

# EAST AFRICAN COMMUNITY EAST AFRICAN LEGISLATIVE ASSEMBLY

REPORT ON THE FIFTH INTER-PARLIAMENTARY RELATIONS SEMINAR (NANYUKI V) ON THE THEME: "EAST AFRICAN COMMUNITY COMMON MARKET - PROSPECTS, CHALLENGES AND OPPORTUNITIES"

House of the Burundi National Assembly, Bujumbura, Burundi: 27<sup>th</sup> to 31<sup>st</sup> January, 2010

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# ABBREVIATIONS AND ACRONYMS

ACP: African Caribbean and Pacific countries

ACP: Association of Commonwealth Parliamentarians

CBOs: Community Based Organizations

CET: Common External Tariffs

EABC: East African Business Council

EAC: East African Community

EACJ: East African Court of Justice

EADB: East African Development Bank

EALA: East African Legislative Assembly

ECOWAS: Economic Community of West African States

EPA: Economic Partnership Agreement

EU: European Union

FA: Framework Agreement

GATS: General Agreement on Trade in services

LVBC: Lake Victoria Basin Commission

LVFO: Lake Victoria Fisheries Organization

MPs: Members of Parliament

NA: National Assemblies

NTB: Non-Tariff Barrier

WTO: World Trade Organization

IPU: International Parliamentary Union

# **EXECUTIVE SUMMARY**

This is the Executive Summary of the Report of the Fifth Inter -Parliamentary Relations Seminar (Nanyuki V) held in Bujumbura, Burundi, from 27<sup>th</sup> to 31<sup>st</sup> January 2010. The main objectives of the seminar were to strengthen the functional relationship between EALA and National Assemblies and to discuss the provisions of the EAC Common Market Protocol Under the theme: "The East African Common Market: - Prospects, Challenges and Opportunities." The following are the key issues and recommendations which emerged from the seminar.

### 1. The prospects

The seminar noted the following prospects arising from the Common Market Protocol:

- Greater capacity for growth and development;
- Strategic platform for competitive industrialization;
- Diversification of products for an enlarged market structures;
- Significant steps towards sustainable economic integration;
- Optimum collective utilization of resources for growth and development, and for the mutual benefits of all East Africans;
- Harmonization of policy in the political, economic, social and cultural areas, and promotion of a people-centered development.

#### 2. The Challenges

Some challenges which will have to be overcome in order to successfully realize the Common Market Protocol were identified:

- Policy harmonization to drive the Common Market places limitations on Partner States to pursue independent economic policies;
- The willingness of Partner States to cede some sovereignty to the Community and its institutions;
- Institutional and administrative reforms envisaged in Article 76(3) of the EAC Treaty to establish and confer powers to institutions to implement the Common Market;

> Sustainability of the political will required for timely implementation of agreed programs:

Availability of adequate resources and their priority allocation to

regional projects;

> Ensuring awareness of the integration benefits and opportunities to the people of East Africa;

Adequate linkages between the people, National Assemblies and the

EAC Institutions;

> Establishment of mechanisms to enforce the laws, decisions and directives of the Community to effect the enjoyment of the freedoms enshrined in the Protocol.

#### 3. The opportunities

The Seminar noted the following opportunities associated with the implementation of the Common Market Protocol:

Creation of a bigger market for business;

> Gains resulting from more efficient allocation of resources arising from the free flow of factors of production;

> Competition will lead to quality products at reasonable prices for benefit

of consumers;

> The Social Policy component of the Protocol will improve the human welfare of East Africans;

> Investment in research and technological development, will lead to a knowledge - based economy.

### 4. Seminar Resolutions

At the conclusion of the Seminar the following resolutions were adapted and reflected in the final communiqué:

- A robust and comprehensive strategy of awareness creation and 1. sensitization on the EAC integration, should be urgently and effectively implemented by the EAC and Partner States;
- National Assemblies were urged to establish standing EAC Committees 2. as a means of strengthening linkages between EALA and the National Assemblies;

- 3. Partner States were urged to step-up efforts to ensure effective enforcement and compliance with decisions, laws and regulation within agreed timeframes and agree on an effective mechanism for sanctioning non-compliance;
- 4. Partner States were urged to allocate adequate resources for EAC Organs and Institutions in particular EALA to discharge its mandate;
- 5. To the extent possible, Speakers of National Assemblies were urged to maintain consistency in delegations to Nanyuki series for institutional memory and effective follow-up; and
- 6. That the EAC Secretariat and Partner States should establish a follow-up mechanism to monitor and provide accountability on implementation of Resolutions of the Nanyuki Seminar series. To this end the Nanyuki V Seminar participants welcomed the undertaking by the Chairman of the Council of Ministers to share the outcome of the Nanyuki series with the Summit.

#### 1.0 Introduction

### 1.1 Background

EALA is one of the EAC's seven organs with legislative and oversight responsibilities. EALA is composed of 9 members from each of the five Partner States and seven ex-officio Members. Article 49 of the Treaty provides 'inter alia' that EALA liaises with National Assemblies of Partner States on matters relating to the Community. EALA devised the annual 'Inter – Parliamentary Seminars' known as the 'Nanyuki Series' as one of its methods of liaison to enhance Article 65 of the Treaty. This is the Fifth in the series, one in each of the Partner States.

The issues discussed at these seminars are those considered important and strategic for regional integration. The seminars are intended to strengthen the functional relationship and exchange of information between EALA and National Assemblies. The expected outputs include concrete proposals for promoting the integration process and how to tackle the challenges that the Community encounters.

The Fifth Nanyuki Seminar was held in Bujumbura, Burundi from 27<sup>th</sup> to 31<sup>st</sup> January 2010 under the theme: `*EAC Common Market Protocol, the Prospects, the Challenges and the Opportunities'*.

At the end of the Seminar, a Communiqué was issued containing specific resolution on the way forward. A Copy of the Communiqué is attached hereto as **Annex I.** 

### 1.2 Seminar objectives

While the overall objective of the Nanyuki Series is to strengthen the functional relationship between EALA and National Assemblies, the specific objective of Nanyuki V was to discuss the provisions of the EAC Common Market Protocol, particularly, its prospects, challenges and opportunities.

#### 1.3 Outcomes

At the end of the three-day seminar, it was expected that Members would have been appraised of the progress in the EAC integration, and in particular, participants would:

- Enhance their knowledge about EAC and its organs, including EALA and its operations;
- Acquire better understanding of the critical aspects of the Common Market Protocol;
- Appreciate the need for a Common Market and thus provide the necessary legislative facilitation that will be required; and
- Cooperate for the common good of East Africa.

#### 1.4 Participants

The Seminar, which took place in Chamber of the National Assembly of Burundi, was officially opened by the President of the Republic of Burundi, His Excellency Pierre Nkurunziza. It was attended by 137 participants from EALA, Members and staff of relevant Committees from National Assemblies of Partner States, invited participants from the EAC Secretariat, consultants as well as invited guests from other institutions. Also in attendance were the President of the Senate and the Speaker of the National Assembly of Burundi. The programme, Concept Note and the list of participants are attached as **Annexes II, III and IV.** 

#### 1.5 The Theme of the Seminar

The theme of Nanyuki V was: `The East African Community Common Market Protocol – the Prospects, Challenges and Opportunities.' This Report contains a summary of issues discussed and, recommendations and resolutions adopted by the Seminar.

# 2.0 Highlights of the Opening Session

### 2.1.1 The Speaker of EALA

The opening Session was presided over by the Speaker of EALA, The Rt. Hon. Abdirahin Abdi, who welcomed the Guest of Honour H.E. President Pierre Nkurunziza and other dignitaries.

The Speaker communicated on the following:

He expressed his appreciation for accepting H.E. the President of the Republic of Burundi for opening the Seminar. He also thanked parliamentarians from the National Parliaments for attending.

The Speaker stated that the Inter-parliamentary Relations Seminar (Nanyuki) was one of the avenues through which the East African Legislative Assembly and the National Assemblies of the EAC Partner States interact to operationalize Article 49(2) of the Treaty for the Establishment of the East African Community. He said that the idea was conceived in 2003 and it was resolved that this important activity be carried out on an annual basis. He noted that the venues for hosting the Seminar are rotated in the respective Partner States; the first seminar was held in Nanyuki, Kenya in 2003. Subsequent meetings were held in Kampala, Uganda; Dar Es Salaam, Tanzania; and Kigali, Rwanda and today we are in Bujumbura, Burundi.

He informed the Seminar that participants for the seminars are drawn from relevant National Assembly Committees and EALA MPs; EAC Ministers and Ministry officials in the respective Partner States; EAC Ambassadors in the respective countries where the activity was being held; the EAC Secretariat led by the Secretary General; EU representation, the private sector representatives; civil society; academicians; policy experts in respective countries; and other prominent citizens of East Africa.

He further informed participants that the activity is used to discuss in detail how to forge ahead with the EAC integration agenda and the role of the respective Assemblies in bringing this agenda to the fore in their work. He noted that views are also exchanged on institutional as well as functional matters. Previous meetings have discussed matters related to the EAC Customs Union and Common Market as pillars of integration. He further mentioned that theme of Nanyuki V was on the **Common Market Protocol: Challenges, Prospects and Opportunities.** This he said was an excellent opportunity for the participants to examine the provisions of the protocol and the roles of National Assemblies and EALA in its implementation.

# 2.1.2 Chairperson of the Council of Ministers

The Chairperson of the Council of Ministers, Hon. Dr. Diodorous Kamala welcomed His Excellency, the President of the Republic of Burundi to the Inter-Parliamentary Relations Seminar. He informed participants that this was an annual event which started in Nanyuki, a town in Kenya, in the year 2003. Since then the event has been held annually at the invitation of the Partner States.

He commended the Government of the Republic of Burundi and its people for hosting this Seminar and he appreciated the warm hospitality accorded to the delegates since their arrival in Bujumbura. He assured them of the Council's commitment to work together with EALA and the Parliaments of Partner States in forging ahead the East African integration agenda.

He informed them that during the two and half days, participants would be briefed about EALA activities and the various programmes and projects implemented by the EAC, including the progress on the EAC Customs Union, and the establishment of an EAC Common Market.

The Chairperson reported that the EAC has established a framework for formulating and implementing Projects and Programmes with main focus on the development of the economic and social infrastructure, agriculture and food security, environment and natural resources, peace and security among others. However, he said that implementation of a number of priority regional infrastructural projects approved by the Council had stalled due to lack of funding. He called on participants to recommend an appropriate strategy for financing priority projects and programmes of the Community in order to "hasten the implementation process."

He informed the meeting of the historic event on the 20<sup>th</sup> November, 2009, when the Heads of Government of the Partner States they signed the EAC Common Market Protocol, marking the beginning of the second pillar of the EAC integration process. The target date for the Common Market Protocol to come into force is 1<sup>st</sup> July, 2010. He urged Partner States to expedite the national ratification processes so that the target date is met.

He also reported that the Summit directed the Council to expedite the process of establishing the institutional framework that will support effective management of the EAC Common Market. He further noted that the Heads of State directed that the Council constitutes a team of experts to undertake studies on the concerns raised by the East African citizens during the consultative process on fast tracking of the Political Federation. He added that the process had started with each Partner State nominating three persons to the Team.

He informed participants that a High Level Stakeholders' Forum on Customs Reform and Implementation for a fully fledged Customs Union was held from 30<sup>th</sup> November to 1<sup>st</sup> December, 2009 at Ngurdoto Mountain Lodge in Arusha. The Forum recommended among other things: the development of an appropriate model for customs administration and revenue collection; establishment of EAC Customs Authority; and practical interventions for removal of non tariff barriers.

Finally, he stressed the importance of the third pillar in the EAC integration process; namely — the Monetary Union and he urged that: "necessary and deliberate measures are taken to ensure that this process is expedited in order to create a stable and sustainable Monetary Union. Preliminary groundwork has started and it is my sincere hope that everyone is committed to this noble course".

### 2.1.3 The Speaker of the National Assembly of Burundi

The Speaker of the National Assembly of Burundi, the Rt. Hon. Pie Ntavyohanyuma welcomed His Excellency the President of the Republic of Burundi and expressed his gratitude for having accepted the invitation to officially open the 5<sup>th</sup> Inter-Parliamentary Relations Seminar (NANYUKI V). He also extended his warm welcome to Honorable Speaker of EALA, all Members of the Assembly and MPs from Partner States Assemblies.

He wished all participants a pleasant stay in Bujumbura, the capital city of Burundi. He stated that your presence in the Chamber of Kigobe was a clear indication of their interest towards Burundi's legislative institution, which represents the people of Burundi and serves as a hub for inter-parliamentary dialogue.

He noted that the convening of the Seminar in Bujumbura was the materialization of a recommendation made during the Kigali, Seminar, Rwanda in 2008.

He expressed his hopes that Seminar participants would have an opportunity to conduct an in-depth analysis of the provisions of this Protocol with a view to clarifying the roles of National Parliaments and that of the EALA in its implementation.

He emphasized that the Seminar was organized out of the desire of the EALA to incorporate the Parliamentary dimension into the process of building the EAC, a which dimension is vital for the regional integration.

He assured the participants that Burundi's sister and friendly countries, that Burundi would leave no stone unturned in her efforts towards making their stay as pleasant as possible. He also assured them of the smooth facilitation of the Seminar.

### 2.1.4 H.E. the President of the Republic of Burundi

The President of the Republic of Burundi, H.E. Pierre Nkurunziza began his opening statement by thanking God the Almighty who has allowed such an important Seminar for the EAC to take place in Bujumbura. He noted that for him it was a moment of great joy and legitimate pride to be before the August Assembly from the four corners of the EAC who were participating in the Seminar on East African Inter-Parliamentary Relations, in Bujumbura, on the theme "The Protocol on the Establishment of the East African Community Common Market: Prospects, Challenges and Opportunities."

He wished everyone who came from the brotherly EAC Partner Countries, a warm welcome to Burundi. He extended to all Seminar participants best wishes for good health, happiness, prosperity and plenty of success in all their noble undertakings, and he wished the "dignified representatives" of the EAC region prosperous year 2010.

He reiterated that the Seminar on East African Inter-Parliamentary Relations would be an occasion for Parliamentarians to share their experiences and to discuss issues of great interest to the Community which is strongly committed towards regional integration.

He congratulated EALA and the Rt. Hon. Speaker for having thought of organizing NANYUKI Seminar Series, and the choice of the topic, as EAC embarks on the second phase of integration.

He underscored that "Common Market Protocol enshrines fundamental freedoms for goods, persons and labour, capital and services as well rights for the establishment and residence, which provide for a favourable environment for business".

He strongly encouraged Traders and Investors from around the world to come and invest in our Community, as EAC was becoming one of the most economically viable emerging regions. He stressed that as an integral part of the EAC, Burundi will do her best so that the Protocol under consideration be ratified and implemented in agreed time.

He informed the Seminar that Burundi is committed to work and seize the opportunities of integration into the EAC in general and the implementation of the Common Market Protocol in particular. He stressed that this was the reason why his country was engaged in a process of harmonization of policies with other countries of the Community both at the institutional and legislative level.

He further informed the Seminar participants that Burundi is preparing to hold general elections in 2010. "My country is so far happy with the preparations of the elections. We reiterate our commitment for free, fair and transparent elections in a climate of peace and security. To succeed, we count first of all on the support of Burundi People and Leadership, and on friends of Burundi in general, and the EAC in particular," he noted.

He appealed to friends of Burundi to continue to give multifaceted support in organizing these elections either at the level of budget support various materials or election observers. "Successful 2010 elections will surely lead Burundi to genuine stability and make her a more viable and active partner of the EAC. We are convinced the whole Community shall be proud of such a success," he emphasized.

He concluded his opening speech by wishing the Seminar participants on Inter-Parliamentary Relations NANYUKI V, plenty of success. "May this session be another good occasion to register other achievements for the happiness of our respective Countries and Peoples, much to the satisfaction of our Community which enhances cooperation and integration," he said.

#### 2.2 Statements by Heads of Delegation

#### 2.2.1 Head of the Tanzania Delegation

The statement by Head of the Tanzania Delegation was delivered by Hon. Beatrice Matumbo Shellukindo, MP. She begun by thanking His Excellency Pierre Nkurunziza, President of the Republic of Burundi for his inspiring address and also for taking time off from his official engagements to inaugurate Nanyuki V. She expressed her appreciation to the government and organizers of the Seminar for the excellent logistical arrangements. She applauded the importance of the Nanyuki series since its inception in 2003. She said that the Seminars had acted as fora for the promotion and understanding of the EAC integration process.

The Hon. Shellukindo expressed a need for radical changes in the functioning of EALA to better interact more smoothly with National Assemblies. She further emphasized that Member States' Constitutions have imposed on parliaments three responsibilities, namely; representation, legislation and oversight. She wanted Parliaments to work in unison: "to ensure that the governments live up to the expectations and aspirations of the people of the EAC and are faithful to their own commitments made to their people." She stressed that seminars like these are useful as a platform to engage in dialogue, share ideas and best practices in fulfilling roles of parliamentarians.

She emphasized that the general public should be principle beneficiaries of all the decisions, debates and motions of National Parliaments. She reminded the participants that the collapse of the first EAC was due to failure to involve the general public in the affairs of the Community in their respective countries.

She affirmed her belief that this seminar will be able to discuss the Prospects, Challenges and Opportunities of the Common Market Protocol and provide excellent opportunities, and the role of the National Assemblies and EALA in this process.

# 2.2.2 The Head of the Kenya Delegation

The Kenyan statement was delivered by Hon. Charles Kilonzo, MP. He thanked EALA for spearheading the establishment of the Inter-Parliamentary Forum, the Nanyuki Series, and for consistently and successfully organizing them starting with the first meeting which was held in Nanyuki, Kenya, in June 2004.

He urged the seminar participants to take note of the recommendations of the Nanyuki IV Forum held in Kigali, Rwanda, in August 2009. Nanyuki IV was important because it dealt with Customs Union and Common Market particularly the operationalization of the Customs Union among the Partner States. Hon. Kilonzo proposed that a session be created in this Nanyuki V to review progress on the implementation of the recommendations of Nanyuki IV, and a follow up of the Nanyuki V recommendations and resolutions and the future Nanyuki Series.

He warned participants that "the recent financial recession had taught us that it is through a common approach and unity of purpose that we can cushion ourselves, face our challenges and shape a prosperous destiny as East Africans". He reiterated that the signing of the Protocol establishing the East African Common Market by the Heads of States on 20<sup>th</sup> November 2009 marked a new of economic era for the people of East Africa.

He noted that the Common Market is critical in the integration process and can best be actualized by creating a deliberate programme of action to sensitize and involve National Assemblies in the implementations of the Common Market Protocol. He emphasized that the Assembly and the Secretariat can create a forum where issues of legislation and policy are discussed in order to operationalize the Common Market Protocol.

He pointed out the significance of the Nanyuki series in linking and uniting the Regional Assembly (EALA) and Parliaments of Partner States. He proposed that the Forum be institutionalized with specific dates of its meetings as is the case for the Inter-Parliamentary Union (IPU) and the Commonwealth Parliamentary Association (CPA). This will assist National Parliaments to plan for this Forum and be able to monitor and evaluate the integration process.

He finally thanked the government and the people of the Republic of Burundi for hosting Nanyuki V Seminar and for the hospitality extended to its participants.

# 2.2.3 The Head of Rwanda Delegation

The Leader of the Rwanda Delegation Hon. Ayinkamiye Speciose, MP thanked EALA for inviting them to Nanyuki V Seminar. She also thanked the President of the Republic of Burundi and its people for the warm welcome and the hospitality that has been extended to them since their arrival. She commended the EAC and the EALA for the initiative to involve National Assemblies in all discussions pertaining to the integration process. She noted that the Seminar under the theme: 'the Common Market Protocol, Prospects,

Challenges and Opportunities' was an excellent opportunity to gain more insight into the provisions of the Common Market Protocol, and the role of the National Assemblies in its implementation.

She promised that through legislation and oversight role, the Parliament of Rwanda was committed to continue supporting the whole process of integration.

She called for sharing of experiences on best practices among the National Assemblies and the EALA, with a view to supporting the whole process of integration and especially the stage of free movement of capital and persons within the EAC.

# 2.2.4 The Head of Uganda Delegation

The Uganda statement was delivered by Hon. Reagan Okumu, MP. He commenced by noting that the Parliament of Uganda was represented by a high level delegation of Chairpersons and Deputy Chairpersons of Committees signifying the importance Parliament of Uganda puts on the EAC and the move towards a Common Market. He urged participants to be focused in order to perfect the integration process in the region since the world has changed. He reminded participants that the existence of regional blocks has become a necessity for economic survival.

Hon. Okumu highlighted the importance of monitoring and observing forth coming general elections in the EAC Member States. He emphasized the need for the EAC Member States to set aside sufficient resources to dutifully monitor the process, debate and make some observations for improvement of the democratic process in the region.

He emphasized the need to bring East African people on board in the integration process. He noted that Members at the National Assembly are fairly representative and can reach out to a large public; but he challenged National Parliaments and EALA on how to ensure proper outreach to the people.

He also advised Seminar participants to work with civil society organizations, in their Partner States, such as churches, mosques and other religious organizations. "How do we partner with them? They too command a lot of following and have a lot of outreach. They interact with so many people," he said. He called on Seminar participants to have an institutional framework of reaching out to these civil society organizations including universities.

He appealed for a framework whereby EALA would report directly to National Assembly instead of reporting to Parliament through the Committee of Foreign Affairs.

### 2.2.5 Head of the Burundi Delegation

The Leader of Burundi Delegation Hon. Sabiyumva Evariste, MP, thanked EALA for inviting the Burundi delegation to take part in the Seminar. He expressed his appreciation for EALA's choice to host this historic Seminar in the Burundi capital city of Bujumbura and for the Parliamentarians from the EAC Partner States for accepting to attend the Seminar.

He informed participants that this was an election year in Burundi and there was no doubt that the period offers countries, especially the neighbouring ones, an occasion to support a free, fair and transparent election.

He noted that an Inter-Parliamentary Seminar was a noteworthy occasion for all participants to deepen their knowledge on the Common Market Protocol. He concluded by re-affirming Burundi's commitment to ensuring the effective implementation of the resolutions that would come out of the Seminar.