REPORT OF THE COMMITTEE ON ACCOUNTS TO ASSESS THE
STATUS OF IMPLEMENTATION OF THE ASSEMBLY
RECOMMENDATIONS ON

THE EAC AUDITED ACCOUNTS FOR THE EAST AFRICAN COURT
OF JUSTICE AND EAST AFRICAN COMMUNITY COMPETITION
AUTHORITY FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2017
AND 2018

(VIRTUAL 17TH – 21ST JANUARY, 2021)

Clerk’s Chambers
3rd Floor, EALA Wing
EAC Headquarters’ Building
Arusha, TANZANIA

20th April 2021
### List of Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>EAC</td>
<td>East African Community</td>
</tr>
<tr>
<td>EACCA</td>
<td>East African Community Competition Authority</td>
</tr>
<tr>
<td>EACJ</td>
<td>East African Court of Justice</td>
</tr>
<tr>
<td>EALA</td>
<td>East African Legislative Assembly</td>
</tr>
<tr>
<td>FS</td>
<td>Financial Statement</td>
</tr>
<tr>
<td>VAT</td>
<td>Value Added Tax</td>
</tr>
</tbody>
</table>
## Contents

1.0 INTRODUCTION ........................................................................................................................................... 4

2.0 OBJECTIVES OF THE ACTIVITY .................................................................................................................. 5

3.0 METHODOLOGY .............................................................................................................................................. 5

4.0 PRESENTATION ON THE GOVERNANCE AND MANAGEMENT OF EAST AFRICAN COURT OF JUSTICE .......................................................................................................................... 6

5.0 STATUS OF IMPLEMENTATION OF THE ASSEMBLY RECOMMENDATIONS FOR EACJ .......................................................................................................................................................... 8

    5.1 Delay in the delivery of Cases and References submitted to the Court ........... 8

    5.2 Wrong figure used in Budget Performance Report in EACJ financial statement .............................................................................................................................................................................. 9

    5.3 Underperformance ........................................................................................................................................ 10

    5.4 Long outstanding VAT not recovered ........................................................................................................ 11

    5.5 Long outstanding receivables from Partner States ..................................................................................... 11

    5.6 Review of Internal Control Systems and Corporate Governance ..................... 12

6.0 PRESENTATION ON THE GOVERNANCE AND MANAGEMENT OF EAST AFRICAN COMMUNITY COMPETITION AUTHORITY ........................................................................................................ 12

    6.1 STATUS OF IMPLEMENTATION OF THE ASSEMBLY RECOMMENDATIONS FOR EACCA .......................................................................................................................................................... 14

    6.1.1 Absence of Records on the Resources and Obligations of EACCA ............. 14

    6.1.2 Untimely submission of Financial Statements ............................................. 15

7.0 GENERAL OBSERVATIONS AND RECOMMENDATIONS ............................................................................. 15

    7.1 Understaffing at the EACJ and EACCA .................................................................................................... 16

    7.2 Permanency of Judges ............................................................................................................................... 16

    7.3 Expiry of the Term of the Board of Commissioners of the EACCA ..................... 16

    7.4 Structure of EACCA .................................................................................................................................... 17

    7.5 Retirement of Judges .................................................................................................................................... 17

8.0 CURRENT POSITION ...................................................................................................................................... 17

9.0 CONCLUSION .................................................................................................................................................. 17

10. ACKNOWLEDGMENTS ................................................................................................................................. 18
1.0 INTRODUCTION
The East African Legislative Assembly is the legislative organ of the East African Community responsible for; among other things, carrying out the oversight function on all matters pertaining to the Community. Article 49 (2) (c) of the Treaty for the Establishment the East African Community empowers the Committee on Accounts to discharge the oversight function on behalf of the Assembly on all financial expenses of the Community. In accordance with the Rules of Procedure of the Assembly particularly Annex 5(A), the Committee on Accounts is specifically mandated to;

i. Carry out a post audit review and scrutiny of the expenditure incurred by the EAC Secretariat, and other Organs and Institutions of the Community; the sums appropriated in an annual budget approved by EALA upon presentation by the Chairperson of the Council of Ministers of EAC;

ii. Carry out post audit review and scrutiny of the expenditure on the basis of an annual audit report of the Audit Commission, pursuant to provisions of Article 49 (2)(c) and 134 of the Treaty for the Establishment of the East African Community. This function involves scrutinizing and evaluating the performance of the budget;

iii. Carry out a post audit function that encompasses the monitoring and implementation of the budget in a manner similar to internal audit, pursuant to Rule 74 (1) of the Rules of Procedure of the Assembly, and;

iv. Present a report with recommendations to the House for consideration, approval and adoption after the post audit review and scrutiny.

Article 134 (3) of the Treaty requires the Audit Commission to submit its reports to the Council which shall cause the same to be laid on the floor of the Assembly within six months after receipt for debate, adoption and such other action as the Assembly may deem necessary.

Over the last couple of years, the Accounts Committee has expressed its disappointment at the persistent non implementation of the Assembly recommendations arising from the report on the EAC audited accounts.

It’s on this basis that the Committee on Accounts undertook an oversight activity to assess the progress made on issues previously raised by the EAC Audit Commission report for the financial years ended 30th June 2017 and 2018 respectively.
During the review and consideration of the above mentioned audited financial statements a number of queries were reported on the EACJ and EACCA namely;

i. Wrong figures used in budget performance report in the financial statements;
ii. Long outstanding VAT not recovered;
iii. Delay in the delivery of cases and references submitted to the Court;
iv. Long outstanding receivables from Partner States and specifically for the EACCA namely;
v. Absence of records for the resources and obligations;
vi. Untimely submission of financial statements;
vii. Improper revenue recognition;
viii. Unjustified direct procurement;
ix. Under absorption of budgeted authority funds among others.

2.0 OBJECTIVES OF THE ACTIVITY
The Objectives of the activity included the following;

i. To assess the governance and management systems of EACJ and EACCA;
ii. To evaluate the Progress on issues previously raised by the Audit Commission in its report for the year ended 30th June 2017 and 2018. This mainly assessed the status of implementation of previous recommendations of the Assembly in respect of the two reports.

3.0 METHODOLOGY
The Committee adopted the following methodology in compiling this report;

i. Studied the relevant literature pertaining to EACJ and EACCA
ii. Interacted and held discussions with the management of the EACJ and EACCA;
iii. Reviewed the reports of the EACJ and EACCA on the implementation status of the Assembly recommendations for the financial year ended 30th June 2017 and 2018;
iv. Received presentations on the governance and management systems of EACJ and EACCA and the issues previously raised by the Audit Commission in its report for the financial year ended 30th June 2017/2018
v. Interacted with Council Member from the United Republic of Tanzania Hon. William Tate Ole Nasha.
vi. Held the Committee meeting to discuss the report;
4.0 PRESENTATION ON THE GOVERNANCE AND MANAGEMENT OF EAST AFRICAN COURT OF JUSTICE

The Committee interacted with the Registrar of the EACJ His Worship Yufnalis Okubo and his team. The Registrar presented an overview of the mandate, functions of EACJ, challenges faced and the efforts in place to address the challenges.

The East African Court of Justice (EACJ) is the judicial arm of the Community. It was inaugurated on 30th November 2001 when the first batch of Judges and the Registrar were sworn in. The mandate of the Court is to ensure adherence to law in the interpretation, application and compliance with the Treaty.

The Court has two divisions; the First Instance and the Appellate Divisions, with their seats currently in Arusha with Sub-registries in Partner States. The First Instance Division comprises of 6 Judges (one from each Partner States) while the Appellate Division comprises of five (5) judges drawn from the Republic of Burundi, Republic of Kenya, Republic of Rwanda, United Republic of Tanzania and Republic of Uganda. The EAC Treaty limits the number of appellate judges to 5. The Judges are appointed by the Summit on recommendation of the Partner States for a seven (7) years tenure.

Article 24 of the Treaty (4, 5, 6 and 7) spells out the organization of the Court headed by the Judge President (resident) and assisted by the Vice President (a non-resident). The President is the Head of the Court of the First Instance. The Principal Judge (a resident) is assisted by the Deputy Principal Judge (a non-resident) directs the work of the First Instance Division (Article 23(3)). In terms of Article 45(5) the Registrar is in charge of the day-to-day administration of the business of the Court and carries out other duties as stipulated under the Treaty and the rules of the Court. The Registrar is assisted by the Deputy Registrar and Court Administrator with the support of other Court Staff.

The major business of the Court is dispensation of quality justice which involves the following.

i. Settlement of disputes;
ii. Provision of advisory opinions;
iii. Provision of preliminary rulings; and
iv. Arbitration.
Key Achievements of EACJ

i. The EACJ jurisprudence has developed especially in the area of the fundamental principles of the Community i.e. rule of law, good governance and human rights;

ii. The cases filed at the EACJ have increased. Case clearance rate has also increased with 88% of the cases filed at the Court having been determined and disposed of in the period 2010 – 2015\textit{(Annex, Page 9)};

iii. The \textit{Court Users’} trust and confidence in the Court has increased significantly as evidenced by the increase filing of cases;

iv. The Court has contributed to regional integration through the growth of jurisprudence in the region with regard to the principles enshrined in the Treaty;

v. The Court’s decisions have greatly influenced policies and practices in Partner States;

vi. The Court has adopted the use of an electronic case management, recording and transcribing system to ensure timely dispensation of justice, improve reporting and reduce costs;

vii. The Court has published its own law reports thereby making its jurisprudence readily available;

viii. The Court has enhanced access to justice by establishing sub-registries in all Partner States and abolishing court fees for filing cases;

ix. Continuous judicial education has frequently been undertaken and skills have been developed in areas such as arbitration; and

x. The Judge President and the Principal Judge are now resident in Arusha.

Challenges facing the Court

i. The service of the Judges of the Court continues to be ad-hoc and only the tenure of the President and the Principal Judge are resident and based in Arusha. This affects the performance of the Court since the meetings are not as frequent as they should have been;

ii. The \textit{ad-hoc} nature of the service of judges and limitation of their tenure by either age or duration of service also negatively impacts the performance of the Court;

iii. Visibility of the Court continues to be a challenge as there is limited knowledge of the Court among citizens, legal practitioners, and judicial officers resulting into limited use of the Court;
iv. The Court is financially constrained since it has insufficient funds to undertake its sittings and its visibility;
v. Delay in operationalizing the Court’s administrative and financial autonomy means that it still relies on the Secretariat to undertake some activities or implement its decisions.

5.0 STATUS OF IMPLEMENTATION OF THE ASSEMBLY RECOMMENDATIONS FOR EACJ

As part of its oversight function, during the Committee interaction with EACJ and reviving past year’s efforts, the Committee has witnessed a slow pace in the general implementation of the previous recommendations. The Committee reviewed the status of implementation of the previous audit recommendations and submits to the Assembly as follows;

5.1 Delay in the delivery of Cases and References submitted to the Court

The Audit Commission reported that Provision 68 (1) of the East African Court of Justice Rules of Procedures 2013 states that judgement shall be delivered within sixty days (60) from the conclusion of the hearing except where the Court is unable to do so; and in line with the best practices that justice must be dispensed fairly and expeditiously.

When the Audit Commission reviewed pending cases as of 21st November 2018 it noted the following:

i. There are a number of cases that have been pending for many years (2 to 5 years) as detailed below:

<table>
<thead>
<tr>
<th>PENDING CASES</th>
<th>Less 1yr</th>
<th>1 year</th>
<th>2years</th>
<th>3 years</th>
<th>4 years</th>
<th>5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>Division</td>
<td>Number of cases</td>
<td>30</td>
<td>12</td>
<td>5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Appellate</td>
<td>Division</td>
<td>Number of cases</td>
<td>6</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>
ii. Judges are not permanent staff of the court and deal with cases on session basis as shown in below:

<table>
<thead>
<tr>
<th>COURT</th>
<th>Court Session/ Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Division</td>
<td>March       June        September November</td>
</tr>
<tr>
<td>Appellate Division</td>
<td>February    May        August       November</td>
</tr>
</tbody>
</table>

iii. The court is in operation for less than half of the year and it is likely that the pending cases shall continue to accumulate further every year. For instance, last year comparative pending cases were 39 for both 1st division and appellate division combined.

Management reported that it has prepared a policy document to be submitted to the forthcoming Council of Ministers meeting for a policy decision on the permanency of the services of the Judges. A cost benefit analysis has been done and is part of the information in the paper.

Committee Observation

The Committee observed that the costs of having full time Judges and ad hoc Judges is more or less the same with a difference being only USD 5,611 which is not a substantial amount for the interest of Justice *(Annex page 10-11)*.

Committee Recommendation

*The Committee recommends to the Assembly to urge the Council of Ministers to:*

i. *Consider the policy paper with proposal made towards changes within the EACJ operations.*

ii. *Work on the amendments of the Treaty so as to take care of the factors that are hindering integration and forward the same to the summit for approval in particular Article 24 (2), so as to open up the number of judges appointed to the Appellate Division.*

5.2 Wrong figure used in Budget Performance Report in EACJ financial statement

The Audit Commission reported that a wrong figure was used in the Budget Performance Report in EACJ financial statement leading to an unexplained difference of USD 62,130.

Management of EACJ informed the Committee that this was occasioned by wrong figures being keyed in the system. This was attributed to a staff member in the
Accounts department taking leave amidst the already existing staff shortage in the department which it was not the case, this would have been resolved before the audit. Management further informed the Committee that the correction has since been made and that in the interim, EACJ Management had devised measures to borrow the services of an Accountant from the Secretariat whenever a key staff in the department takes leave.

**Committee Observation**

The Committee took note of the adjustments but observed that such occurrences could still arise since several key positions at the EACJ are still not filled. Notably, the post of Deputy Registrar which is key position serving as a first point of review of the work of accountants and in matters of financial management and reporting.

**Committee Recommendation**

*The Committee recommends to Assembly to urge the EAC Council of Ministers to fast-track the implementation of the Report of the EAC ad-hoc Service Commission undertaken after the Institutional Review Exercise and advertise all key posts so that the glaring manpower gaps are urgently filled.*

**5.3 Underperformance**

The Audit Commission reported an underperformance of budget below 10% on some budget lines.

Management of EACJ informed the Committee that the underperformance was caused by failure to recruit new staff that had been budgeted for. There was also delayed remittances by the Partner States as well as non-remittance of funds by development partners thus leaving gaps in the budget in addition to the lengthy procurement processes that did not enable management to execute planned activities.

**Committee Observation**

Failure to utilize budget lines could result into partial achievement of the Courts mandate.

**Committee Recommendation**

*The Committee recommends to the Assembly to urge the Registrar of the EACJ, Mr. Yufnalis Okubo, to make necessary follow up during budget execution and undertake the relevant review processes to ensure that the budget is appropriately executed.*
5.4 Long outstanding VAT not recovered
The Audit Commission reported that the figure of VAT outstanding had risen from USD 118,264 to 164,065 representing a 28% increase in the year under audit. Some of the VAT had been outstanding since FY 2011/2012.

Management of EACJ informed the Committee that they have filed all VAT refund claims with the relevant authorities and had made several follow-ups with the Ministry of Foreign Affairs in United Republic of Tanzania.

Committee Observation
The Committee observed that though VAT refund claims were filed with the relevant authorities, no refunds have been remitted by them to the EACJ. The entire cost therefore, remains outstanding and if not resolved, will continue to rise.

Committee Recommendation
*The Committee recommends to the Assembly to urge the Council of Ministers to ensure that the management of EAC, the ministry responsible for foreign affairs and the ministry responsible for finance and the revenue authorities adopt a strategy geared at bringing Partner States to honor their obligation towards VAT recoverable*

5.5 Long outstanding receivables from Partner States
The Audit Commission reported outstanding accounts receivable of USD 809,227 from Partner States under Non-Exchange Transactions at the end of the FY.

Management of EACJ informed the Committee that through the EAC Secretariat, it continues to follow up on Partner States arrears with frequent reminders.

Committee Observation
The Committee observed that none or delayed - remittance of funds from the Partner States as stated in the regulation affects the operations of the Court. As a result, many activities may remain unimplemented or delayed meaning the Court may not fully achieve its mandate. It is therefore anticipated that such shortcoming may be resolved by adopting new financing mechanisms for the EAC since the existing one seems to be performing inadequately.
Committee Recommendation

The Committee recommends to the Assembly to urge the Council of Ministers to finalize the alternative financing mechanism and table it before the EAC Heads of State Summit; and EACJ should adopt strategies geared at bringing the Partner States to fulfill their Obligation on time.

5.6 Review of Internal Control Systems and Corporate Governance
The Audit Commission revealed the following anomalies:

a) Fully depreciated assets still in use;
b) Deficiencies in preparation of minutes of some meetings;
c) Delay in formulating of a strategic plan despite expiry of the previous strategic plan 2010-2015;
d) Absence of an established plan for training of staff;
e) Long delays in the delivery of cases submitted to the Courts;
f) Irregularities noted in the employment of staff including two temporary staff that had been hired for longer than the regulations provide; and their remunerations not matching with the first step of the appropriate salary grade to which the appointment was made.

Committee Observation

The Committee noted that the EACJ management through the EAC Secretariat developed a software system used for asset management; training plan has been developed which is followed to train and equip staff with necessary skills; and further to note a position paper on delivery of cases has been prepared and submitted to Council for consideration recommending judges to be resident in Arusha.

Committee Recommendation

The Committee recommends to the Assembly to urge the Council of Ministers to consider the position Paper on the delivery of cases and recommending the judges to be resident in Arusha.

6.0 PRESENTATION ON THE GOVERNANCE AND MANAGEMENT OF EAST AFRICAN COMMUNITY COMPETITION AUTHORITY
The Committee interacted with the Registrar of the EACCA, Ms. Lilian K. Mukoronia, and her team. The Registrar presented an overview mandate,
functions of EACCA, challenges and the effort put in place to address the challenges.

Globalization of economic activity and cross-border flows of trade, investment and finance are key drivers for the development of competition regimes at the regional level. To this extent, the Treaty for the Establishment of the East African Community recognizes the importance of promoting competition in the region and makes explicit the need to promote a competitive industrial sector in Article 79. The Protocol on the Establishment of the East African Customs Union confirms the important role of competition in regional integration. Article 21 provides for the prohibition of practices that prevent, restrict and distort competition in line with the EAC competition policy and law. The Protocol on the Establishment of the East African Common Market further asserts the importance of competition in several articles. Articles specifically mandates cooperation to ensure fair competition and consumer welfare as part of facilitating a Common Market, while Articles 33 - 37 prohibits agreements, subsidies and discriminatory public procurement practices that prevent, restrict and distort competition.

In light of the above obligation, the EACCA as an institution of the EAC, was established by Article 9(2) of the Treaty for the Establishment of the East African Community and section 37 of the EAC Competition Act, and regulated within the framework of Article 21 of the Protocol on the Establishment of the EAC Customs Union and Article 33 of the Protocol on the Establishment of the EAC Common Market Protocol. The EACCA is mandated to enforce the EAC Competition Act by promoting fair trade and providing for consumer welfare in the Community.

The EACCA is in nascent stages of its establishment and has commenced initial operation with objectives in line with Section 3 of the EAC Competition Act as follows;

a) enhance the welfare of the people in the Community by protecting all market participants’ freedom to compete by prohibiting anti-competitive practices through:
   i) protecting the opening of Partner States’ markets against the creation of barriers;
   ii) interstate trade and economic transactions by market participants;
   iii) guaranteeing equal opportunities in the Community to all market participants in the Community, and especially to small and medium sized enterprises;
iv) guaranteeing a level playing field for all market participants in the Community by eliminating any discrimination by Partner States on the basis of nationality or residence;

v) providing consumer access to products and services within the Community at competitive prices and better quality;

vi) providing incentives to producers within the Community for the improvement of production and products through technical and organizational innovation;

vii) promoting economic integration and development in the Community;

b) enhance the competitiveness of Community enterprise in world markets by exposing them to competition within the Community;

c) create an environment which is conducive to investment in the Community;

d) bring the Community’s competition policy and practice in line with international best practices; and

e) strengthen the Partner States role in relevant international organization.

6.1 STATUS OF IMPLEMENTATION OF THE ASSEMBLY RECOMMENDATIONS FOR EACCA

The Committee reviewed the status of execution of the previous audit recommendations and reports as follows;

6.1.1 Absence of Records on the Resources and Obligations of EACCA

The Audit Commission reported that a review of EACCA books revealed that there was no record showing how much funds had been received from Partner States on behalf of EACCA by the EAC Secretariat and how much was in arrears by the end period. It was also not clear whether the contributions from development partners had been received or not.

The EAC Secretariat informed the Committee that in the year under Audit, EACCA was being manned by only one person (the Registrar) and it was therefore, improper for this one person to run bank accounts for the institution since it would contravene the EAC Financial Rules and Regulations. EACCA was fully funded from the EAC General Reserve Fund and therefore, the issue of Partner States disbursements could not arise. Furthermore, the Development Partners did not release their contributions amounting to USD 746,201 hence, the issue of disbursements from them could also not suffice. These however, recorded as outstanding receivables in the books of accounts.
The EAC Secretariat further informed the Committee that Council had since approved the appointment of a Deputy Registrar and that EACCA would now be able to manage its resources and to keep books of accounts.

**Committee Observations**

The Committee observed that EACCA is still being manned by one person, the Registrar assisted by a temporary Accounts Assistant from the EAC Secretariat; and in the recent concluded workload analysis carried out by the ad-hoc Service Commission, the structure was reduced from twenty-two (22) positions previously approved by Council to ten (10) which if implemented, will jeopardize the full operations of the Authority.

**Committee Recommendation**

*The Committee recommends to the Assembly to urge the Council of Ministers to fully operationalize the EACCA by recruiting staff to manage the Authority such that it can independently and efficiently carry out its mandate;*

**6.1.2 Untimely submission of Financial Statements**

The financial statements for EACCA for the period ended 30th June 2017 were submitted to the Audit Commission on 30th October 2017 contrary to the requirements of the EAC Financial Rules and Regulations.

Management of EACCA informed the Committee that the Secretariat had assigned a temporary Accountant to EACCA and since then, financial statements are now being submitted on time.

**Committee Observations**

The Committee observed that ever since an Accounts Assistant was assigned to assist the Registrar, financial Statements are now submitted on time.

**Committee Recommendation.**

*The Committee recommends to the Assembly to urge the Council of Ministers to expedite the recruitment process of key positions in the Authority so as to avoid such anomalies.*

**7.0 GENERAL OBSERVATIONS AND RECOMMENDATIONS**
7.1 Understaffing at the EACJ and EACCA
Committee Observation

The Committee observed that like all other EAC organs and institutions, the EACJ and EACCA are understaffed which has led to non-segregation of duties. This is in violation of EAC Staff Rules and Regulations. For instance, under the EACJ there are only 2(two) research officers who facilitate 11 Judges while the position of Deputy Registrar is not yet filled despite the expiry of the contract of the staff whose tenure ended three years ago while under the EACCA out of the 10 positions only one staff has been recruited as the Registrar.

Committee Recommendation

The Committee recommends to the Assembly to urge the Council of Ministers to:

Ensure that the implementation of the Institution Review Exercise outcome/recommendations are expedited to allow the recruitment of vacant positions at EACJ and EACCA by July 2021;

7.2 Permanency of Judges
The presence of judges permanently in Arusha will give the Court a sense of belonging and visibility in the Community as opposed to the current situation where it appears to be missing. Most important cases will be heard in a record time as expected of a world class international Court and this will completely eliminate backlog as the daily work will also be based on the support from the case management system. Furthermore, urgent matters will be handled on spot for the benefit of the Community

The Committee recommends to the Assembly to urge the Council of Ministers to consider the policy paper of EACJ with regard to permanent residence of Judges in Arusha so as to accelerate cases as is expected at the level of an international Court (Annex pages 10-13).

7.3 Expiry of the Term of the Board of Commissioners of the EACCA
The Committee observed that the Board of the EACCA which is the decision-making body of the authority expired and now decisions cannot be made regard to important activities of the authority. It was noted that there is only one member of the board from United Republic of Tanzania who was appointed later than all the other members. With such a glaring gap, EACCA as currently constituted, is unable to fulfil its mandate.
The Committee recommends to the Assembly to urge the Council of Ministers to fast-track the appointment of the Board of the Authority.

7.4 Structure of EACCA
The Committee observed that there is a reduction of staff recommended by the report of the EAC ad-hoc Service Commission on the structure of the authority to 10 (Ten) positions as opposed to the 22 (twenty-Two) positions that the Council had previously approved.

The Committee recommends to the Assembly to urge the Council of Ministers to reconsider the decision of the 10 positions recommended by the EAC ad-hoc Service Commission to the initial 22 so that the operations of the Authority will not be jeopardized in future.

7.5 Retirement of Judges
The Committee took note of the retirement of 7(seven) EACJ judges including the Judge President and the Principal Judge who are head of Appellate and First Instance Divisions respectively. This has jeopardized the operations of the Court in terms of hearing cases and delivering judgement.

The Committee recommends to the Assembly to urge the Council of Ministers to follow up on the appointment of Judges by the Summit.

8.0 CURRENT POSITION
- During the 21st Summit meeting that took place on 27th February 2021, 6 Judges for the East African Court of Justice were appointed after a delay of 4 months.

- During the 40th Ordinary meeting of Council of Ministers from 22nd – 25th February 2021 reappointed the Board of commissioners of the EACCA whose term had ended in November so the delay was for 4 months.

The Committee commends the 21st EAC Summit and 40th Ordinary meeting of Council of Ministers towards the appointment of Judges of the EACJ and reappointment of the board of Commissioners of the EACCA respectively however the Committee recommends to the Assembly to urge the Council of Ministers to have a smooth transition of appointments in future.

9.0 CONCLUSION
The EAC Council of Ministers should fully support strategies of the EAC Organs and Institutions. Funding is a pre-requisite to; capacity building, quality
assurance, sustainability and effective competition. There is need for increased funding for EAC Organs and Institutions. The Zero increment should be fully discouraged in the view that EAC Organs and Institutions continue to increase their mandate. By doing so it will enable Organs & Institutions implement their planned activities and Assembly recommendations. The EAC Council of Ministers should also play their role to ensure that the Assembly’s recommendations are implemented on time.

10. ACKNOWLEDGMENTS
The Committee on Accounts wishes to thank the Rt. Hon. Speaker, Members, the Clerk and the entire administration of the Assembly for allowing it to carry out its oversight function. The Committee further appreciates the valuable time and information accorded to it by the management of the EACJ and EACCA. The Committee therefore recommends that the report be adopted.