



EAST AFRICAN COMMUNITY

IN THE EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)

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

166TH SITTING - THIRD ASSEMBLY: FIFTH MEETING – FIFTH SESSION

Thursday, 9 March 2017

*The East African Legislative Assembly met at 2:30 p.m. in the Chamber of Deputies,
Parliament of Rwanda in Kigali.*

PRAYER

(The Speaker, Mr. Daniel Fred Kidega, in the Chair)

(The Assembly was called to order.)

COMMUNICATION FROM THE CHAIR

The Speaker: Good afternoon, honourable Members. It has been brought to my notice that we have some challenges because of the various engagement of Members in the Partner States. I am aware that most parliaments are in the process of organising elections for those who are intending to stand but I would like to appeal that let us do our best to attend plenary. I implore any person who would like to be excused to get in touch with the Office of the Speaker because the issue of absenteeism is going to be dealt with very seriously. Thank you.

PAPERS

The following Paper was laid on the Table:

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(by the Chairperson of the Committee on
Regional Affairs and Conflict Resolution
(Mr. Abdullah Mwinyi) (Tanzania)

The Report of the Regional Affairs
And Conflict Resolution
Committee on the Public Hearing
on the Pastoral Communities of
Longido in Tanzania, and Kajiado
in Kenya on the Implementation of
the East African Community
Common Market Protocol Projects.

MOTION FOR THE CONSIDERATION AND ADOPTION OF THE REPORT OF THE COMMITTEE ON COMMUNICATION, TRADE AND INVESTMENT ON THE STATUS OF THE RAILWAYS INFRASTRUCTURE AND DEVELOPMENT IN THE EAC PARTNER STATES

*(Business interrupted on Wednesday, 8
March 2017, resumed)*

The Speaker: Honourable Members, you will remember that last evening the Chair of the Committee presented the Report of the Committee, and we had reached a stage where we were supposed to begin debate.

I would like to reiterate that the motion before the House is

That the Report of the Committee on Communication, Trade and Investment (CTI), on the status of the Railways Infrastructure Development in the East African Community Partner States be adopted.

That is the motion. Debate is open. I hope the chairperson is in the House.

Mr Mulengani: Mr Speaker, I will stand in for the Chair.

The Speaker: But the trend and consistency of the Chair of CTI being late for his duties is – I am concerned about it. Debate is open. (*Interjection*)

Mr Ogle: Mr Speaker, before we proceed, I seek clarification. With a lot of respect to my good friend, hon. Mbidde, the Chair of CTI, I think he campaigned on a platform of institutional memory to return, but he appears to be continuing with his notoriety of being absent. I think we need some guidance on what this means, as it is very serious.

The Speaker: In my communication, you will remember that I raised the issue of absenteeism, and how seriously we are going to deal with it. I also want to remind members that our Rules of Procedure are very clear on when we start business. Business begins at exactly 2.30 p.m. Debate is open.

Ms Shy-Rose Bhanji (Tanzania): Thank you, Mr Speaker for the opportunity to contribute to this very important report from the CTI Committee.

I wish to start by commending the Committee of CTI for this oversight activity, which has given us a lot of insight on various issues on the railways infrastructure project in East Africa.

Mr Speaker, railways infrastructure is extremely important for development, for trade and for integration because it helps to transport our products, trade imports and exports, and it offers relief to our roads network in East Africa.

Mr Speaker, the metre gauge railways network was installed over 100 years ago and, obviously, it has become out-dated, run down, and it has not been rehabilitated. Therefore, definitely now the way to go is the installation of a standard railways gauge.

Mr Speaker, I would like to commend the EAC Heads of State for agreeing to maintain a coordinated railways services that will eventually connect the Partner States, whenever necessary, to construct additional railway lines. Once completed, this will be a huge development on the Standard Gauge Railways, which is a worldwide trend as opposed to the British design, which was all over East Africa and now it is out-dated.

Mr Speaker, I wish to take this opportunity to commend the Government of Tanzania for putting priority to the central line. Investment on the central line will give a boost to agricultural products, transform and at the same time lessen road usage. In addition, it will reduce the amount of days that the people are using through road network and through the same out-dated railway network.

Mr Speaker, the Government of Tanzania giving priority to the central line is a very welcome move, and it is definitely long overdue, given the importance and history of the central line. Mr Speaker, the Standard Gauge Railway from Ubinza to Msongati to join the railway line in parts of

Dar es Salaam as a getaway foreign market to the world is also a very welcome move.

Mr Speaker, given the fact that Burundi is a land locked country, she also needs access to the seaport. So, this will open the Eastern parts of the Democratic Republic of Congo, the Bukavu area in Congo, and it will fasten trade movements even beyond East Africa.

Again, I want to congratulate and commend the Government of Tanzania for giving priority in the railways section from Dar es Salaam to Isaka-Mwanza, Tabora-Uvinza, Kigoma, Kalua-Mpanda-Karema, Isaka-Rusumu, Kaza-Rubavu and Uvinza-Kalelema towards Musongati.

Mr Speaker, as I said before, the Standard Gauge Railways technology is a very welcome development because the Standard Gauge Railways system ensures faster speed and bigger loading capacity. For example, it takes 120 kilometres per hour passenger train as opposed to the former train system, which is 40 kilometres per hour.

Mr Speaker, for loading capacity, the Standard Gauge Railways can take 4000 tonnes as opposed to 1000 tonnes at present. This means that more trade will be conveyed through the Standard Gauge Railways new technology, thus saving the use of trucks, which damage road network.

Finally, Mr Speaker, from the report, most countries have woken up from the metre gauge to the standard gauge, and this is a very commendable move. I would like to commend all the countries of the EAC for this development, and hopefully very soon, we will start using the Standard Gauge Railway.

I would like to commend the governments of Rwanda, Kenya, Uganda and Burundi for similar plans towards enhancing the railways infrastructure in East Africa.

I fully agree with all the recommendations, especially number one and two. I beg to submit, Mr Speaker.

The Speaker: Thank you, hon. Shy-Rose.

Dr James Ndahiro (Rwanda): Thank you, Mr Speaker. A container from China to Dar es Salaam costs US\$1,800 in terms of transport, but lifting it from Dar es Salaam to Kigali costs US\$ 5,200. You can imagine the cost of doing business in this region.

We should actually ask ourselves what killed the railways system that existed in the 1970s and 1980s. Honourable Members, we are told that railway transport was instrumental in our economic development around that time, and that it carried over 80 per cent of our goods. However, it was in that same period that we embraced structural adjustment programmes from the World Bank and the IMF.

In that model, governments were required to exit from business and anything related to business with no other alternative. The Africans then had no means to acquire those public parastatals and invest in them. That is when we started seeing the closure of major industries and transport systems like the railways.

Before that, actually Africa was properly linked. We had railway systems from South to North. 10 years after, the rails and other metallic - or anything related to metals was taken to people's houses. They were making other things out of them. We destroyed our own railway system.

At the same time, because the Africans lacked the equity required or the resources, the elite went into road transport. They were the owners of big trucks, and in doing that, they totally buried the railways system. They were powerful economically and they were powerful politically.

Whatever we do, we should always be assured of our policy space first. Embracing

these models sometimes not designed for our own benefit has proved difficult over time. It was only recently that the World Bank, again putting restrictions on the road transport - because we run to them to secure funding to construct the road transport systems - sat back and said, you know what, we think you are even over loading your trucks. Now we are forced to ensure that the amount of cargo that we carry does not exceed certain weights. Tomorrow, who knows? They might be saying that you cannot drive on the same road with 10 trucks a day. They will only allow two trucks a day.

The reason I am saying this is that we should learn to build our systems ourselves, own them and manage them. Railway transport is not a sophisticated business. We all know that those people who built these railway systems before were very few, but they used our people and they were very fast.

I heard a story – maybe hon. Mwinyi will bear me witness - that there was a railway in Tanzania that was built in one year. They built 1000 to 1500 kilometres in one year, and the technology then was that people were using hands but now it takes us 10 years to think about the project, to look at the design, apply for loans left and right!. One comes to do the design of this, another one comes to do the topography – we do not empower our people to do these things. This is not rocket science.

Why is it that 50 years down the road we still cry for best skills in engineering? I think it is important that skills development is given a lot of attention in our region because even when the Chinese come and build these railways, they will go. Who will maintain them?

Mr Speaker, in the Second EALA we proposed a Bill on privately funded infrastructure. The Council of Ministers promised to look at it and bring it to the House. The information I have is that the

relevant department changed that Bill into a framework instead, and in that framework, they only picked things they wanted and then kept quiet. They never came back to us. We do not know how it is being done, but I learnt that the principle of maintaining 40 per cent of local skill or involving local companies was being used. So I ask, under which legal framework?

This is important, because if we want ownership of our infrastructure, we need to incorporate the transport people. Those involved in trucks should be part of that system so that we avoid a conflict between road transporters and eventual railway users.

This region has embraced a public-private partnership policy, and every head of state is talking about that but how do we, in reality, institutionalise it? One way of doing that is by including business people in the development of the railways infrastructure, as either part owners, operators, or both. Now we are going to be faced with a problem of developing a railways infrastructure, have other people come and operate them, and the whole sector becomes alien to us. And when it becomes alien to us, it is very difficult to protect it.

When we visited the Republic of Kenya, we actually witnessed and saw that the skills available in the region are enough. We only require clear policies, organisation and working together. There is no reason why, after embracing a regional infrastructure policy that every Partner State should be training separately. It has become a sovereignty issue. There are so many initiatives to develop together.

I remember we attended one infrastructure summit in Nairobi, and we saw very good linkages in the region. We saw good plans, but when you look at their development, it is coming down to bi-lateral relationships. Is this the integration that we want? Can the Council of Ministers look at these issues, come back, and let us know what is

happening? If development is going to take a bi-lateral route, then we should likewise adapt our integration accordingly. But if we are still on course, we should fight tooth and nail to remain regional.

We are the Parliament, yet we have no ability to persuade decision makers. It is through the Council of Ministers that our recommendation reaches the Summit.

It is known worldwide that for any development in the railways infrastructure... you will remember that even after the destruction of Europe, when they introduced the Marshall Plan, the first priority was railway transport. Now railways in Europe have become a mass product.

I have heard conversations in different meetings....even in Kenya people are saying, you know what, railway transport is not going to be popular because passengers are not likely to use railways. Who told them that? We have not seen comfortable railway linkages - speed trains and people refuse to use them? It is until we put them there and we operate them that people will use them.

We are witnessing many traffic jams in our cities. A city like London transports around 2.7 million people daily, underground. Is it rocket science? But we are comfortable to sit in a car and wait for four hours in a jam and we pretend that we are educated. You are educated, and yet you sit in a jam for six hours and you have no solution?

The lucky ones have the motorcycles that go in front of them. What are they called? We should even ask the Council of Ministers to remove those things, to ask Partner States to abolish them because those people who are supposed to think about the solutions are comfortable. *(Applause)* They do not face traffic jams. I think we should all sit in those traffic jams until we get solutions. Maybe we can only exonerate the heads of state but the rest, no.

Honourable Members, I think regional infrastructure programmes are there on paper but they are lacking in spirit. We have had national governments trying to organise, but we have not had a Summit, following the other one in Nairobi, to review how far they have gone.

Landlocked countries like Burundi, Rwanda - and maybe later on South Sudan - can only benefit or celebrate when we have an excellent transport system that is efficient, effective, and we are able to lower the cost of doing business.

Mr Speaker, it is very difficult for landlocked countries to engage in heavy industries because sometimes the raw materials for heavy industries are too heavy. If we are to develop and industrialisation is one of our only means, then we need to find a solution to ease transport, make it efficient, make it cheap, and make it quick. Otherwise, if it remains on paper and we pretend we are in integration, very soon people will ask us, what are you doing in that integration if we are unable to industrialise or carry heavy cargo?

There are some raw materials that you cannot cut into pieces so easily. There are heavy equipment that you cannot carry on our roads. It means, therefore, that landlocked countries are denied access to such important tools. However, the focus is still there. I think we need to congratulate our Partner States that they have not totally forgotten, but we are wondering which route they are taking, and where we are going to end finally.

People construct a thousand miles in less than eight months, but we are taking 10 years to take off! That is my worry. I think the Council of Ministers should probe into this and honestly come back to this House and allay our fears. Thank you – *(Interruption)*-

Ms Dora Byamukama (Uganda): Mr Speaker, thank you, and I thank you, hon. Ndahiro, for giving way. I really did not want to interfere because you are speaking to our hearts, but I want two clarifications from you because you have been at this for some time and, indeed, you highlighted the advantages of the railways system.

One of the advantages is that a railways system provides a public utility, and in so doing, the government and the entities running the railway are able to provide affordable transport facilities to even the poorest of the poor. However, in your presentation, you talked about maybe coming up with a public-private partnership, which I agree with, to a large extent. However, how do we maintain this aspect of public utility and ensure that the charges remain affordable when we have this kind of partnership? Maybe you could throw some light on that.

Secondly, I am very concerned about what you said about what is happening in the implementation of the East African Railways Master Plan. Are we still implementing this master plan whereas we have decided to construct this railway as individual Partner States? Isn't this a misnomer?

I really would like to hear from you on this because much as the different Partner States are doing whatever they are doing, the fact is that at no time should the East African Secretariat be left out, especially when it comes to issues of ensuring timeliness and what we are doing as an oversight function.

So, I just wanted your comment on these two because I know what you say usually has a history, and I want to thank you for that.

Dr Ndahiro: Thank you, Mr Speaker. I think the second one should be answered by the Council of Ministers. It is not Ndahiro. I will try the first one.

Public-Private Partnership is an arrangement that empowers the local people to participate in wealth creation. It does not mean that in so doing they are able to exploit the masses, no. That is why government keeps its foot there. They are there because for continuity and sustainability. They are there because of ownership. Once a project is locally owned, that project is protected and is sustainable.

The issue of cost...the government still has its role to play. If the outcome is that the infrastructure and the whole system is costly, then the government will still have the obligation, either to provide a subsidy, or to look for another solution. What happened in the case of London was that the underground system was constructed and managed by government, but because of some inefficiencies, they sold the system to the private sector but maintained certain shareholding to ensure that what you are saying does not happen.

Until recently, the railways infrastructure, particularly the underground system, has been separated from the railway companies and managed especially as a private-public partnership. This has allowed it to receive some relief from government, which in subsequently has made them now to lower the cost of travelling. Under the conservative government now, prices are going up, but I think they are in charge, and the model is working.

We could do the same in Africa or in our cities. That arrangement is good, and it ensures that the masses are not exploited, because the government is always there.

On the second question, if the Council of Ministers is here, they should attempt to answer that or – (*Interruption*) -

The Speaker: Hon. Dr Ndahiro, it is okay. The Rt. hon. Kirunda Kivejinja is around for the Chair of Council.

Dr Ndahiro: Thank you, Mr Speaker. I support the report. Thank you.

The Speaker: Thank you.

Mr Mike Sebalu (Uganda): Thank you very much, Mr Speaker, for giving me this opportunity. I want to begin by thanking the Committee for the great work they did in doing an audit regarding this very special area. They have come up with a very good and informative report, with very good observations and recommendations.

From the word go, I just want to implore that the recommendations should serve as a basis for the way forward, and I would like to call upon the Council of Ministers to take them seriously so that we move to another level.

We are integrating for very good reasons, as stated in the Treaty. We talk about an integration that is people-centred, private sector led, and market driven, and about getting people and according them an opportunity to move with ease. This should be a motivation that should serve us to ensure that we are at pace with all the undertakings that we have given ourselves.

Mr Speaker, transport infrastructure in East Africa is something we need to give serious consideration. The options available do not give us any option that is most desirable. We have air transport, which remains very expensive, and the connectivity is not as good. You indicated that on your way from Arusha to Kigali, you had to go through quite a number of connections and yet it should be an easy flight from Arusha to Kigali and you are home and dry.

So, you will find that the air travel is available, but it has remained an option for the elite and the well to do. Because it is very expensive, the greater majority of East Africans cannot afford it, and yet when you go to other parts of the world, like the United States of America and fly interstate flights, they can go as low as US\$ 30 for the low cost flights. We do not have anything like that in the region, and it does not serve

the purpose of ensuring that movement is enhanced.

When you go to water transport, we are doing very badly in that area. We have not maximised despite the fact that we have big water masses. Lake Victoria should be an easy transport area between Kisumu, Entebbe, and Mwanza. There are all these lake cities but they are not connected in terms of transport because the vessels available are either too old or they are inefficient. We have not really given serious attention to this area. So, there is a gap there, which we really need to look at.

When you get to road transport, that one is in its own level of inconvenience. The road network is not up to scale, and we need to do good there.

When you look at railway transport as part of land transport, it should be able to leverage in terms of speed, where you are talking about fast, efficient, reliable and affordable. The rail transport can easily fit into that dimension.

When you go to Europe, one thing that I really envy about it is the interconnectivity from Hamburg to any nearby city. You really move with utmost ease and fast. You will find that people have affordable options. We really need to emphasise the rail transport because it can easily leverage development.

I really want to thank our governments for the initiatives that they have undertaken so far. We are at different stages of investment and intervention in this area. In the case for Uganda, already government has acquired the land where the standard gauge railway is going to pass. They have already done compensation. It is quite a big investment and a very expensive affair, but they have been able to do it, given the strategic needs of this kind of transport.

Therefore, different countries are doing different interventions in this area, and that is applaudable, but we need to emphasise

this so that we get to a level of good connectivity. Cheap and fast transport is the way to go in terms of facilitating people's movements, in terms of moving goods and services, in terms of lowering the cost of doing business in this region, and in terms of full implementation of the Common Market, and the advantages that it brings with it.

Mr Speaker, there is an East Africa that we know, one that is very disjointed where transport connectivity is quite a problem. Going to the neighbourhood may warrant that you have to go through a few other capitals. It is not what we need, if we are talking about enhancing the welfare of our people, increasing productivity, increasing business engagements and transactions, and benefitting from the full effect of the Common Market.

However, there is the East Africa that we want. It should be one that is highly connected. I am looking at a situation where you can pick a tube from Kampala to Dar es Salaam or Nairobi, Kigali or Bujumbura. People are doing it in Europe, and very cheaply too. Here when you talk about going to Kigali, when you look at the cost of the ticket, the time involved, if you are to take the road transport, it becomes a disincentive.

Even for purposes of our tourism, we get a good turnout of tourists with the single tourist visa. Those people should be able to land in any of the capitals and be able to use a fast tube train system that can allow them connectivity to the rest of the capitals. This will help them to maximise their flight tickets from their point of origin to a point of contact within the region, and then use other available cheaper options for purposes of connectivity.

South Africa was suffering the same problem. It is a vast country but it did not have a good railways network. When they were preparing for the World Cup, they did some massive investment in this area to the

extent that people who came to watch the World Cup could easily stay in one capital...someone could stay in Cape Town and be in time for a match in Johannesburg, and in a cost effective manner.

I would like our region to get to such a level where we can even opt to host international events where people can stay in Kampala and go to attend an activity in Dar es Salaam because of easy connectivity.

Mr Speaker, this report is so important that I would like to call upon the Council of Ministers to give it due attention. Through this, we will appreciate the East Africa we know, we will look at the East Africa that we want, and we will also focus on the East Africa that we desire, which is essentially one entity with easy connectivity, easy contact, with affordable alternatives in terms of transport, be it in means or affordability.

Therefore, I would like to support the report and to thank the Committee for a job well done. However, the best way of thanking the Committee is by ensuring that their recommendations and observations are taken seriously and that the recommendations are given opportunity for implementation by the relevant competent authorities within the region.

Since we have the Council of Ministers with us, I believe that they appreciate the intervention of the Committee and that they can use their good offices to ensure that implementation is done sooner than later.

Mr Speaker, I beg to support the report, and I call upon all my colleagues to do likewise so that we get to see a well-connected East Africa.

The Speaker: Thank you, hon. Sebalu.

Mr Saole Ole Nkanae (Kenya): Thank you, Mr Speaker. From the onset, may I congratulate the Chair, in his absence, for this good report – (*Interruption*) -

The Speaker: The Chair is around.

Mr Nkanae: Sorry. It is good. This is one of the best reports that I have seen because I think I will benefit from it.

Mr Speaker, it has taken Kenya 116 years to start building a railway. After 1897, a railway was built for four years from Mombasa to Kisumu - and of course, it was extended to Kampala - and it was called a mad railway, I do not know for what reasons.

Mr Speaker, I will talk specifically for the Northern Corridor Integrated Project, which was envisaged in the Kenya 2030 Vision. This railway, according to the report, shows that the speed of the cargo train will be 20 kilometres per hour, and the speed of the passenger train will be 120 kilometres per hour. Therefore, you can see that the current one travelling at 40 kilometres per hour will take three hours to cover what the current train will be covering in one hour. These new trains will have a capacity of 1,096 passengers.

May I inform this House that Kenya has already ordered 56 trains for the same, and that the plan is ahead of schedule by four months? It will be completed in June, and I think the launching is any time soon.

Mr Speaker, this current plan - and I tend to think that somebody was lying. I do not know whether that is parliamentary that people will run away from the railway trains. It will be the opposite because I for one - we take animals to Ngong on foot for three days, and this one will only take 30 minutes. So, how will I travel on foot and risk the lions taking my animals? Similarly, people travelling to Mombasa from Nairobi will take about two or three hours. That will assist and ease the traffic jams.

Mr Speaker, we are told that we shall have an inland container depot in Nairobi and in Naivasha, which means that you will not be going to Mombasa to collect your cargo. You will be able to collect it in Nairobi and

bring it to the nearest place. We shall have an industrial park in Naivasha as well. I do not know what it means, but I tend to think it is development. It is also said that the whole corridor will have industrial zones, so it will be beneficial to the people. Therefore, I support this project. The East African Railways Master Plan is on. *(Applause)*

May I take this opportunity, on behalf of the ministers - because I think that plan is there, and it is said that it will produce a hub of railway lines in East and Central Africa, and we have started.

Mr Speaker, the other benefit that I consider is that these industrial zones will create jobs and they will transform the entire corridor in terms of job creation.

As I say this, the speculators who went to buy land after knowing that master plan have caused exorbitant prices. You can imagine, the railway line from Mombasa to Nairobi is only 427 kilometres, and it is going to cost 327 billion. That is about a billion per kilometre.

As I stand here, the railway, which is passing through Nairobi, Susu and Naivasha - there is going to be an underground tunnel at Ngong Hills as you come to the Rift Valley area. The people who live there are from my community. They went demanding compensation for the underground tunnel, and they took their *Rungu*, but they were told that the land is yours above, underground is not yours. They resorted to asking the Chinese to buy water, the water is flowing in the river, and they were only going to pump. *(Laughter)* The speculators also bought land in advance, and they are selling it at high prices.

Mr Speaker, as I sit, I support this report. Thank you.

The Speaker: Thank you so much, hon. Ole Nkanae.

Ms Susan Nakawuki (Uganda): I thank you so much, Mr Speaker. First of all, allow me to thank my colleagues from the Republic of Rwanda for making our stay very comfortable. In fact, allow me to put it on record, Mr Speaker, that just a few days ago, I realised that there was a very nice Five-Star hotel just behind this hill called Villa Fortofino, which I had not known of until hon. Martin Ngoga decided to go on a hunt. He even got very friendly rates for a Five-Star hotel – *(Interruption)* -

Mr Ngoga: Thank you, Mr Speaker and I appreciate the compliments from hon. Susan, but I have to hasten to add that after I settled her there, I have not paid any visit. *(Laughter)*

The Speaker: Hon. Susan, the floor is yours.

Ms Nakawuki: Mr Speaker, much as hon. Ngoga did not fulfil that extra duty of paying a further courtesy call, other Members paid courtesy calls to make sure that we are enjoying a comfortable stay. I am so grateful.

Mr Speaker, allow me also to thank the Committee of CTI for this very good work. We really appreciate it. In fact, yesterday when I saw this report, I really got excited. I was so eager to find out about the status of this standard gauge railway, particularly in Uganda.

I would like to appreciate the Government of the Republic of Uganda, from where I hail, for the good work that they are doing through the Ministry of Works and Transport to ensure that this standard gauge railway becomes a reality. Many people in Uganda think it is just rhetoric, but they are also anxious to see that it can actually move from pen and paper to the real standard gauge railway.

When I was reading about the status from this report, when it comes to the Republic of Uganda, I was actually a bit saddened because when I look at our sister Partner

State of Kenya, I start wondering why we are too slow. I remember when we were going to Mombasa for the Inter Parliamentary Games last year in December, the Members of Parliament of Uganda travelled from Nairobi to Mombasa in a bus. They came with too many stories regarding the standard gauge railway from our sister country Kenya. All of them had questions: is this a project for only Kenya or for East Africa? As far as they are concerned, and as far as I am concerned, these are supposed to be EAC projects and programmes.

I just took a bold move and said, even in Uganda we are coming. I know Uganda is delayed by the fact that we had a tough tendering process. I remember we had a long battle between China Harbour Engineering Company (CHEC) and CTECC over the tendering process. So, I am glad the Government of Uganda was able to settle this finally by giving one company the East and Central route, and the other company the western route. I am hoping that as that was resolved we are going to be able to fast track the project.

Mr Speaker, I am saying some of these things because I know the Rt. hon. Second Deputy Prime Minister is available in the House, and when he goes back to Cabinet, he will raise these issues.

I understand that Uganda signed a contract with the CHEC on 30th March 2015. Now it is two years down the road since they signed that contract, and we do not have tangible results. It is my humble prayer that you fast track it. *(Interruption)*

Ms Dora Byamukama (Uganda): Thank you, hon. Nakawuki for giving way. I felt obliged to give information because Members of EALA who went to Mombasa by road, and hon. Fredrick, hon. Opoka and others were on the bus. I wanted to add something to what he said. What we saw was simply amazing. I know there are many

questions being asked, but as far as we could see, actions speak louder than words.

The railway has been constructed, and we really would like to recommend the Republic of Kenya for constructing the railway in time. (*Applause*) I know this may have controversies, but this is what we saw.

Secondly, what we saw was that the way it has been done, it has flyovers; it is modelled alongside the electric lines. It is really at an international level. Therefore, maybe this could provide a good model for the other countries, which have not started work on this. However, I want to believe that when we do start, we shall actually catch up with each other. I thank you.

Mr Ole Nkanae: Thank you Mr Speaker. I would like to inform my sister that when I read the report and I read the agreement from Kenya, Uganda and Rwanda, the railway from Malaba to Kampala to Kigali and to Juba is supposed to be synchronised with the railway from Kisumu to Malaba. They tend to think that if they built earlier, it would rust. Thank you.

The Speaker: Thank you hon. Nkanae for giving some leverage to answering some of the questions that have been put to Council. Hon. Nakawuki, proceed.

Ms Nakawuki: I want to thank my colleagues, hon. Byamukama and hon. Nkanae, for the very good information, but just to start on hon. Nkanae's information, if that is the fear, then the Ugandan side had better act very quickly so that we do not delay our colleagues who have gone fast. In fact, they are going to start having students coming to Kenya for a tour of the Standard Gauge Railway because there are so many big stories that have been told. So, let us try to keep up to date with our sister countries.

In fact, the East African citizens have gone ahead of us right now. One thing I know is that, for example, in Uganda we have the ordinary metre rail network, of which only 20 per cent of the rail network is

operational. However, at least the section, which is operational - like now in Kampala the public these days take the train from Kampala to the Bwoyegerere side. During the peak hours as everyone is stuck in the traffic jams, it takes me two hours in the evening from Parliament of Uganda to my house in Nalya, yet if there is no traffic jam it takes me 10 to 15 minutes from Kampala.

However, these people have discovered the secret. They go, take the train, and within five minutes, they reach home, before I do. So, this is something that we are all envying. In fact, the people of Uganda are very anxious, especially for the Northern route to Nimule because many Ugandans are trading with South Sudan, people are now asking what is going on. We need to give assuring answers to these people because they are very anxious.

Mr Speaker, in this modern era of global warming, we realise that if we are going to continue with this too much road transport, the environmental pollution is going to be very high, and that will mean that we are being insensitive to the environment. You will understand, for example, that for us Ugandans, 95 per cent of the cargo from Mombasa or Dar-es-Salam to Uganda is by road. Only 5 per cent manoeuvre with the dilapidated rail network of ours. So, as a gift to our children and grandchildren whom we do not want to suffer with a polluted environment, let us fast track this project.

Mr Speaker and honourable Members, I know that as a region we cannot ably compete with the rest of the world if our cost of doing business is still very high. We are very much into this habit of lobbying investors to come to invest in our region, but as long as they are going to have this very high cost of doing business when the cost of moving a container from just Mombasa to Kampala is much higher than moving a container from China to Mombasa, no one is going to come to invest in our region. Moreover, you know what

this means to our economy. We are currently suffering with unemployment. Many young people have no jobs, and industrialisation is a hope that we are looking at, apparently. So, why don't we act as urgently as possible?

Mr Speaker, I would like to thank my President Museveni, who is a visionary leader. He has been talking about this industrial development so much. In fact, one time when he addressed EALA, he was telling us about us copying the system used in Ethiopia where they are assembling all vehicles from within Ethiopia. No vehicle comes into Ethiopia. However, considering the way we move, considering the high cost of transportation, is it going to become a reality? Is any motor company willing to come, face this very high cost so that we can assemble these vehicles in our own Partner States, and create jobs? This might be a far cry; it may not come to see light. Therefore, if we want to achieve this, it is my humble prayer that we consider fast tracking this project, and this can come through an urgent intervention, Mr Speaker.

My final concern, Mr Speaker, is that I am wondering why this project is not a regional project. Why do we all have to go on our own, considering that this was a joint infrastructure railway master plan for the EAC? I know that we have many infrastructure projects that we are doing as a region. We have done these highways as a region, but why, time round, did we have this – in fact, maybe I will get an answer from the Council of Ministers as to why now we just go and all do our own things at our own pace, because for me this is disadvantageous.

There are some countries where there is a lot of bureaucracy, even just procurement is a problem and I thought if we had done this as a bloc, as a region, even the slow movers would have been forced to act quickly.

Mr Speaker, I also have one more concern, as I conclude. When I look at the Tanzanian line, the area where it goes through Morogoro where they grow a lot of rice and cotton, when you look at Dodoma, where there is a lot of grapes and cattle, you look at Kigoma, where there is fish and cassava, you look at Mwanza, where there is a lot of fish, rice - *(Applause)* – and cotton, the railway is going to go through these areas with substations. Do you know what it means to our economies, which are predominantly relying on agriculture? All this will be able to move very fast to the bigger markets that we are boosting around. In fact, we have reason to be proud of this bigger market. So, let us make it possible for all these products to go to these markets. *(Applause)*

Finally, about patriotism, we can have the Standard Gauge Railway but if we do not have the patriotism to protect it - I remember when we had issues between the two sister countries of Uganda and Kenya over Migingo Island, the people descended on the Standard Gauge Railway. They started removing the rails, and I was wondering what is wrong with us. This is just an island in the middle of Lake Victoria, and it might even sink one day, but just because of these disagreements on who owns this small island where you cannot even grow food, people started removing the rails. So, maybe we should also take these patriotic classes to the people across the board to protect and defend what is rightly ours. Otherwise, we will be chasing something in the dark. I thank you Mr Speaker.

The Speaker: Thank you very much, hon. Nakawuki. I had already given hon. Mumbi, hon. Ogle and then I come to hon. Nyerere.

Ms Mumbi A. Ng'aru (Kenya): Thank you Mr Speaker, for giving me an opportunity to contribute to this motion, and to say that actually I support this motion in full including the

recommendations. I will go further as I contribute to enrich it.

I have not been told so, but I think this report - and thanks to the Committee, because they took the opportunity to remind the Council of Ministers that in 2012 there was an infrastructure Summit in Nairobi. However, everything went quiet. Personally, I have not heard of a second or a third infrastructure Summit, and we are in our last year. So, this Committee did a good job to remind the Council of Ministers and the Secretariat that there is a gap. There cannot be five years down the line and it is still quiet. Therefore, this gives us an opportunity to speak on the infrastructure project that has been going on.

Like the Standard Gauge Railway from Kenya, where I come from, and I am so proud that - you know, to become an example. Uganda you are talking about it and for us in Kenya we are talking about it and, therefore, something was born in 2012, and this Committee has given us a report to say something has been happening. I start from there.

I also want to join my brother, Dr Ndahiro, because he talked about where we went wrong. I belong to that generation that enjoyed the first East African Community. In mainland Kenya, we still remember that there was a railway line, and we know that it kept time. From the rural primary school, we would be taken to the nearest railway station, and I remember that big key that the railway master would lift to let the train pass. I was a small girl, but it meant something to me. Therefore, I join my sister, hon. Nakawuki, to encourage them to take the Uganda students to go and see that standard gauge in Nairobi.

But, where did we go wrong? Those trains, as far as I can remember - and I was a small girl - they were being driven by Africans. I remember that one in my mind, and I know that there were training institutions. There was a railways training college in Nairobi,

and if you wanted to learn the finest - those of them that could not afford to go to a hotel in Nairobi and you travelled by second class, it was good.

We had those facilities in the 1960s and 1970s, but something went wrong, and we are not prepared to call it by name. Let me attempt, Mr Speaker. I may be right, I may be wrong, but we have lacked political strategic leadership in this region. There was the first EAC with fine lessons when it comes to strategic political leadership, and that is why it broke.

And we, in this Assembly, are speaking to the Council and speaking to the Summit that please, let us have strategic political leadership at the East African Community Secretariat because from there, if the Partner States contribute - the other day I saw you reading a press statement on lack of funds. Programmes have stalled; that should not happen. It should not happen.

Therefore, may we start from strategic leadership through the commitment that the East African Partner States are going to have at the Secretariat level so that when it comes to funding - and I have read in the final recommendations and observations in the report that funding is an issue. The railway line can be sought at the centre, at the Secretariat. It may have faces, like Nairobi, Naivasha and another country, but let those activities happen at the Secretariat level so that we have a way of encouraging each Partner State to come back together, and the pace will not be as distant as one partner state is very far, the other one - *(interruption)*

Dr Ndahiro: Thank you Mr Speaker. I wanted to give hon. Mumbi information that the Summit resolved to create an East African Development Fund, that is four years ago. Up to now, we have not heard anything about it.

Ms Mumbi: Thank you for that information. It is true. Then probably what

we are lacking - and I still think I am on course - is that this report is speaking to the Summit, it is speaking to the Council, and it is speaking to us. There is a vacuum, Mr Speaker, and the vacuum is that we do not have strategic leadership at the Secretariat. Then reminding the Summit, reminding the Council that we have a programme that is going on, I would think, would put all of us together. So then, why is it that we do not have this - we are not feeling this strategic leadership at the Secretariat?

One of the reasons is funding, the Partner State remittances of funds to the Community. It is something that is wanting and, therefore, we speak - I personally speak with frustrations because the Committee said this is where we should be going. This is where we should have gone and we do not want to be a talking shop, Mr Speaker.

I also picked from hon. Ndahiro that we had that skill of training in all the EAC Partner States. Where did it go? Was it the structural adjustment programmes? I sometimes think - and I am saying this one is a personal view - that if they did not have somebody to talk to, if they did not have somebody who believed in them, we would not have fallen into their trap. Even now, we are going to fall in the same trap because probably we have refused to use the skills that we have. We have highly trained professionals, our children are I.T compliant, and we should be training them here, not in China. We should be training them in Nairobi, in Uganda. Therefore, I think our priorities - I have a problem with them. This committee, I thank you for giving us an opportunity to talk to those people up there who have to make those decisions for us.

Mr Speaker, when I speak about strategic leadership at the Secretariat, I want to say without any fear of contradiction that even at the Summit level, let them know that we feel like they are speaking at cross-purposes. And when I say cross-purposes, I

mean that we in EALA, and especially through this Committee, we appreciate the fact that they initiated something, but between then and now, if I can take you back, there was a disconnection somewhere - a big one. So, the back and forth and then back three steps causes concern, and this is at the Summit level.

So, if there is confusion, allow me to say, at the Summit level, then the Secretariat suffers, and the EALA also suffers. We must sit as the organs of the EAC and speak in one language so that it does not look like it is a competition, because this is a partnership, and competition, as you know, is not something that is very good. Mr Speaker, East Africans, wherever we have gone, have this urge of growing together; they want to commute from Nairobi to the southern part of Tanzania; they want to travel from Nairobi to the North of Uganda, and from every corner of this region in an effective manner, in a cost effective manner.

In strategic thinking, if the Secretariat can be empowered, the East African region knows where the economic empowerment of the region is. Where there is farming, it can be mapped, where there is mining, it can be marked, where there is tourism, it is marked, and as the railways is being developed, the other supporting economic activities can be developed. Let us not relax. Let us develop those areas so that when the railways is complete, the activities will just fit into the railway line.

Mr Speaker, we are looking at each other, getting angry at each other, competing unhealthy competition against each other and, therefore, this report, for me, is a good report. Let it be taken to the next Summit.

Chairperson of Council, I wish you would take this report in its entire form, together with the recommendations that are going to come from these members that we have neither had a second infrastructure Summit, a third one, nor a fourth one, and the

members, through this committee are talking to you to actually induct you that you are asleep. Talk to them to wake up so that East Africa can be a great region.

Every country in this region can contribute what they have. We have enough work force, we have good people, and we are hardworking people. Other people keep on saying how hardworking the Chinese are but, Mr Speaker, whenever I wake up in any capital in East Africa, by 5 a.m. I find that the women have woken up. I find that the men have woken up, working for the economies of their countries.

I support this motion. Thank you.

The Speaker: honourable Members, in the interest of time, please try to be brief.

Ms Oda Gasinzigwa (Rwanda): Thank you very much, Mr Speaker. I am always brief. First of all, because we have had an opportunity to wish you all a welcome in a pleasant state, it is unfortunate that hon. Leonce Ndarubagiye has just stepped out, but I wish to welcome him to Kigali as well.

Mr Speaker, I want to support the motion. It is a very good report; it is going to give a new impulse to the project that are going on. As other members have said, I hope the Summit and the Council of Ministers are going to give serious consideration to it.

I thank the members and Chairperson of the Committee for informing us on what is going on. We have all been hearing about these projects but we did not have as much information as you have given us through this report.

Mr Speaker, it is very encouraging that our region is beginning to get the priorities right. We have been putting up with the shame that we could not even maintain the railways network that the colonial administration built using our own manpower, our own resources. We just failed to maintain them. They were built using our resources, and our manpower.

When I was a student attending secondary school through to university, we used to travel from Mwanza to Dar-es-Salam. That was a major means of transport for most Tanzanians. I do not think the situation has changed, but they were just let down. Let me tell you, honourable Members, that for us who are landlocked, when our Partner States that have a natural gift of being connected to the sea get their priorities right and they do proper planning, we benefit even before you connect us.

I do not believe that a businessperson in Mwanza, in Shinyanga or in Tabora was better off than a businessperson in Rwanda is with this state of depression of the central railways. The cost of doing business in Kagera, in Mwanza, in Tabora, or in Musoma was not going to be any better than the cost of doing business in Bujumbura and Rwanda. I am saying this because at some point, this debate shifted into being a project to help the land locked countries.

The hinterland of these big Partner States is as inconvenienced as the landlocked Partner States in the EAC when we do not do proper planning. I am not an economist, but I don't think that we were going to lose by keeping the railway lines in efficient, up to date and working condition, considering the losses we have been making by preferring roads, which, although are also important, but the volume of cargo that they can handle and the cost of their maintenance has brought a lot of losses, if you don't consider the intangible and dare to do heavy investment, like it has been done now.

Mr Speaker, the projects that have been rolled out and are being implemented are heavy investments. There are going to be many inconveniences along the process, like issues of compensation. At times people will contest the route that they are taking, but those are to be expected. The most important thing is that there has been daring now, there is a decision taken. Maybe it is not in the best way that we

would have wanted, but the most important thing is that there is something.

We hope that the Assembly is going to be taken seriously, and that the relevant organs are going to make sure that they are considered in these projects. We also hope that the projects are fast tracked, and people of East Africa see the benefits, which are long overdue. We cannot afford to delay any longer.

Mr Charles Nyerere Makongoro (Tanzania): Thank you Mr Speaker. First, I would like to declare that I intend to be as brief as possible.

I thank the Republic of Rwanda, starting with His Excellency Paul Kagame, the Speaker, our colleagues, the Rwandan Chapter of this Third EALA. This is our fourth time coming here. It is so peaceful, so full of security and full of very generous people. Thank you very much. (*Applause*)

Mr Speaker, I support this motion. It is a very good report, and I congratulate the committee that made this report. The report tells very well that one of the best problems of our railways is that they have never been meant to sustain themselves. Our railways never sustain themselves. Very briefly, I would like now to appreciate what is going on in Kenya through the progress towards this Mater Plan of the East African Railways.

In Dar-es-Salam, there is this railway called the Central Line, also called the Central Corridor according to the Report on page 9. I would rather call it the Dar-es-Salam – Isaka – Kigali – Gitega – Musongati Railway Project. It will be starting in six to eight weeks. They are starting now to build the standard gauge rail. The first phase, which is from Dar-es-Salam to Morogoro, will cost US\$1.2 billion, and the Government of Turkey is overseeing it. The rest will follow later.

I have seen in today's newspapers that the Government of Tanzania is now advertising

tenders for the second and third phases. The second phase will go up to Isaka, and the third will join the neighbouring countries of Rwanda and Burundi. This is very good, but what I am saying is that this project has never been self-sustaining. Why? Let me give an example.

We have a railway line connecting Dar-es-Salam or Tanzania and Zambia. This railway line has been the biggest project outside East Africa for a very long time, and it remains the biggest project in Africa. It was meant for extraction. "Go, extract something from the hinterland of Africa, take it to the Ocean of Africa, and get it away from Africa."

What was intended to be extracted there was copper. There is copper in Zambia, and so we have wagons struggling from Dar-es-Salam, empty, going to Zambia to the copper belt in Kitwe and the other places. They find copper, but sometimes the production is not good. So, when there is no copper, you really do not know what to do with those wagons empty. Do you send them back from the copper fields to Dar-es-Salam? No? They wait there. So they are stranded. Sometimes the copper is okay but then the price is not good. Our port at Dar-es-Salam is not a hub port, so you cannot have big facilities to store this copper until the market is good.

Therefore, what happens is that sometimes we have many wagons going the other direction half-full, and yet there are many of our citizens along this Tazara route in both countries. What I am saying is that making a railway line sustainable is just like making an airline sustainable.

For example, you cannot make Rwanda Air sustainable just by flying passengers alone. If you want to make it sustainable, you should look for goods. Rwanda Air should also look for goods and have a portion of Rwanda air cargo, airlifting.

Now, to sustain a railway in East Africa, or anywhere in the world, we should purposely earmark settlements along the line. Just like my colleague the hon. Nakawuki was saying, for those who are cultivating cotton, make a study, help them to make goods of cotton so that when they are ready and they have products, they will use their products through this railway line, either going to the hinterland of Africa or to the ocean. Some produce tomato products, some juice. They should be earmarked so that they can use this railway. Our people will benefit from this railway, and it will eventually have enough cargo to sustain itself. You cannot sustain such a big project by putting passengers travelling from Mombasa to Kampala and back and expect to have a sustainable railway.

I promised to be brief, and that is my contribution. These railways should be like the body of the centipede, or they should be like the central bank. They should have branches. When we have a railway line - as per this master plan - coming from Mombasa to Kampala, we should also be having other lines going across this corridor. This should be the very corridor but it should also have other branches going as far as joining the other corridor.

In this way, we shall have more of our people gaining from this. At this moment, I congratulate President Uhuru Kenyatta of the Republic of Kenya for what he is doing with this railway. I also fully congratulate President Magufuli of Tanzania, and my leaders of East Africa. Some of them are very business minded, which is good. It brings us this way.

I would not say that President Magufuli is business minded but he is a kind of man who gets jobs done. I am sure that in the next ten years, this Dar-es-Salam - Isaka - Kigali railway - I hope it does not change, but in these ten years, we could be seeing a railway connecting the Indian Ocean and the two Partner States of Burundi and Rwanda.

Mr Bernard Mulengani (Uganda): Thank you very much, Mr Speaker. I am a member of the Committee. I would not say I am contradicting the report, but I just rise to echo what the report is saying in specific areas.

Hon. Nakawuki raised the issue of what our colleagues who used road transport to Mombasa for the Inter-Parliamentary Games were able to see. I would like to say that one of the benefits of the Inter-Parliamentary Games is that. Colleagues have commended Kenya for what Kenya has done. I went and saw. Hon. Byamukama said this should act as a model and, indeed, if we are moving towards integration, the countries that have not yet implemented the project should draw many notes from the progress made in Kenya.

Hon. Mumbi raised the issue of strategic leadership. It was as if she was reading my mind. We keep on referring to the groupings as building blocks in the African Union. Indeed, if you trickle it down to the level of the political leadership that we want in the region, it is high time the Council of Ministers rethought the demands of the First Assembly, the Second Assembly, and now the Third Assembly that we need political leadership at the EAC. It is after people have seen the importance and relevance that they will embrace the political federation totally. I want to ask Council to revisit this idea by the Assembly very seriously.

Mr Speaker, on page 6, the Committee is referring to two areas in the report; paragraphs two and four. I specifically want to request the indulgence of the Council on this. In paragraph two at the top it says, "Review existing or develop new railway laws and establish/strengthen railway institutions". Only Tanzania has enacted new laws - (*Applause*). Kenya is progressing in infrastructure development but there is no law. These things should move together. In paragraph four it says, "Establish railway coordination

units/agencies at the EAC Secretariat. What is happening at the Secretariat? They have not done this.

Therefore, the point I am raising, Mr Speaker, is that this is a baby of the Community, the East African Railways Master Plan. We should be seen to be moving ahead. Partner States should really do what they are supposed to do to enable the Community move ahead.

The Committee, under “observations”, is talking of lack of funding. This Assembly passed a bill on joint negotiations but we also have been pushing for harmonised procurement on regional projects. Maybe this would have averted the challenges of funding, because when you look, you will find that Tanzania has sourced Turkey independently, Uganda has sourced Turkey independently, and Kenya is sourcing Turkey independently and yet if we did it jointly, many benefits would accrue to the region - (*Applause*). This is one thing that I am asking the Council to reconsider. The bills that we bring here are meant to solve such challenges.

Hon. Nkanee has raised the issue of compensation for properties where the railway line passes. He said some citizens of our Partner States who are in offices that are privileged get to know the programmes and they end up buying land along the railway lines. We are requesting our governments to reduce the expenditure and save our taxpayers’ money by looking at the procurement period of such properties. Any procurement that falls during the procurement period of the road should not call for compensation, and they should take this very seriously because the world is corrupt.

Mr Speaker, the other point I want to raise is the evident way of doing things under the sovereignty syndrome. The sovereignty syndrome is so high that even since the creation of the integration we are not seeing the matter of sovereignty toning down,

even where we have signed protocols and agreed to work together. This is an area that Council needs to address seriously. It is a big challenge.

Mr Speaker, we have talked about the benefits of integration and countries should always be able to help each other. The different levels of development are because we are not fully enforcing why we are integrating. We are not doing things together as integrated Partner States. This is why you will find that one country is moving at another level, the economic levels of the countries notwithstanding.

Mr Speaker, countries have different priorities. At the time of conception of the idea, the Partner States tend to have similar priorities. As time goes by, those priorities start changing. This is why you will see many agreed positions implemented at different times.

They have raised in the report the issue of non-collaboration by the centre. The EAC is not in charge of both the Northern and the Central projects. Countries are implementing these programmes, but we should remember the Master Plan was developed at the EAC level.

One problem that raises this, Mr Speaker, is that

The Council needs to help our Partner State technocrats to appreciate regional programmes, because there is fear of release of facts to the centre. They have tended to fail to come together to ensure that programmes are centrally managed for fear of either losing their jobs or for fear of what accrues with following up projects. I would not want to put it on record. Therefore, we want to request the indulgence of the Council to assist in that area.

Mr Speaker, under the “Recommendations”, the Committee is talking of creating the EAC infrastructure fund. We want to ask Council to tell us – it

was mooted in the House that the East African Development Bank be enabled to handle development funds for the region. We do not know how far this has gone, and at what stage it is.

Then, in recommendation four - hon. Makongoro raised it. It was as if he had read my mind. We should not be seeing these standard gauge railways moving from the hinterland of the country. We should see that these two corridors are linked, even along the way, because we are not talking about moving goods from point A to the port. There should be stopovers along the way. May even between the routes. Therefore, we need to propose to Council to consider revisiting the master plan and seeing which points would do linkages very well.

Mr Speaker, as I summarise, many people have talked about benefits that accrue from to the railway but, again, just as hon. Makongoro said, for as long as we are not going to increase productivity within the Partner States, for as long as we are not going to increase volumes within the Partner States, for as long as the trade between our region with the international markets is not going to be balanced or even better for us, there is a challenge. There is a challenge, just as hon. Makongoro said, because agriculture in the region is still very low. It is therefore important for the Common Market Protocol to be implemented. We will not attain an efficient railways system if the Common Market Protocol is not totally endorsed by the region because, who is going to use this train? If goods are going to be stopped in Kenya, Tanzania, Rwanda, and Burundi, what is happening with the Common Market Protocol right now in terms of implementation? Therefore, as we joyfully receive the standard gauge railway, we need also to ensure that the Common Market Protocol is embraced in its entirety.

Lastly, Mr Speaker, I raised the issue of where the goods are coming from and their

destination. I think it is not good for us to wait for the completion of the railway and then start ensuring that we increase productivity within the region. The issues of value addition will be a good thing to consider.

With those few remarks, Mr Speaker, I support the motion. Thank you for the opportunity.

The Speaker: Thank you very much hon. Mulengani. I will give the floor to hon. Taslima and then to the Minister to say a few things before I hand over back to the chair. Please, do not go beyond five minutes.

Mr Twaha Issa Taslima (Tanzania): Thank you Mr Speaker. I just stand to add on what my colleagues have already said. I would like to start by saying that once upon a time, in East Africa, we had what was called the East African Common Services Organisation, and the common services included railways and harbours. They were tied together.

Talking of East Africa at that time in the 1960s and the 1970s when it was a Community of three countries, one would travel by train throughout East Africa - (*Applause*). You could come from Dar-es-Salam to Kenya through Voi, to Nairobi, then to Uganda and then come back through Port Bell, which had what it has still, a ship or a steamer, or a ferry, which was connected to the railways system, and come to Bukoba, Mwanza and back to Dar-es-Salam.

In the Lake Victoria - (*Interruption*)-

Ms Hajabakiga: Thank you Mr Speaker. It was not only the railway and the ship, there were also buses, which also connected with the railway line, and they were all called the East African Railways Transport System.

Mr Taslima: Thank you hon. Patricia Mugorenejo. It is true that even the buses were in the system, especially to ease

transport where the trains could not go and where the trains happened to have some problems or were stuck somewhere, the buses would come and take people to their destinations.

Looking at the Lake Victoria itself, one would enter in a ship at Bukoba, from Bukoba you go to Mwanza, from Mwanza to Musoma, from Musoma to Kisumu, from Kisumu to Port Bell, and then back to Bukoba. This was a comfortable way of going round, and because we had a single currency territory at that time, you just pay the East African shilling and go around and everything would go on.

Mr Speaker that was the time when the then East African Community was running it. We all know what happened after that when the EAC collapsed. Things started to become difficult because each Partner State now had to depend on its own, and it was difficult. Up to now as we are talking, we are still in that difficulty.

Another difficult thing, which has happened now as one of the phenomena has come, is this gauge thing. Now the whole world is talking about the Standard Gauge Railway. So, even if one was to embark on the railway line that we used to have, you would still have to make that particular railway line. Therefore, if you put another line beside the existing line, then that would mean maintaining the existing railway line and that thing is very strong.

It is understood throughout the world that railway transport is the cheapest. Railway transport can be made as rapid as anything can. It is because there are no traffic police on the way, and there are no traffic jams on the railway. Therefore, the railway and the train will just be there for as long as the train is in good condition and it is going on very well.

As the Committee in its report on page 21 has stated, the facilities that we have here have all the parts for transporting people

and for transporting goods. If you look at page 21, you will see that they have reported what is happening right now. We all have already seen the contents of page 21. I just have two things to comment on. In the Report it says that it was observed that there are limited skills and expertise in railways infrastructure development in the East African region, and it was highlighted that the existing metre gauge in Partner States are rundown and outdated.

Should a particular government go to rehabilitate the existing one, or because the existing one is outdated, they should go to the new standard gauge line. The problem is there, and we should not get surprised and ask what is happening. What I am saying is that it is not yet too late. Even if we start today, but the fact that you have started since yesterday and the day before, to reconstruct and to rehabilitate, I am sure we will go on as planned, especially if we do our best to do what is required.

For the sake of time, Mr Speaker, I just want to add one more thing on this report by saying that when we are thinking about transportation by railway, we should also be thinking about the harbours. It was right for those people in the past to think of merging the two functions. When the harbour is functioning well, and the railway is functioning well, then the businessmen are in heaven. I am thinking of Dar-es-Salam. Once we went to the harbour in Dar-es-Salam. In the past, it was rundown and it was operating under capacity, but the efforts that have been put in are very commendable, and it is very good for Tanzania to have done that. However, what if we now have a bigger flow of goods from the hinterland of Tanzania, from these other countries like Burundi, Rwanda, and Congo? What will happen when they find that the harbour itself is not as accommodative as it should be? It would still be a problem.

You will start saying that it is taking too long to clear goods from the port, and it will

take long to receive the goods and transport them. Therefore, my sincere recommendation is that let us merge the railways projects and the harbours projects. We should make them one so that when they go together - because they complement each other, East African Community will be in a better position. Thank you, Mr Speaker.

The Speaker: Thank you. Hon. Valerie Nyirahabineza, just as I said, observe time.

Ms Valerie Nyirahabineza (Rwanda): Thank you very much, Mr Speaker, for allowing me to make my comments and observations about this report.

First of all, I would like to say that I am in full support of the report, considering that I was once a Member of this Committee on Communication, Trade and Investment in this very Assembly. When I was still a member of the committee, I was given the opportunity, together with my colleagues, to go on the ground to see what was happening.

Of course, I left the Committee before we undertook this kind of activity, but the few partners that we visited or interacted with showed us that the cost of doing business in the East African Community is very high compared to other regional economic blocs simply because of the poor regional transport infrastructure, and the not optimal mix of transport modes contribute substantially to the unfavourable factors.

As for the railways infrastructure that we are considering here, we know that railway transport is the second most important mode of transport after roads, and it is critical for long distance trade along the main transport corridors, as we have always been told.

We were told that – though I don't remember everything, but we were told that the World Bank and the African

Development Bank - and I think hon. Ndahiro alluded to that - had committed funds for the development of infrastructure. If we consider country by country, Tanzania is known to be trying to alleviate the problems of this subsector by turning to the Public Private Partnerships while retaining public ownership of the infrastructure and intervening in the regulatory framework.

Kenya, as many colleagues have said, has got a high percentage of the railways network, but as many have said, the freight performance has continued to decline, although it still plays a critical role in the transport of exports and imports of goods, which accounts for a higher percentage of the freight traffic handled at the port of Mombasa. We even went to the port of Mombasa and there we were told that Kenya had done its best to build a very nice railway, as many of my colleagues have confirmed. I was also one of those who travelled to Mombasa by bus, and I was a witness of that beautiful railway, which was just completed.

Mr Speaker, coming back to the railways subsector, hon. Mumbi alluded to something that I would like to highlight. We were privileged to be part of the Infrastructure Summit in Nairobi. At the closing ceremony, their excellences the Heads of State gave us homework. They urged the Assembly to continuously check and ask the Council of Ministers where we are in terms of implementation of the resolutions adopted in the Infrastructure Summit.

I remember that one of the eminent staff of the East African Community working in that sector of infrastructure, Mr Phillip Wambugu, highlighted different problems facing railways transport. Allow me to enumerate them:

1. Shortage of capital to maintain and establish new railways

2. Old fashioned technology, which makes the railways carry less cargo compared to the modern standard gauge railway
3. Poor government policies, which favour development of road instead of railways
4. Embezzlement of funds allocated to railways maintenance
5. Competition from other means of transport such as roads which is faster
6. Poor administration, which makes many railways corporation run under capacity
7. Human resource capacity to enhance training of railways staff and capacity building.

Mr Speaker, as the report has clearly stated, the East African Community has worked on an East African Community Railways Master Plan, which study was approved in 2009. I will not dwell much on the highlights of the study, but allow me to mention a few lines.

One of them is the high cost of transport, which makes products expensive and international trade uncompetitive. There is also low freight volumes, weak business regulatory environment and un-served agricultural, commercial and industrial centres. Those are the issues that we highlighted in the study, but the East African Community Secretariat with whom this Committee interacted, gave them a way forward for this subsector to become prosperous, and for the subsector to take the East African Community to a higher level so that the integration that we are always talking about can be meaningful and effective.

The same study also highlights the fact that tough actions are required to be taken, one of them being the need to provide strategic leadership. I will not explain much since hon. Mulengani ably presented it. Development of new national policies and

laws on railways, and Public-Private Partnership.

On the Public-Private Partnerships, I remember there was a document that was brought by hon. Ndahiro. I do not remember whether it was in this Assembly or the previous Assembly, but the Council decided to take it up. Unfortunately, while we were expecting to have a bill from the Council of Ministers, as usual we were told that they had decided not to bring it as a bill. The document was transformed into a framework, which does not have much weight as a legal instrument.

In the same study, the Secretariat is complaining about the development of a regional policy. This is something that we can urge the Council of Ministers to work on.

Competitive procurement of operators in the establishment of infrastructure management agencies is also something we always call upon the Council of Ministers to do, but I want to dwell much on two last issues; the follow-up on the establishment of the Railways Fund to support development of railways.

According to the report - and this is also information that was given to us before when I was still part of the Committee - Kenya and Tanzania have established a railways development fund, Uganda and other countries have not yet established it. I think this is also a call to the Council of Ministers to make sure that these requirements are really fulfilled.

Also, there is the issue of the development of centres of excellence but especially the establishment of a railways sector. I want to insist on this because the East African Community has just completed an institutional review. May I kindly request that the Council of Ministers gives us feedback as to whether this very aspect, this very section or unit, the railways section,

has been or will be taken into consideration and will be established at the East African Community Secretariat.

Mr Speaker, many things have been said. I do not want to take much time but I want, if possible, the Council of Ministers to kindly give us feedback with regard to the very few points I have just raised. Thank you. I support the report.

The Speaker: Thank you. Can I invite the honourable Minister and thereafter the chairperson?

The Second Deputy Prime Minister and Minister for East African Community Affairs, Uganda (Mr Kirunda Kivejinja) (Ex-Officio): Thank you, Mr Speaker. I have listened carefully to the contributions made by the Members and they have all educated me. They have been able to highlight the issues that we need to take as our priorities.

If I may answer specifically, I think let us highlight more the problems and the circumstances under which we are working so that we appreciate why things are moving the way they are moving.

Hon. Ndahiro has given us very good information about the railways system and then he posed a question that what is wrong with us? Hon. Sebalu has told us that when he goes to Europe he sees things moving. What is wrong with us? Hon. Nkanae has given us his perception and why things are moving the way they are. Hon. Suzan Nakawuki has put up the position of Uganda but highlighting the question of patriotism. Hon. Mumbi has mainly talked about the Infrastructure Summit, and she asked why it has not started to follow up its decisions.

I could go on and on, because we had about 10 members who contributed, but let me first of all bring this up. We are specifically talking about the Standard Gauge Railway;

that a master plan was agreed upon but then, because everything politic first - without a political decision, things cannot move.

We had envisaged that we shall fast track the East African Federation so that most of these things do not end up nowhere. We have a government, which brings here bills, we pass bills and we task the government to make sure that they commit themselves as they did when they presented the budget. If they do not, we can withhold approval because they are not doing what we wanted them to do.

Therefore, I think those will be some of the shortcomings of the next...I think we need to dwell more on things that will make the Community move rather than just to talk about issues and then we end up being frustrated.

First of all, there is a structural problem with the standard gauge railway and it's financing. You agree on a plan but because the centre does not hold, the job is left to the individual governments because they are able to negotiate on their own because they are the only fellows who appear to be permanent. Therefore, no international funder will be able to negotiate with the Summit, which, as you know, cannot even enforce their commitments and contribution to the Community. So, this is a big problem.

You have been praising the old East African Community and you were even praising Kenya for having fast-tracked, but it is the politics that determines everything. I will not bother you with how the East African Railways was built, who were financing it, and for who.

It was principally financed as a Ugandan project to run the crops of cotton and coffee to the coast. Then the colonial establishment, which was a construct of one nation, decided that Kenya was going to be its home. Therefore, they took up all the

good land and then as their priority, a law was made to construct the Mombasa port and the railway line to serve this group. That is why the railway never took the shortest route to Kampala. It had to go through all the white highlands up to 9000 feet above sea level and then ultimately go into Uganda. It even had a branch to Nanyuki where they were.

By 1939, the cotton project had already matured and the cotton that was exported was able to pay for the loan, which was put up by the London banks and the shrewd members of the British East African Company and the British government, ahead of time.

In other words, if we do not have a political decision on what we want, then we shall end up copying situations, which may not also serve us. So, that was the situation, which has put Kenya above everybody else. The Mombasa port was in Kenya; the railway headquarters was in Kenya; East African Airways was in Kenya.

By 1940, the surplus of the cotton sales from Uganda was 40 million pounds. It was kept in London banks and given to the settlers and their agents to set up industries in Nairobi for the captive markets of Uganda. That is how the economy developed in Kenya. However, the situation is changed, and we can now see that we can no longer live on that. So, we shall have to do a lot of advocacy and sensitisation so that we do not again develop this question of competition because competition will not be able to serve us.

Now, when I come specifically to the questions that I have been asked, I will take everything because most of these recommendations – they are six – and as hon. Valerie has said, they have been raised before. I will definitely undertake that these are clear to the Council of Ministers and clear to the Heads of State so that we

develop this as a project, although it is being financed differently.

First of all, we are being disadvantaged. Recently when the president visited his colleague in Dar-es-Salaam, they told us what the honourable Member has been telling us here, that the Standard Gauge Railway is being developed from Dar-es-Salam to the entire southern corridor. What struck us most was that the cost they have contracted for the Southern Corridor is 1.5 million dollars per kilometre, but the Nairobi one, is 7 dollars per kilometre. So you can see. But of course, there is the terrain and there will be tunnels, but the price is high. And this is the question.

If at all we had done it jointly, we would have been able to take due advantage because we are the same people, and we all belong to the House of Mumbi. There are some who are patriotic and some who are not, and some will take advantage if there is something that they can make for themselves.

However, the question of joint negotiations, as the plan was, we could say that there should be joint negotiations and a cut down on the prices. And Kenya, because this is the main thing, I think it has become a political issue in Kenya. The intention has always been that if the railway is developed much in Nairobi, they will begin to use it. This has been holding back the Uganda part because unless the railway lands in Malaba, what do we do with our part? So, we need to press that as a house and be able to bring our leaders on track.

On the issue of the slow progress, I think now that the East African Legislative Assembly is awake, it should be another pressure group to push these things because everything here moves with pressure. The more we become relevant, the more we shall be able to push what we think is vital for the East African region, and for a better future for our children.

As I said, the recommendations are six, and I will go through them, East African Community and everything. I think we will be having our Summit next month, and as for the Infrastructure Summit, it was planned that they should have another one, but they have now decided that they are going to have the next Summit in November. Nevertheless, you have to understand why it is taking so long.

The other one took a very short time because the British were working on a target. Now, for us we think it is a question of prestige but it is not. It is not a question of votes because we are going to die and leave it there. It is not a project on which to collect votes but we are building the country so that the future is able to benefit and move. One of our greatest problems in African has been lack of communication. Therefore, the question that the railways are there to extract things to the coast must change. Who told you that the resources of Africa are for the outsiders? Can't we use them?

Mr Speaker, there is a group of economists who have come up with the economic dynamics of the East African corridors. I will ask that in the next session in Dar-es-Salaam you invite them to come and display this to the Members so that the Members can know how modern corridors can be organised, and the advantages that East Africa is going to get through these corridors. It is not a question of tubes coming in to suck things out.

We have to develop centres at the East African Community at every interval, and develop them so that they are centres of engagement and development. Now regarding training, I will give you an example. We have been able to do something better than any other country in terms of oil because when we received news of oil in Uganda, there was not a single Ugandan who knew anything oil. So we began training.

It took a long time but when people were making a lot of money on our oil when even one drop had not even come out, we said no; you cannot make money on our oil. After all, we are the ones who told you there is oil here. So, they had to give us some money. We had to tax them at least about 460 million dollars.

There is also question of manpower. We also need to plan for manpower, and it must be us because when we have consultancies, they are normally people who are not part of us. We have a number of children now, as hon. Mumbi has said. In Uganda, we have at least 680,000 graduates who are unemployed. The same situation is in Rwanda and the other Partner States. So, all these can be retrained into the actual skills that are required to move East Africa ahead. So, I think the future is bright.

The mere fact that there are more people now talking about and debating it is a good sign than the time when we started. Only a few of us who had hot heads are the ones who used to talk about these things. Now I am very happy that I have a young generation Assembly that is now thinking this way. Therefore, I think the future is bright. Thank you very much, Mr Speaker.

The Speaker: Thank you, Rt. hon. Deputy Prime Minister. I now invite the chairperson to respond, briefly. You do not have to go through the entire debate by every Member, hon. Chair.

The Chairperson, Committee on Communication, Trade and Investment (Mr Fred Mukasa Mbidde) (Uganda): Thank you very much, Mr Speaker. Let me equally take this opportunity to thank the Republic of Rwanda for the warm welcome and the continued hospitality that we are continuously enjoying. There is no sign of any change to the contrary and I can assure you, honourable Members that we are continuing to stay.

Mr Speaker, let me take this equally grand opportunity to thank you. We were just elected for another term, and your participation, Mr Speaker, cannot be equalled in terms of enumeration.

Mr Speaker, we thank you for the comments that you have consistently given that helped to see us re-elected to serve this Assembly for yet another term.

I continue to thank the Rt. hon. Deputy Minister. We know the role you have played for purposes of recommending that we are the good performers that the region should not miss in the Fourth Assembly – (*Laughter*). We thank you so much.

Honourable Colleagues, thank you for the prayers. We have consistently received prayers from you, and we have been consistently referred to by you as the best persons to be returned. We know how you campaigned for us while you were in Uganda, and I can simply tell you that the campaign worked very well. (*Applause*) I thank you, honourable Members.

Honourable Members, you have given this report the best judgement, therefore I may have very little to say.

My only statement, Mr Speaker, would be pockets that indicate that I am worried.

I know that the 1897 East African Community integration process commenced with a railway line. Even honourable Members here have stated so. Let us also think that probably that kind of integration process was not voluntary. The coloniser wanted land and he needed roads to connect to that land. Now we are looking at an integration process that was extremely consensual but the protagonists are behaving as if there was something involuntary that orchestrated the formation of the East African Community.

I am saying this, Mr Speaker, because I can see many people perturbed. When you hear

the ministers talk, you will find that they have some degree of desperation, too. They are also wondering about what is occurring. When we hear our Secretariat speak, you will find that they are also worried. Probably something is not going on. When you hear the Heads of State talk, you will find that they are extremely hopeful. They issue directives, they sign protocols. So, where is the wrong thing that is happening with integration? What is happening?

All these commence as very good speeches and they are reduced into agreements, they are reduced into protocols and at the level of operationalization, we find gaps. We find impossibilities of commencement of operations. We passed a law here where guidance was provided by the Council of Ministers to the effect that joint negotiations should ensue. We do not know why they have consistently continued to negotiate independently and individually for loan and grants.

Honourable Members, the truth is that a foreign debt is an import; it carries a price. It is one of the factors of production, and it is called capital. Now, you either choose to pay individually so that you pay highly, or you can amalgamate the paying entities by negotiating together so that the payments are not felt as highly as they would be if the repayment process were itself considered as a region.

So, I hope there is going to be a method for us to have a joint platform with the Summit because it is just another organ of the Community. Mountains do not meet but people meet. Can this Assembly have a joint platform with the Summit, maybe by way of a workshop, so that we can ask them that the other time you told us that we are the only leaders of integration? All of them were elected by citizens of the East African Community to lead their own countries. The only organ elected for integration purposes is the Assembly. That is why we are stuck and we do not know where to go.

So, I think we may need some interface for purposes that we can now ask them and they give us answers so that we can have progress on the integration agenda.

Mr Speaker, as I conclude, the honourable members have said a lot, and I thank them. I know that this has been one of the most technical reports that we have given this Assembly. I am extremely happy that the membership of the Assembly has handled it in the technical manner that it deserves.

My major problem is that let the Partner States know that it is the business of the Partner States, and particularly the Partner State governments to provide for infrastructural development of their own countries. It continues to be their business. Therefore, whether integration or not, I think nothing should arise as a valid point, pointing to the impossibility that a Partner State was never available with capacity to develop the same.

These railway lines are important, they are extremely necessary and we do not know – in fact, we are not even bothered whether we can recoup the investment so far made in terms of value, in terms of how much it also fetches by way of profit. These are suppositions that are required for any Partner State to flourish, for any businesses, for any interlinkages.

Before you have monetary convergences, we must also think of infrastructure – *(Interruption)* -

The Speaker: Honourable Chairperson, you are now debating the report.

Mr Mbidde: Mr Speaker, I was just giving a recap of what members have done because they have not proposed any amendments. They have reinforced the possibility that this report points to the very climate in which we stand as the East African Community.

Finally, let me thank the Members who have contributed immensely to the debate seeking to have this motion for adoption of this report carried. Hon. Shy-Rose; hon. Dr Ndahiro, hon. Sebalu, hon. Ole Nkanae, hon. Suzan Nakawuki, hon. Mumbi, hon. Ngoga, hon. Nyerere, hon. Mulengani, hon. Taslima, hon. Valerie and the Rt. hon. Chair of Council of Ministers. I thank you so much. I beg to move. *(Applause)*

The Speaker: Thank you so much, hon. Mukasa Mbidde, Chairperson of the Committee on Communication, Trade and Investment.

Honourable Members, the motion before the House is that the “*Report of the Committee on Communication, Trade and Investment on the status of the Railways Infrastructure Development in the East African Partner States*” be adopted. I now put the question.

(Question put and agreed to.)

(Report adopted.)

The Speaker: Honourable Members, I gave this report a lot of time deliberately because this is a very key infrastructural programme that will take this region to another level, and that is why I gave it a lot of time to be considered by this House.

I congratulate the Committee for a job well done, and I congratulate the House for adopting the report. I beg the Council of Ministers to take the recommendations of this House seriously on this matter. Thank you so much.

Before I adjourn the House, I would like to reiterate what I stated earlier that honourable Members, our plenary always begins at 2.30 and ends at the time when the Speaker adjourns the House. For those who have maintained themselves absent from the House, I have instructed one of the

officers called Madam Abela to write to them a reminder. Thank you so much.

ADJOURNMENT

The Speaker: Honourable Members, I now adjourn the House to Tuesday at 2.30 p.m.

(The House rose and adjourned until Tuesday, 14 March 2017 at 2.30 p.m.)