

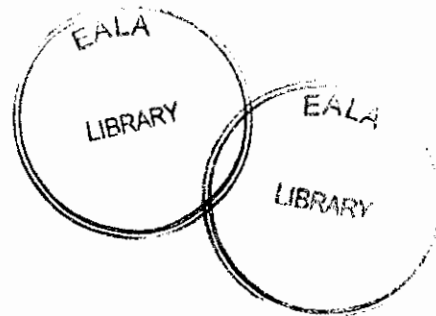
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18<sup>th</sup> April 2012

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**EAST AFRICAN COMMUNITY  
EAST AFRICAN LEGISLATIVE ASSEMBLY**

**REPORT OF THE GENERAL PURPOSE COMMITTEE ON THE EAST  
AFRICAN COMMUNITY ANNUAL REPORT 2007/ 2008 AND 2008/  
2009**



Clerks Chambers  
AICC Complex  
Ngorongoro Wing, 5<sup>th</sup> Floor,  
Arusha, TANZANIA

18th APRIL 2012

**Hon. Speaker Sir,**

I beg to present to the Assembly the Report of the Committee on General Purpose on the EAC Annual Report for the years 2007/8 and 2008/9.

## **1. INTRODUCTION**

Pursuant to Article 48(3) and 49(2) of the Treaty for the Establishment of the East African Community; and in accordance with Rule 79(1) and (2) of the Rules of Procedure of the Assembly, the Report of the Committee on General Purpose on the EAC Annual Report for the period 2007/2008 and 2008/2009 be considered.

The Annual Report was presented to this August House on 2<sup>nd</sup> February 2012 by Hon. Peter Munya on behalf of the Chairperson of the EAC Council of Ministers, and was subsequently referred to the Committee for consideration and the report there from.

### **1.1. Mandate of the Assembly to consider EAC Annual Reports**

Mr. Speaker Sir, the Treaty vests in the Assembly the mandate to perform certain particular functions and this is specifically why the Assembly is empowered to establish Committees to look into matters of legislation, budgeting and oversight of EAC activities. The General Purpose Committee is mandated to among others; carry out oversight of the progress made in the implementation of those provisions, which address matters of general application to the EAC in relation to its role and functions. In this regard therefore, the Committee is required to examine EAC Annual Reports specific to the work of programmes and projects of the EAC.

Accordingly, therefore, the Committee met with the DSG Planning and Infrastructure Dr. Enos Bukuku and his team on 16<sup>th</sup> of April 2012 in the National Assembly of Kenya to consider the Annual Reports and wishes to present its report.

## **2.0 CONSIDERATION OF THE ANNUAL REPORT 2007/8**

The Committee read the report and recalled that at the time of presenting its last report on the EAC Annual report before the Assembly which the Committee

rejected the report of 2006/2007 because of its format and presentation that was more like a public relations document.

The Committee reminded Dr. Enos Bukuku that at the time requested for an Annual Report that had content that among others, reflects the qualitative and quantitative status of the Community, a reflection of inputs and outputs as well as existing financial, human resources and other related gaps in terms of animate needs, annual work plans, procurement plans and corresponding actual execution outputs as well as strategies to avert the challenges. Instructive statistics, financial statement and summaries should be applied and referred to relating to the EAC Development Strategy.

Additionally, an Annual Report from the Council of Ministers as envisaged by Article 49 of the Treaty is expected to also include challenges met and future outlook in the implementation of EAC activities and programmes.

The DSG regretted that the Annual Report had not been tabled to the Assembly since 2008 (The July 2006/7 Report) and yet the Committee and the EAC Secretariat had agreed upon a format three years previously.

The Committee made the following comments and observations:

- (1) There had been an attempt by the Secretariat and the report had improved considerably but the criteria had not been met completely. It was expected that the upcoming reports would improve further;
- (2) The Committee took note of the DSG's explanation on delayed Annual Reporting due to acute shortage of staff both in numbers and needed (additional) skills such as industrial, agricultural researchers and economists. This leads to failure to implement even when funds are available;
- (3) That the highlights of the report include consolidation of the Customs Market, the integration of Rwanda and Burundi and Customs Union. The Committee also took note of the updates provided by the DSG on;
  - the challenges in the ongoing negotiations on the Single Customs Authority that has not as yet been achieved;
  - the serious funding constraints faced by CASSOA to date and the stalemate to finance it through the airline levy which the Partner States have opposed;

- the strides achieved in the Gender and Community Development and Sports and Culture Departments;
- the considerable steps that have to be taken in order to be ready for the Monetary Union which was previously slated to be in operation by March 2012 yet financial markets need to be integrated and convergence attained with insurance and pensions schemes, containing budget deficits and inflation among others is also necessary;
- that quality management systems need to be used to assess implementation of programs with criteria.

The Committee took note of the explanation behind the spirit of allowing Rwanda and Burundi to host institutions of the Community but raised a particular issue with the lack of policy, standards and consistency with regard to the criteria for hosting EAC organs and Institutions. The Committee wondered why countries with differing economies and means would be subjected to criteria and even after they have not applied to host. The policy should ideally equally brand then finance and ensure those standards and not have double standards.

### **3.0 RECOMMENDATIONS**

1. The Committee recommends that the EAC Annual Reports in the future meet the agreed upon criteria;
2. The Committee recommends that the Council of Ministers makes clear the policy, standards and criteria for hosting of EAC Organs and Institutions and does not agree with the setting of criteria which is not fair.  
Additionally, standards should be set including the standards of the buildings, quality of facilities and amenities.
3. The Committee recommends that a sustainable funding mechanism be agreed upon to finance and support CASSOA fulfil its mandate.

### **4.0 CONCLUSION**

The Committee concludes that the Annual Report for 2007/2008 though presented to the Assembly very late is satisfactory and recommends it to the Assembly for debate and adoption.

## **5.0. THE EAC ANNUAL REPORT 2008-2009**

The Report highlights that the Customs Union was to have reached its 5<sup>th</sup> year of implementation by January 2010 and the threshold of Zero Customs Duty would have been attained. The DSG explained that although some of the timelines that the reports refer to have not as yet been achieved even by 2012, significant strides had been made.

The Committee took note of the following achievements since then:

- (1). The Single Customs Authority was well underway and the Partner States only had to fulfil the requirements;
- (2). The One Stop Border Post too was progressing whereby common platforms and integrated systems were in the pipeline. The Athi - Namanga border was to be a model to be emulated at other border posts
- (3). WTO Joint Trade Policy review is to recognise EAC as one block had been attached;
- (4). The EAC Secretariat has managed to negotiate for grants and contributions under the Partnership Fund to be in consonance with the EAC financial calendar;
- (5). The LVBC Headquarters construction is soon to begin;
- (6). The Arusha – Holili- Taveta – Voi Road and Malindi – Lunga Lunga /Tanga Bagamoyo Roads feasibility studies were finalised in 2010 and negotiations for funding begun then.

The challenges cited:

- The Railway concessioning in Tanzania ;
- The recent EADB litigation that pauses problems for EAC Institutions and Assets of the Community
- The EAC Broadband infrastructure Network where two Partner States Ministers of Finance have not signed.

### **5.1. Observations of the Committee**

The Committee made the following observations:

1. That there was a latent absence of reporting or feedback from the Partner States on implementation of projects and program yet there should be a

tool for the same so that the Secretariat as a coordinating body is well informed.

The DSG informed the Committee that there was an ongoing project called the East African Monitoring System where this gap would be filled. The system had a matrix system that illustrated implementation not only of projects and programmes but also decisions and the tangible impact from various commitments made by the Partner States. The tool was soon to be operationalised.

2. The Committee noted with appreciation that the Government of Uganda had sustained the EAC Institutions of the Former East African Community She hosted as EAC Institutions and now these same institutions can still be reinvented as Centres of Excellence for the Region including Soroti Flying School.

## **6.0. RECOMMENDATIONS**

The Committee recommends the following:

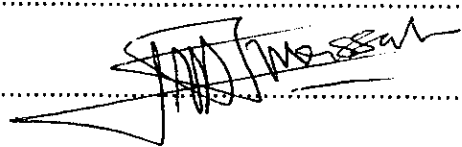
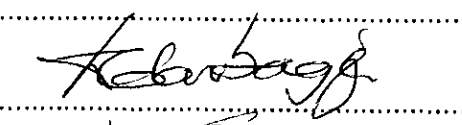
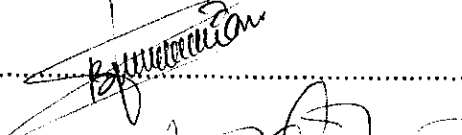
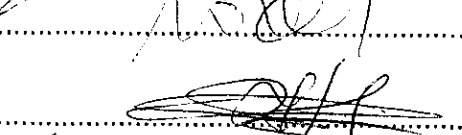
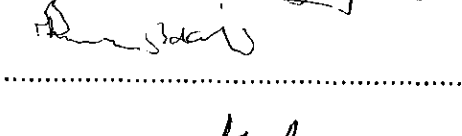
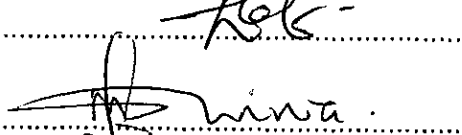
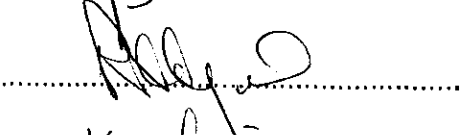
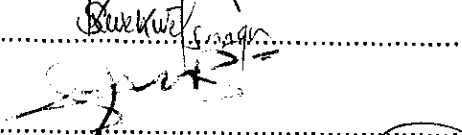
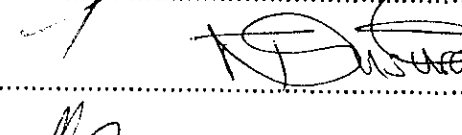
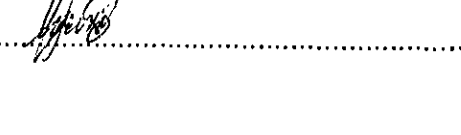




- 6.1. The Pending Annual Reports for 2009- 2010 and 2010-2011 be tabled as soon as possible before the Assembly;
- 6.2. The Council of Ministers should ensure that appropriate procedures be taken to protect Community Assets and Property to avoid any litigations of any sort that may arise in any Partner State;
- 6.3. The Committee urges the Partner States of Rwanda and Uganda to sign the agreement to allow the EAC Broadband Infrastructure Network get underway.

**Mr. Speaker Sir,**

The Committee considered the EAC Annual Reports for the year 2007-2008 and 2008-2009 and presents its report to the House for debate and adoption.

**Mr. Speaker Sir, I beg to lay.**

**REPORT OF THE COMMITTEE ON GENERAL PURPOSE ON THE EAC ANNUAL REPORTS 2007/8 AND 2008/9**

1. Hon. Sebtuu Nassor 
2. Hon. Dr. Didas Massaburi 
3. Hon. Dr. Said G. Bilal 
4. Hon. Leonce Ndarubagiye 
5. Hon. Emerence Bucumi 
6. Hon. Dr. Odette Nyiramilimo 
7. Hon. Straton Ndikuryayo 
8. Hon. Dr. James Ndahiro 
9. Hon. Lydia Wanyoto – Mutende 
10. Hon. Margaret N. Zziwa 
11. Hon. Reuben Oyondi 
12. Hon. Safina K. Tsungu 
13. Hon. Frederic Ngenzebuhoro 
14. Hon. Nusura Tiperu 
15. Hon. Sarah T. Bonaya 