

PRESS RELEASE

LAST ROUND OF NEGOTIATIONS OF EAC COMMON MARKET, MINISTER CHALLENGES EXPERTS ON PROTOCOL

Experts to have the draft Protocol ready for the 28-30 April Summit of Heads of State

EAC Headquarters, Arusha, 31 March 2009: The Minister of State for Trade, Ministry of Trade and Industry of the Republic of Uganda, Hon. Nelson Wambuzi Gagawala has challenged the High Level Task Force (HLTF) on EAC Common Market Protocol to use the last round of negotiations taking place in Kampala, Uganda to come up with a well crafted Protocol for the benefit of the people of East Africa. Hon. Gagawala, who was officially opening the ninth and last round of the negotiations on behalf of the First Deputy Prime Minister/Minister for East African Affairs, Right Hon Eriya Kategaya on Tuesday 31 March 2009 at the Imperial Royale Hotel in Kampala, said “the benefits that will accrue for the East African people from this Protocol will depend on how you the Experts have crafted this document”. The Minister said “whatever decisions that will be taken by the EAC Policy Organs; the Coordination Committee, the Council of Ministers, as well as the EAC Heads of State on this draft document will depend on your expert advice to them”.

The 9th Round of the negotiations which is to run up to 4 April 2009, will culminate into the meeting of the Sectoral Council on EAC Common Market due to sit in Kampala from 8-9 April 2009, with the session of Coordination Committee running from 6-7 April 2009.

The meeting is being attended by Experts on the Negotiations of the EAC Common Market Protocol from all the EAC Partner States, Kenya, Uganda, Tanzania, Burundi and Rwanda. Mr Prudence Sebahizi, Executive Secretary, Rwanda Regional Integration Committee, Mr Uledi Mussa, Director, Trade, Investments and Productive Sectors, Ministry of East African Co-operation, Tanzania, Mr. Paschal Girukwishaka, Chair HLTF, Ministry of EAC, Burundi, Mr Moses Kaggwa, Commissioner, Tax Policy, Ministry of Finance, Planning and Economic Affairs, Uganda; and Mr Barrack Ndegwa, Director, Ministry of East African Community, Kenya lead their respective delegations in the Common Market negotiations.

Mr. Innocent Safari, Head of Service Delivery and Support Division, Customs, Rwanda Revenue Authority, is chairing the meetings. Tanzania is the Rapporteur and Mr. Haule Bernard, Senior Trade Officer, Ministry of East African Cooperation is acting in that capacity.

While welcoming the Honourable Minister and the distinguished delegates to the meeting, the Deputy Secretary General of the East African Community in charge of Projects and Programmes, Amb. Julius Onen said the 9th Round of the Negotiations was taking place at a time when the integration process was now more focused; the pace and momentum was high in all the sectors; and the positive developments being witnessed in the region was inspiring and driving members of the High Level Task Force towards achieving the task the Council of Ministers had entrusted to them. Amb. Onen said the whole region was now focused on the progress the High Level Task Force was making on the negotiations. He said it was encouraging that since the first negotiations session in November 2008 in Uganda, a lot of work had been done that had led to significant consensus on a large number of the provisions of the proposed Protocol and that he was assertive that 95% of the work had been accomplished.

Amb. Onen noted that as in all negotiations, there can never be a perfect Agreement, Protocol, Treaty or even a Constitution. “The fundamental aspiration is to have a good Protocol. And a good Protocol is one where there is consensus by all the parties. It is therefore our hope that during this final session of the negotiations of the Common Market Protocol for the people of East Africa we shall achieve consensus on our common goal, common aspirations and common destiny – of one united and prosperous East African Community,” said the EAC Deputy Secretary General.

The Heads of the Delegations unanimously concurred that they will use the last round of the negotiations in Kampala to unblock all the bracketed areas and have the draft Protocol ready for signing by the EAC Heads of State during their Summit of April 2009 in Arusha, Tanzania.

At the 7th Summit Meeting held in Arusha, Tanzania, on 5th April 2006, the East African Community Heads of State, among others, directed that the negotiations on the EAC Common Market Protocol commence with effect from 1st July 2006 with timeframes of December 2008 as the target date for concluding and signing the Common Market Protocol; June 2009 as the target date for ratification of the Protocol; and January 2010 as the target date for commencement of the Common Market.

In line with the above Summit directive, the five EAC Partner States have, since April 2008, been undertaking negotiations on the EAC Common Market Protocol. By end March 2009, eight Rounds of the Negotiations had taken place and the High Level Task Force had deliberated and, by and large reached consensus, on the following aspects of the Protocol:

- (a) The Preamble
- (b) Interpretations
- (c) Establishment of the Common Market
- (d) Objectives
- (e) Principles

- (f) Free Movement of Goods
- (g) Free Movement of Persons
- (h) Free Movement of Workers
- (i) Right of Establishment and Residence
- (j) Free Movement of Services
- (k) Free Movement of Capital
- (l) Economic and Financial Sector Policy Coordination
- (m) Transport Policy
- (n) Competition and Consumer Welfare
- (o) Common Commercial Policy
- (p) Common Transport Policy
- (q) Approximation of Laws
- (r) Common Social Policy
- (s) Environmental Management
- (t) Cooperation in Statistics
- (u) Research and Technological Development
- (v) Cooperation in Intellectual Property Rights
- (w) Institutional Framework
- (x) Industrial Development
- (y) Agriculture and Food Security
- (z) General Provisions

The Outstanding Issues that are to be considered during this 9th and last Round of the Negotiations are in regard to the following:

- Residence Permit – Article 17(2)
- Competition and Consumer Welfare
- Common Transport Policy
- Cooperation in Intellectual Property Rights
- Industrialization
- Trade in Services
- Interpretations

The High Level Task Force meeting in Kampala will also consider Safeguard Measures; Measures to address Imbalances; General and Final Provisions; Settlement of Disputes; and Deposits and Entry into Force; General Exceptions; and Most Favoured Nation Treatment. Also high on the agenda is the Consideration of the Roadmap for Developing Annexes to the EAC Common Market Protocol, Consideration of Schedules on Trade in Services in the Community, Consideration of Annex on Macro Economic Convergence, Consideration of Annex on Free Movement of Capital, and Consideration of Regulations to Remove Restrictions on the Free Movement of Workers.

A meeting of the Multi Sectoral Council on the EAC Common Market Protocol has been convened to take place in Kampala, Uganda from 8th – 9th April 2009 to consider the EAC Common Market Protocol and give guidance on any area (s) where consensus would not have been reached. Thereafter, the Protocol will be presented to the 7th Meeting of the Sectoral Council on Legal and Judicial Affairs, scheduled for 16th – 25th April 2009 in Dar es Salaam, Tanzania, for consideration. The Heads of State of the EAC Summit will meet in Arusha, Tanzania from 29-30 April 2009 to among other things consider the draft Protocol.

The objective of the Community as enshrined in Article 5 (1) of the Treaty for the Establishment of the East African Community state that Partner States shall develop policies and programmes aimed at widening and deepening co-operation among the Partner States in political, economic, social and cultural fields, research and technology, defence, security and legal and judicial affairs, for their mutual benefit. In this context, the Partner States undertake to establish among themselves and in accordance with the provisions of the Treaty, a Customs Union, a Common Market, subsequently a Monetary Union and Ultimately a Political Federation in order to strengthen and regulate the industrial, commercial, infrastructural, cultural, social, political and other relations of the Partner States to the end that there shall be accelerated, harmonious and balanced development and sustained expansion of economic activities, the benefit of which shall be equally shared.

The EAC Customs Union which is the entry point of the Community is already operational since January 2005. The second phase of the integration process is the Common Market. As the 9th Round of negotiations begins in Kampala, the whole region is focused on the progress the High Level Task Force is making on the negotiations of the Common Market Protocol. A lot of work has been done that has led to significant consensus on a large number of the provisions of the proposed Protocol and about 95% of the work has been accomplished.

Directorate of Corporate Communications and Public Affairs
EAC Secretariat
Arusha, Tanzania