Ms Mukaruliza: Mr Speaker, we agreed that in order to enhance tourism in the East African Community, we need free movement of persons within the East African Community. But as Members of this House are aware, we are trying to speed up the negotiations on the establishment of the Common Market, and it is expected that the Common Market will be implemented by 2010. Hopefully by 2010 we shall have free movement of persons, which will enable East Africans to move freely and enhance tourism in the East African Community.

Dr George Francis Nangale (Tanzania): Mr Speaker, I commend the Minister for elaborating and highlighting how the EAC is trying to enhance cooperation between the EAC Partner States towards East Africa becoming a single tourist destination. Can the Minister inform this House why the border post of Gologonja, which links the Maasai Mara in the North and Serengeti National Park in the South, is still closed since 1977? *(Laughter)*

Ms Catherine Ngima Kimura (Kenya): Mr Speaker, I just want to supplement the question by hon. Nangale. Bearing in mind that the migration of the wildebeests between the Maasai Mara and the Serengeti has been designated as the Eighth wonder of the world, I would like the Minister to take into consideration this as she responds to this question. It is a heritage for this region.

Ms Mukaruliza: Mr Speaker, all those issues are on the agenda of the Sectoral Council meeting, which will take place in January 2009. Maybe we shall report on the progress in the next session of the Assembly in February 2009.

The Speaker: I think that is fair; maybe we can get the answers to those issues in February.

Question Ref. No: EALA/PQ/OA/13/2008

Ms. Safina Tsungu Kwekwe (Kenya): Asked the Chairperson Council of Ministers:

“Culture, heritage and proper documentation are areas which ought to provide the longest and strongest links between the EAC Partner States. Could the Chairperson of the Council of Ministers tell this August House:

a) How much longer will it take for the EAC protocol on sports and culture to be concluded;

b) What steps have been taken so far (if any) to consolidate a regional databank of the cultural artefacts and other items of national heritage to the Partner States that were taken away from the region, either by colonialists, art collectors or others? What steps are being taken to repossess/repatriate them?

c) Whether there are any steps to consolidate the national archives of the Partner States into a regional network for ease of reference?”

The Chairperson, Council of Ministers (Ms Monique Mukaruliza): Mr Speaker, under Article 119 of the Treaty for the Establishment of the East African Community, the Partner States have agreed to promote culture and sports through the promotion of cultural activities including fine art, literature, music, dance, performing arts and other artistic creations, the conservation, safeguard and development of cultural heritage, historical materials and antiquities.

At its ninth meeting, the Council of Ministers approved the establishment of the East African Culture and Sports Council. A task force was constituted by the Sectoral Council on Education, Science and Technology, Culture and Sports to undertake the task of drafting a protocol to establish the culture and sport commission. The task force began its work mid 2007 by collecting, comparing and analysing the Partner State policy documents on culture and sports. A draft protocol was compiled and a national consultation process was conducted. Views of a wide spectrum of stakeholders were captured. A regional taskforce studied all the input from the national consultations and the second draft was produced.

At its fifth meeting held on 23 May 2008, the Sectoral Council on Education Culture, Sports, Science and Technology considered the Draft Protocol for the Establishment of the East African Culture and Sports Commission. The protocol was referred to the Partner States for further input. The draft protocol will be submitted to the next ordinary meeting of the Council of Ministers on 27 February 2009 for approval before being submitted to the Partner States for ratification. The process of ratification falls within the jurisdiction of the Partner States. Mr Speaker, as of now, there is no regional data bank that captures the recovery of the artefacts taken out of the region. However, when fully constituted, the culture and sports commission will put in place mechanisms to fight illicit import and export of culture and sports materials and products within the region and to combat piracy and other crimes related to intellectual and property rights. This is in pursuance of Article 6 of the Draft Protocol on Culture and Sports.

I should also add, Mr Speaker, that, the Commission will also work within the confines of the provisions which were adopted at the 16th Session of the United Nations Education, Science and Culture Organisation Convention (UNESCO), which was held in Paris on 14 November 1970. The general conference of the UNESCO adopted the convention on the means of prohibiting and preventing the illicit import, export and transfer of ownership of cultural property.

Mr Speaker, furthermore the Commission will be expected to implement recommendations made during the 32nd Session of the UNESCO meeting held in Paris from 29th September to 17 October 2003. At that meeting, UNESCO considered the importance of the intangible cultural heritage as a main spring of cultural diversity and a guarantee of sustainable development as underscored in the UNESCO recommendation on the safe guarding of traditional culture and folklore of 1989.

In the UNESCO Universal Declaration on Cultural Diversity of 2001, and in the Istanbul Declaration of 2002, which was adopted by the Third Round Table of Ministers of Culture, considerations were made on the interdependence between intangible cultural heritage and tangible cultural and natural heritage; the phenomenon of intolerance, the grave threat of deterioration and the disappearance and disruption of intangible cultural heritage in particular owing to the lack of resources to safe guard such heritage.

In addition, the Commission will be required to observe and take action on the decisions taken during the 17th Session of the UNESCO General Conference, which took place in

Paris from the 17th – 31st of October 1972, where natural heritage was deemed to include such things and monuments. These include architectural works of monumental sculpture and painting, elements or structures of archaeological nature, inscriptions or cave drawings, and a combination of features that are of outstanding universal value from the point of view of history, art or science.

Mr Speaker, when ratified and fully functional, the East African Culture and Sports Commission, in collaboration with the Partner State organisations responsible for national archives will work out modalities to put in place a regional network which will, *inter alia*, develop a comprehensive programme of survey of art, craft, music and dance materials in the region for the purpose of popularizing them in the region through performance, exhibitions and the media.

Secondly, the Commission will also develop a comprehensive research programme into customs, traditions, beliefs and indigenous knowledge in order to identify and promote those customs, traditions and beliefs and indigenous knowledge systems, which are positive to social, political and economic development. And finally, the Commission will form a regional committee for liaising, coordinating and the promotion of art, indigenous knowledge and cultural activities at the regional level.

Apart from the above objectives, the Commission will go beyond traditional modalities with a view to establishing what the Partner States can jointly undertake in areas of art and culture, and develop an advocacy strategy for culture in the Community, implement comprehensive capacity building plans, including adoption of new technologies for practitioners of culture. I thank you.

Ms Safina Kwekwe Tsungu (Kenya): Thank you, Mr Speaker. I again applaud the hon. Chairperson of the Council of Ministers for her quite comprehensive answer. I only have three supplementary questions, and they are very short. Firstly, is the hon. Minister aware that today in Amsterdam you can watch the entire Eighth Wonder of the world, which is the great wildebeest migration between the Maasai Mara and the Serengeti ecosystems, the elegant Maasai dance, and everything in East Africa on the screen? Is she aware of the repercussions of that to the tourism industry and the infringement it causes to the intellectual property rights of the EAC?

Secondly, is the hon. Minister also aware that in 2007 two ornamental artefacts from the East African region, one of them being a snuff box from a tribal chief of Siyu, which is an island in Lamu, was auctioned in China at the price of US\$ 85,000 and that a collection of drinking horns of the Dawida tribes - that is also another tribe from the coast of Kenya – was also sold in Europe at over US\$ 1 million?

Mr Speaker, I am asking this for a purpose. The import of this is the loss that the East Africans are suffering because of the loss of their artefacts, which are scattered all over the world and East Africans cannot access them or lay claim to them, as it were.

Lastly, the Minister said that there is a protocol on culture, which is almost coming to a conclusion, so can she confirm to us that when this protocol is in place, a bill will soon follow so as to give legal impetus to this matter? I thank you.

Ms Mukaruliza: Mr Speaker sir, as I have already stated, a mechanism to fight illicit import and export of culture and sports materials and products is being put in place, and honourable members who have information on any illicit export of cultural or sports materials from the East African Community should avail this information when the time comes.

For the snuff box auction, this will be addressed on the basis of the UNESCO convention establishing the repatriation of these materials exported illicitly, when it is possible. But a mechanism to fight these illicit imports and exports will address all these issues raised by the hon. Member.

For the last question, after this protocol is ratified, of course a Bill will be prepared and brought to this august House for enactment. I thank you.

Dr Didas Masaburi (Tanzania): Mr Speaker, I would like to thank the Chairperson for the good answers, but I have a request in the form of a question. Recognizing that the EAC has a long history from very far back to before we even got independence and that *ukiona vinaelea vimeundwa*, which implies that if we see what we are currently having, there are people who had their mind behind it, doesn't the Minister think that it is high time we praised those who started this idea, one of whom is Mwalimu Nyerere, who should now be promoted to be the father of East Africa instead of father of the Tanzania nation?

Ms Mukaruliza: Mr Speaker, the Council of Ministers agrees with the proposal, and it will look at it at the appropriate time. (*Applause*)

Dr Aman Kabourou (Tanzania): Mr Speaker I want to thank the Minister for the excellent answers in regard of the cultural aspects of East Africa. I only have two points; I don't know if they are questions, but since the protocol is still under way, would the hon. Minister consider the institution of a carnival - the kind of thing that people travel thousands of miles to go and attend in Brazil, England and elsewhere - as a tourism attraction? And if that is possible, then we should designate a specific area, and in this case, Caiman. Some of my friends around here have suggested that Kigali should be the carnival centre of East African cultural events. (*Members rose*)

The Speaker: I think hon. Kabourou's was just a suggestion. I think we can now go to another question. I do not think that was really a question.

Mr Leonce Ndarubagiye (Burundi): Mr Speaker, I also wish to join my voice to those who have expressed their gratitude for the answers given by the Chairperson of the Council of Ministers. I just wanted to ask a very small question. You all know that tourism goes hand-in-hand with security; where there is insecurity, tourists do not go. So,

I wanted to know if the Minister is aware that Burundi has now been graded among the countries that have become very secure, especially after the signing of the last agreement, which was sponsored by His Excellency President Museveni and other regional leaders so that Burundi is now secure? *(Applause)*

I take this opportunity to express our gratitude to the countries of the region that showed solidarity with us. Thank you very much. Hon. Minister, if you are aware, inform the world that Burundi is now secure. I thank you - *(Applause)*

The Speaker: I think that was information, and the Minister has taken it.

Mr Gervase Akhaabi (Kenya): Mr Speaker, whereas I thank the hon. Minister and Chairperson of the Council of Ministers for her answers to the substantive question asked by hon. Kwekwe, may I know from her if the Council has any plans for cultural activities or cultural interactions within the EAC, taking into account the fact that the EAC consists of people of more-or-less the same culture, cultural background, or social background? Could the Minister assure this House that the EAC, even before the establishment of the commission that she has talked about, is going to start a process of integrating the people of East Africa through culture so that they know that they belong and that they have a common cultural heritage?

Ms Mukaruliza: Mr Speaker, even before the establishment of this commission, the EAC has already started the process of integration by organising sports competitions between secondary schools in the region. The Sectoral Council will sit and draw a timetable for exchanges that can be made within the framework of sports and culture in the integration of the EAC. It has however already started. *(Applause)*

Mr Akhaabi: Mr Speaker, I want to thank the Minister for the answer she has given, which is centred on Article 119(c) of the Treaty. I appreciate the steps being taken to develop a protocol, but while that is going on, and in line with Article 119, there is need to promote cultural activities, including art, literature, music, performing arts and so on. So, would the Minister, in her budget speech for the next financial year, make specific provision for finances for the activities enumerated in Article 119(c)? Will we see specific resources going into the promotion of these activities in your budget?

The second question is: will the Minister consider the establishment of an East African cultural centre -possibly building on the Nyerere Foundation and expanding it- a place where the culture of East Africa...where we can all meet in order to belong to a common identity? Will the Minister consider this as a long term measure?

Ms Mukaruliza: Mr Speaker, on the first question, as the sports and cultural activities are already in the EAC Strategic Plan for 2006-2010, a budget to promote sports and cultural activities will be considered in the next budget of 2009-2010. For the establishment of a cultural centre, consultations on this matter are ongoing with Partner States, and the Ministers for Culture will consider it in their next meeting. *(Applause)*

The Speaker: Next question.

Question Ref: EALA/PQ/OA/15/2008

Ms Catherine Kimura (Kenya): Asked the Chairperson, Council of Ministers: _

“The need for the EAC to provide adequate and reliable transport infrastructure is key to attracting investment into the region, improving competitiveness and promoting trade. A revitalised railways system as one of the options could therefore bring substantial benefits to the region, particularly for long distance and bulky transportation of goods as well as facilitating passenger transport. The finalised EAC Railways Master Plan, which is currently being renewed to also include the Republics of Rwanda and Burundi, takes cognisance of these facts. Therefore, could the Chairperson of the Council of Ministers inform this august House of the following: -

- 1. The routes prioritised in this project*
- 2. Whether the plan includes rehabilitation of old routes, reopening those that were closed and opening new routes that run parallel to the major EAC highways in order to provide access for heavy goods;*
- 3. Whether a comprehensive concession process is underway.”*

Ms Mukaruliza: Mr Speaker, the East African Railways Master Plan aims at evaluating the current and potential demand for railway infrastructure and services, particularly with respect to trade and regional development. It aims at reviewing the current railways capacity and planned improvement, to establish the gap between the capacity and requisite railways infrastructure and services that will be able to cater for future demand, and to propose a railways development strategy and master plan for the next 25 years that would enable the closing of the gap, and developing the required level of infrastructure and services needed to make maximum contribution in facilitating and catalysing more robust regional trade and economic development.

The master plan is currently under preparation by a reputable international firm, the CPCS Transcom of Canada, which was selected through an international competitive bidding process. The draft final report was submitted in June 2008 and circulated to Partner States, relevant ministries and agencies for review, and a meeting of experts was held in November 2008 in Arusha to validate the findings.

The consultant is currently preparing the final report, which will be presented to the Council of Ministers for approval, and later to the Summit of the Heads of State for adoption. Thereafter, a stakeholder’s conference involving key players in the transport sector will be held in order to obtain broad acceptance of the proposal and recommendations contained therein, and to source for funding commitment for the sub project identified.

Mr Speaker, the master plan covers the existing and proposed railway networks in all the five Partner States of the EAC, and includes the following main lines and branch lines: For the main lines, we have the Mombasa-Malaba in Kenya and Malaba-Kampala-Kasese

in Uganda and it has 590 kilometres. The second main line is the Dar es Salaam-Tabora-Mwanza and Dar es Salaam-Tabora-Kigoma in Tanzania. The third main line is the Dar es Salaam-Mulimba-Tunduma in Tanzania operated by the Tanzania-Zambia Railway Authority (TAZARA).

For the branch lines, we have in Kenya the Taveta-Nanyuki-Magadi-Kisumu branch lines of which the Taveta line is inactive. In Uganda, we have the Gulu-Pakwach branch which is currently inactive and in Tanzania we have the Tanga-Moshi-Arusha branch which is partially active.

The proposed new lines include Ishaka-Kigali and Bujumbura which is currently under a study. Other proposals include the Kasese-Kisangani line, the Lamu-Juba line and the Gulu-Nimule-Juba line, among others, all of which are still at conceptualisation stage.

The master plan includes several options for the improvement of the railways systems, including the following:

- (a) In the short term, the biggest single focus should be the removal of temporary speed restrictions which have hitherto caused slow speeds and long turn around times of trains. The speed restrictions have been imposed to reduce the incidences of derailment caused by poor state of infrastructure foundation, tracks and sleepers.
- (b) Secondly, within ten years, focus should eventually be to increase axle loads. This would be achieved by replacing the existing railway tracks with those of higher bearing capacities; that is from those weighing 80 pounds per yard to 160 pounds per yard.
- (c) Within the next 15 years on the main lines, plans will have to be put in place to further increase traffic capacity by installing a more effective train control system and upgrading signals and telecoms. Investment in equipment with modern capers and higher carrying capacity will also be required in the longer term to accommodate the projected demand.
- (d) The ultimate goal will be to convert the gauge of the current system from one metre to standard gauge which is 1.4 metres which is in use internationally. The standard gauge has benefits in terms of higher traffic carrying capacity, better availability and lower cost of equipment resulting in operating cost savings. However, a cost benefit analysis would have to be carried out to determine if the benefit would outweigh the capital cost estimated to around US \$ 28 billion for the entire network. This will require a comprehensive feasibility study.
- (e) Finally, the railway network should be expanded where feasible to meet the needs of the growing economy of East Africa. In this regard, the plan has identified over 20 new links to close the gap between actual and potential contribution of the sector to the development goals of the EAC region.

With regard to concessioning, it has been generally accepted that the current arrangement has not resulted in the expected increase of cargo and passenger haulage because the

private companies have failed to provide the requisite investment in the ventures, and as a result, the envisaged funding for infrastructure development from World Bank has not been realised.

Regardless of the outcome of the current privatisation process, there is a need for the development of a model railway concessioning agreement that would comprehensively address all issues and leave no room for ambiguity. There is an initiative for developing these documents under a tripartite arrangement between EAC, COMESA and SADC secretariat. The funding of this study has not yet been secured. I thank you.

Ms Kimura: Mr Speaker, I want to thank the hon. Minister for a very comprehensive answer to the questions raised, although some of the ones raised specifically were not alluded to. However, I have two or three supplementary questions.

The hon. Minister has said that while the current capacity is being reviewed, the railways master plan will be in place in the next 25 years. That, I believe, is long term, but what we are looking for is benefit that can be derived by the people of East Africa as we move to the Common Market, because without a functioning infrastructure within the region, the benefits that will be realised will be very minimal. It would therefore be interesting for the Minister to tell us how we intend to take advantage of the issues that are being addressed in this master plan in the medium term.

The hon. Minister has also said that the master plan aims at improving the existing networks, particularly the main lines, namely; Mombasa, Malaba, Kasere, Tabora, Kigoma. We are aware that in Kenya and Uganda, there is a joint railway concession and in Tanzania there is a concession as well of these main lines. My question is: how do the improvements that are anticipated fit in with the current concessions?

Also, the Minister has said that in the next 15 years, there will be need to increase the capacity and to upgrade the signals and IT systems. I wish to put it to the hon. Minister that the issue of signals within our railways system is very critical because we have an antique signal system which we know has caused accidents here and there. We want to know how this issue is being addressed either within the master plan or within a review of the concession that already exists.

There should be consideration, as you move towards this, for a regional infrastructure commission that will prioritise some of these issues so that you take the issues of the region in a holistic manner.

Ms Mukaruliza: Mr Speaker, for the short term, rehabilitation will be undertaken, and for the short term to medium term, investment, which includes strengthening of bridges, slippers and removal of sharp curves. The overhaul of the management of these railways is also on-going, and further, the Partner States are evaluating the concessions.

For the signals, investment in ICT systems will be studied. For example, broadband network cables will be laid. I thank you.

Mr Augustine Chemonges Lotodo (Kenya): Mr Speaker, I would like to ask the Minister: one of the biggest problems we have in planning for infrastructure is unbalanced planning. I would like to give an example of the Northern Corridor. When you come from Wajir, Isiolo, to Mbale, Moroto and Soroti, the area is connected. For example, there is an airstrip in Soroti and they are planning a major airstrip in northern Kenya. There are a lot of minerals and wildlife in this area. Can the Minister ensure or promise that the proper planning will be done because when you see the networks in the master plan, some areas in East Africa are just left out. Can I get a commitment that those areas will be included in the final master plan?

Ms Mukaruliza: Mr Speaker, the Council of Ministers has already made a decision towards a comprehensive transport development strategy for the East African Community to incorporate marginalised areas of the region. The process is ongoing, and the idea is to include all the regions of the East African Community.

Mr Dan Kidega (Uganda): Mr Speaker, I would like to thank the Minister for her very comprehensive answer. I would also like to thank hon. Kimura for posing this pertinent question. I would like to find out from the Minister whether she is aware that as we sit right now, about 35 million East Africans, mainly from the inland parts of the region, namely from Uganda, Rwanda, Burundi and parts of Eastern Congo, are acutely suffering due to lack of petroleum products? And is she aware that this is due to the bad infrastructure we are enjoying, and not only that but also because of the bureaucratic administration along the structures ranging from too many roadblocks on the way to too many weighbridges, which has led to so much suffering of these people to the extent that the goods of our traders have expired on the way; that they have lost massive sums of money in form of expired products due to this bad administration? Can the Minister give hope to East Africa that in the shortest possible time, this matter will be dealt with?

Ms Mukaruliza: Mr Speaker, in building institutions and organisations, one may encounter a lot of hitches such as bureaucracy and non tariff barriers, and some of the problems can never be foreseen. The Council has prioritised the development of the oil pipeline from Eldoret to Kampala, Kigali and Bujumbura. The project has been commissioned for implementation. We are also developing a multi-model transport system to address all these issues – *(Applause)*.

Dr. Odette Nyiramilimo (Rwanda): Mr Speaker, I would like to thank the Minister for the responses she has been giving, but I have a question on the issue of transport.

When she was explaining about the export oriented economy that our region is planning, the majority of the routes she talked about are indeed localised in Kenya, Uganda and Tanzania. It is understandable, because the three countries have been in the Community since some years ago, but there is only one road - the one from Ishaka - to Kigali and Burundi. In the new master plan, have they now developed other roads from some other parts of the EAC Partner States to Rwanda and Burundi, and throughout the two countries like we have heard is the case in the other three countries?

Secondly, there was a study done, which I think was funded by the Africa Development Bank, for the railway line from Ishaka to Kigali and to Burundi. I would like to know how far they have gone with it, and whether it was an EAC study or it was a project from Rwanda because I heard last year that it was ongoing.

Ms Mukaruliza: Mr Speaker, the master plan is subject to review for purposes of adequate planning following the expansion of the country membership of the East African Community. The development of all encompassing programmes in transport underlies regional development; however, the Council has already directed that all infrastructure projects be extended to Rwanda and Burundi. This is being done, and both countries have already given their priorities to the Secretariat for consideration and incorporation to the EAC project.

The feasibility study has been finalized and will be incorporated in the EAC Master Plan. Investors have already shown interest.

Ms Margaret Zziwa (Uganda): Mr Speaker. I thank the Chairperson, Council of Ministers, for the elaborate answers. I wanted to follow up on the issue of the failure of the concessioned railway. Is the hon. Minister aware that the failure of a privatized railway is continuing to affect, adversely, the peoples in the hinterland? I also want to find out whether there are punitive measures that have been taken against this Rift Valley Company, which has not fulfilled the objectives of the Summit, considering that they are now in charge of the very important properties of the persons of East Africa. Have punitive measures been taken in view of the fact that they have not adhered to the contract or the arrangement?

Ms Mukaruliza: The failure of the concessionaire is a critical matter, and it is being renegotiated at the highest level of the technical ministries. However, a detailed answer will be given in writing.

The Speaker: Next Question please.

Question Ref: EALA/ PQ/OA/16/2008

Ms Catherine Kimura (Kenya): Asked the Chairperson, EAC Council of Ministers: -

“With the anticipated coming into being of the EAC Common Market, and in the operationalisation of Articles 7(1)(c) of the Treaty that emphasizes “the establishment of an export oriented economy for the Partner States in which there shall be free movement of goods, persons, labour, services, capital, information and technology” and; 90 (f) that requires Partner States to “adopt common requirements for the insurance of goods and vehicles”; what plans are in place to harmonise insurance laws, especially for:

- a) *Motor vehicles so that once comprehensively insured, a vehicle can operate in all the EAC states without having to get extra insurance in the other Partner States of the EAC;*
- b) *Workers, especially on Workman's compensation and harmonised insurance packages for workers;*
- c) *Property – plant, buildings, fixtures etcetera, so that investors with investments all over the region can have a one stop insurance centre anywhere in the region for all their investment interests in the region?"*

Ms Mukaruliza: Mr Speaker, in the common market protocol currently being negotiated, services is one of the four freedoms contained therein; the others being labour, persons, goods and capital. Insurance falls under services, and in this area, and after considering the draft provisions for free movement of services, the High Level Task Force will seek more information to assist Partner States to deliberate on the issue.

Against this background, the EAC is now seeking to engage a team of consultants with extensive and hands-on knowledge about the state of services liberalization to expeditiously undertake a study on services liberalization in the five Partner States, taking into account the limited time frames for finalizing the negotiations of the EAC Common Market Protocol.

Mr Speaker, the study will identify, among others, commonalities and differences with regard to:-

- a) The services sub sectors that the Partner States have liberalised;
- b) Existing restrictions and discriminatory measures that could be considered for elimination to ensure free movement of services; and,
- c) Sub sectors that could be temporarily excluded on the basis of an agreed transitional period.

The study objectives are to identify restrictions to the free movement of services, explain the implications of removing and identifying the restrictions and draw up a programme for their elimination. It is expected that the study will be concluded by the end of March 2009.

Meanwhile in the road transport sector, the COMESA yellow card for transit traffic continues to be a document that is used throughout the region. However, under the Tripartite Consultative Forum between COMESA, EAC and SADAC, the three have agreed to facilitate the implementation of a harmonised third party motor vehicle insurance system.

Ms Kimura: I thank the hon. Chairperson of the Council of Ministers for that answer. I am unhappy to see that we shall have to wait until all these issues on the common market are finalized before we can enjoy comprehensive insurance from one country to the other.

I hope the Minister is aware that vehicles crossing into Tanzania, even if they have comprehensive insurance, have to pay extra third party insurance across the border, and obviously this does not enhance our trade! The Minister is saying that these issues are being dealt with under the common market agreements, but we would hope that the issues of the COMESA card vis-à-vis the other card will be addressed.

Ms Mukaruliza: People crossing the borders in the EAC with comprehensive insurance pay third party insurance if their comprehensive policies do not provide for geographical expansion to the other Partner States, but this matter is being addressed by the Council on Trade.

The Speaker: Are members satisfied with that answer; I don't see any member rising?
(*Applause*)

ADJOURNMENT

The Speaker: Hon. Members, as we have no other business before the House, I now adjourn the House until tomorrow at 2.30 p.m.

(The Assembly rose at 4.10 p.m. and adjourned until Wednesday, 10 December at 2.30 p.m.)