



**SUMMARY OF ISSUES & RECOMMENDATIONS FROM THE REGIONAL SG CEO MEETINGS HELD IN THE
KAMPALA UGANDA.
TO PRESENTED 27th FEBRUARY 2013 AT SHERATON HOTEL, KAMPALA UGANDA**

ISSUE OF DISCUSSION / KEY PROBLEMS	RECOMMENDATIONS AGREED:	ACTION POINTS:	RESPONSIBLE PERSON/TIME FRAME
PRIORITY 1 – TOWARDS A FULLY FLEDGED CUSTOMS UNION:			
Lack of a Single Customs territory	Establish the legal and institutional framework of the Single Customs Territory - Common legal framework, common systems and procedures, common institutional framework, non-application of rules of origin and uniform application of EAC Common External Tariff.	⇒ Uniform application of EAC CET ⇒ Establishment of Regional Customs Authority ⇒ Development of common legal & institutional framework, system/procedures.	Partner States June 2013 June 2014 Jan 2014 Jan 2014
	Border controls / tax collection at the points of entry to enable free circulation of goods	Collection of taxes and applicable charges/levies at the first point of entry into the Customs Territory	Partner States/EAC Secretariat June 2013

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	Harmonisation of domestic tax regimes – Excise Tax / VAT / Income tax	<ul style="list-style-type: none"> • Review the Roadmap on Harmonisation of Domestic Taxes • Finalise the harmonisation process of domestic tax regimes • Fiscal Committee should meet regularly to consider reports of the Technical Working Groups on Excise Taxes, VAT and Income Tax • Discontinue collection of Withholding tax on products from Partner States 	Technical Working Groups/EAC Tax harmonisation project June 2013
Persistent Non-Tariff Barriers (NTBs)	Strengthen the mechanism for monitoring and elimination of NTBs including the establishment of a Legal binding mechanism;	Adopt and implement the Legally Binding Mechanism	Council of Ministers/EALA June 2012
No mutual recognition of	Approval of the EAC SPS Protocol Approval of the 3 draft EAC SQMT Regulations (Testing laboratories, product certification and technical	Fast Track the approval of the EAC SPS Protocol Fast track the approval of the three EAC	The EAC Sectoral Council on Legal and Judicial Affairs June 2013

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standards issued by national bureaux of standards	regulations)	SQMT Regulations	SCTIFI June 213
	The establishment of the EAC technical regulation framework	Fast Track the operationalization of the technical regulations subcommittee of the EASC Fast track the Establishment of the technical regulations framework	February 2013 June 2013
	Harmonisation of the product standards should be fast tracked	Harmonisation of product standards should be prioritised according to the most trade goods in the EAC region. Implement the approved procedure for the development of EAC harmonized standards	EABC/EASC May 2013 May 2013
	Double taxation agreement (DTA): All Partner States should ratify the Agreement on avoidance of double taxation for EAC countries (DTA)	EAC Secretariat to determine the progress on ratification by Partner States.	EAC Partner States June 2013
Influx of counterfeit products in the region	Fast track the development of an EAC Anti Counterfeit Act with deterrent/punitive measures to address the problem	Enactment of EAC Anti-Counterfeit Act	EAC Partner States, EALA, EAC Secretariat and EABC June 2013
Lack of common	That EAC ensures it develops common positions on key	Develop a framework to facilitate a	SCTIFI, Council & EAC

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positions as EAC on key international issues	international issues such as environmental, health, climate etc	common position on key international issues.	Secretariat On going June 2013
PRIORITY 2: IMPLEMENTING THE COMMON MARKET PROTOCOL (CMP)			
Linking or Delinking the Schedule on Free Movement of Services and Schedule on Free Movement of Workers	Allow temporary movement of a services supplier through the presence of natural persons under Mode 4 without linking it with Movement of Workers	Fast track establishment of technical working group which will handle problem of linking or delinking schedules on services and workers, rectify technical errors, inconsistencies and legal discrepancies in the schedules of commitments of EAC Partner States on services and workers and develop definitions on some key terms	Partner States/EAC June 2013
Conflict between the national laws and Common Market Protocol	<ul style="list-style-type: none"> ▪ Realign national laws to the Common Market Protocol. 	Partner States to expedite the process of realignment of national laws to the Common Market Protocol.	Partner States June 2014
Unharmonised work permit regulations in EAC	EAC Partner States should harmonise work permits application forms, procedures and fees to facilitate free movement of workers in the region	The Council should direct the commencement on the harmonisation of work permit regimes across EAC region such as having uniform work permit classes, common work permit fee for EAC citizenry and foreign	Council of Ministers, EAC Secretariat and EABC June 2013

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		workers; uniform application form and standard time frame period for processing application.	
Poor Institutional capacity	<ul style="list-style-type: none"> ▪ Restructure Secretariat to reflect the requirements of the CMP. 	Enhance key departments at EAC Secretariat to handle monitoring and implementation of EAC CMP	EAC Secretariat June 2013
PRIORITY 3: INFRASTRUCTURE			
Inefficiency at Ports	<ul style="list-style-type: none"> ▪ Implement integrated port management system 	The ports of Mombasa and Dar should restore robust ICT systems Improve efficient in handling of cargoes ta ports Review of port charges should undergo wider stakeholders consultations	KPA,TPA and EAC Secretariat June 2013
Poor Road	<ul style="list-style-type: none"> ▪ Sections of the road in the Northern, Central and Southern Corridors are in poor condition and need to be repair such as in Northern Corridor Eldoret to Malaba section, Jinja to Kampla and Gatuna to Bujumbura section 	Repair all sections of road which are in bad condition to allow easy transportation of goods through the corridors	Partner States Jan 2014
High Cost of Air Transport	<ul style="list-style-type: none"> ▪ EAC Partner States should liberalise the granting of air rights for passengers and cargo operations with view of increasing efficiency ▪ EAC air space should be made domestic 	Bilateral Air Services (BASAs) between EAC Partner States should fully implement Yamoussoukro Declaration (YD) by providing for multiple designations, remove all limitations on	EAC Partner States Jan 2014

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		frequencies between the city pairs in the region, remove all restrictions on capacity, grant 5 th freedom traffic rights (regional) to all the regional operators and Partner States at their discretion could consider granting cabotage rights to regional operators.	
High Cost and Unreliable Energy	<ul style="list-style-type: none"> ▪ Explore new power sources such as renewable energy ▪ Proper planning and forecasting power demand and supply ▪ Regional mobilization of resources towards exploitation of resources 	The EAC regional power master plan should be implemented	EAC Secretariat and Partner States June 2013
Inefficient Railway Transport	<ul style="list-style-type: none"> ▪ Invest in railway transport to ease overusing of road ▪ Give priority to connecting EAC Partner States by rail 	Implement EAC Railway Master Plan . (The proposal should be specific)	EAC Secretariat, EAC Partner States Jan 2014
	NEWS RECOMMENDATIONS - 27th FEB13		
Lack Commitment	EAC Partner States should have commitment on the integration process		
NTBs on issuance of license	To allow non- state Customs Agencies to establish businesses at the Port of Mombasa (CFSs).		
Issues affecting Tourism sector	There is need to discuss and address the issues affecting Tourism Industry – Visa should be addressed.	EAC to have a Single Tourism Visa.	

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	Tourism should be classified as export.		
Lack progress on Gender Equality Bill	Gender Equality Bill should be concluded.	Expedite the conclusion of the Bill	
Lack of support for Small Traders	Small Traders should be facilitated to easily trade across the borders.	Small Traders should be supported to trade.	
Lack of tracking mechanism	There is need to have mechanism to track the progress of implementation of EAC integration process with agreed responsible institutions and timelines.		
Delay in issuance of Work Permit	<p>Harmonisation of work permit regimes should be expedited.</p> <p>The process of conducting manpower survey should expedite in order to determine the skills gaps in the EAC.</p>		
Enhancing the Mandate of EAC Secretariat	EAC Secretariat should be empowered to effectively undertake their tasks of driving integration process.		
Violation of agreements	Develop and enforce a mechanism with sanctions		
Problem with EAC Duty Remission	<p>EAC need to develop mechanism to address the problem of duty remission and also the management of it.</p> <p>EAC duty remission scheme should be rationalised to avoid problems affecting traders in the EAC</p>		

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Delay in concluding EAC –EU EPAs Agreement.	There is need to conclude Agreement on EAC-EU EPAs to avoid disruption and loss of business.		
Emergence of Unilateral action by Partner States.	Any measures to be put up by any Partner States and affects business of other Partner States should be first agreed upon or due process should be followed.		
Restriction on Trade in Food in the EAC	EAC should support the trade in food to address food security in the region.		
Slow implementation of decisions by partner States.	Peer review mechanism for EAC Partner States should be developed.		
Renewal Political Commitment by Summit	<p>EAC summit to take proactive role in ensuring that what has been agreed upon is implemented by the organs of EAC & Institutions</p> <p>There is need to have a renewal political commitment towards integration process.</p>		
Promoting Uniform standards in the EAC	We need to encourage dialogue on the issues affecting EAC ie. Business to Business especially on infrastructure. It might be NTBs		
Insufficient regional Agricultural promotion	East African Agricultural shows should be revived .		

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Lack of Local Preference	Measures should be developed to promote and give preference to local manufacturers especially with regards to pharmaceutical industry.		
Delay in Compensation traders affected by post-election 2007 chaos	Compensation for traders who lost their goods during post-election chaos should be fast tracked.		
Competition from other Trade Blocs	More assessment should be undertaken to determine the impact of joining other trade blocs to the local industry.		
Depletion of fish stocks in Lake Victoria	There is need to protect fish stocks in lake victoria by ensuring proper fishing methods and addressing of relevant environmental issues.		
Submission of Private Sector position to EAC Secretariat	On all the issues that go to the Council, EAC Secretariat will annex the relevant Private Sector position to the background paper of the Council for discussion where applicable.		
Lack of EAC Intellectual Property Framework.	Expedite the development of EAC Intellectual Property Framework.		
Improving dialogue and enhancing implementation of issues on	National level dialogue between Private sector and National Governments should be encouraged to support regional efforts.		

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integration process.			
Think as East Africans	EAC Citizens should think and act as East African as opposed to national .		
Infrastructure Challenges	Prioritise the implementation of infrastructure. PPP guidelines for implementing EAC PROJECTS to be finalised and implement		