

# EAC legislators should do more to facilitate businesses, traders say



EALA Speaker Kidega speaks during the dinner in Kigali on Tuesday. *Timothy Kisambira.*

**James Karuhanga**

**THE EAST AFRICAN** Business Council (EABC) has raised concerns over high cost of air transport that is attributed to the slow pace of liberalisation, and have challenged the East African Legislative Assembly (EALA) to move fast to enact policies that would streamline aviation industry.

During a dinner in Kigali, on Tuesday, EABC executive director Lilian Awinja highlighted challenges that the business community faces and called on the Assembly to exercise its oversight role to address the issues, particularly "where implementation of agreed commitments by EAC partner states is dragging endlessly."

These issues, Awinja said, affect business growth and investment into the region.

"The private sector is concerned that despite the commitments of the EAC partner states at the international level, and the EAC integration efforts through the Common Market at the regional level involving liberalisation of services, the EAC domestic air transport sector remains over-protected, thus translating into less accessible and unaffordable air transport at the expense of potential users," she said.

"Air transport in East Africa is still very expensive by international standards; as is exhibited in the current high passenger airfares and freight charges. Flight costs, both passengers and cargo flights, are high in the EAC region, thus contributing to a high cost of doing business."

The time it takes to move around is also worrisome, she said, adding that during a validation workshop on a related study in April, they will provide specific details to the lawmakers.

It might take time to right the wrongs, but EALA Speaker Daniel Kidega promised that the Assembly will do whatever it takes to see to it that things are rectified.

Kidega was particularly disappointed when narrating how he endured an un-

necessarily prolonged flight to Kigali, from Arusha, Tanzania last week.

Kidega said: "As I came here from my home in Arusha, I took a flight to Zanzibar, then to Nairobi, from there to Bujumbura and then on to Kigali. It took me close to 10 hours from Arusha to Kigali. That is unacceptable. We cannot continue to do business like that."

He said they will bring to task the Council of Ministers to explain what the EAC Civil Aviation Safety and Security Oversight Agency is doing in terms of efforts to domesticate the airspace of the region.

## Easing air transport

EABC is demanding adoption and operationalisation of the EAC air transport regulations by all partner states be expedited, harmonisation of regulatory fees and charges be done in the region in order to have a level playing field, and that partner states extend the same treatment to EAC national air operators, passengers and cargo in all member countries.

It was noted that the apex body of business associations of the private sector and corporates from the Community carried out a study on the costs and benefits of open skies, and will invite MPs to the study's validation workshop in April so they can gain further insights into the issue.

On liberalisation of trade in services, under the Common Market Protocol, Awinja recalled that in 2010, all partner states committed to progressively open their market in seven service sectors – business, education, finance, communication, tourism and travel related, as well as transport – but that nearly eight years down the road, they have not fully liberalised the seven agreed sectors, and have not initiated negotiations to liberalise the remaining five sectors.

They further agreed that additional commitments would be undertaken in succes-

sive rounds for the remaining five service sectors: construction, environmental, health and social, culture and sporting services.

Awinja said: "The private sector is concerned about this slow liberalisation process. The services sector is a contributor of over 50 per cent of the region's GDP, facilitates and supports businesses from across a range of sectors, from agriculture to mining to manufacturing, among others. Business-oriented professional services play an important part in the ability of all sectors to operate and grow."

## Cost of communication

The business community is also concerned about the "high cost of telecommunication" which they say has significant impacts on the cost of doing business.

The 'One Network One Country Model' – under which a call within East Africa, across all networks costs the same as a local call is their ideal scenario and they called on Tanzania and Burundi to join the One Network Area (ONA) being implemented by Kenya, Uganda, Rwanda and South Sudan under Northern Corridor Integrated Projects framework.

"Partner states should move with speed

to remove taxes on roaming, as on other ICT services and equipment, harmonise VAT and excise taxes that impact on cost of telecommunication, progressively harmonise costs of spectrum, licence fees, universal access fund, numbering fees and cost of bandwidth," Awinja said.

"I don't understand why calling my mother in Gulu [northern Uganda] should be more expensive than calling a pen pal in America," Kidega, who is based in Arusha, Tanzania, said, directly addressing Kirunda Kivejinja, Uganda's minister for EAC affairs.

"Why can't our sisters Burundi and Tanzania join the one network area? I think it is time we take a lead on this matter."

EABC also emphasised the need to harmonise inter-operator tariff rates within partner states and across the border.

Further still, other concerns regarding non-tariff barriers, harmonisation of standards, and free movement of labour in the region, were also discussed.

The Assembly's Committee on Communications, Trade and Investment will further examine the issues before the Assembly decides on the appropriate course of action.

*ditorial@newtimes.co.rw*

REPUBLIC OF RWANDA



Higher Education Council  
P.O BOX 6311, KIGALI

## Tender Notice: 66/S/2016-2017-HEC

Re-advertised for providing Insurance cover to the Non-Fixed Assets.  
Client: Higher Education Council (HEC)

The Higher Education Council wishes to invite interested bidders for the tender of insuring its non-fixed assets.

Bidding is open to all companies specializing in this field.

Tender documents may be obtained on any working day from 9<sup>th</sup> March 2017, starting from 7 am up to 5 pm at the Higher Education Council, MINEDUC building, ground floor, Procurement office, P.O.BOX 6311 Kigali, upon presentation of proof of payment of non refundable fee of **Ten Thousand Rwandan Francs (10,000 Frw)** on the Bank Account of Rwanda Revenue Authority (RRA) N° 1200046 in the National bank of Rwanda (BNR).

Bids properly bound and presented in three copies one of which is the original addressed to the Executive Director, Higher Education Council must be delivered to the above mentioned office, not later than 6<sup>th</sup> April, 2017 at 09:00 am. late bids shall be rejected.

Bids shall be placed in an envelope clearly indicating the tender name and reference number of the tender.

Bids will be opened in the presence of bidders' representatives who choose to attend on the same day at 09:30 am in the board room of the Higher Education Council.

Bidding will be conducted in accordance with the Law N° 05/2013 of 13/02/2013 on Public Procurement.

Enquiries related to the above mentioned tender may be addressed to HEC Procurement Office, MINEDUC Building, ground floor.

Done at Kigali on 6/3/2017

Innocent S. MUGISHA, (PhD)  
Executive Director

Web site: [www.hec.gov.rw](http://www.hec.gov.rw),

Email: [info@hec.gov.rw](mailto:info@hec.gov.rw)

Location: MINEDUC Building, Kacyiru