

SPEECH BY H.E. JAKAYA MRISHO KIKWETE, PRESIDENT OF THE UNITED  
REPUBLIC OF TANZANIA, TO THE FIFTH MEETING OF THE THIRD SESSION  
OF THE SECOND EAST AFRICAN LEGISLATIVE ASSEMBLY  
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*Rt Hon. Speaker of the East African Legislative Assembly;  
Rt Hon. Kenneth Marende, Speaker of the Kenyan Parliament;  
Honourable Chairperson of the Council of Ministers;  
Honourable Members of the East African Legislative Assembly;  
Distinguished Guests;  
Ladies and Gentlemen,*

I thank you, Mr. Speaker, for inviting me to address this august East African Legislative Assembly (EALA) on the State of the East African Community. I also thank the Speaker of the Kenyan Parliament Hon. Kenneth Marende for the warm words of welcome and for the gracious hospitality in allowing the EALA to use this historic chamber of his Parliament.

*Mr. Speaker,*

I applaud and congratulate you for the wise decision of instituting the annual State of the East African Community Address to be made by the seating Chairman of the Assembly of

Heads of States of the East African Community Partner States. I am here today because of that noble decision of yours and I pray that this tradition is maintained. May I suggest that in future we do two things. Let there be a specific written report on the state of the Community to be tabled, by the Chairman before this House for discussion. And, then the Chairman's speech in the House presenting that report. I suggest this because there are so many important things that happen in a year which cannot be covered in the limited time of the Chairman's address.

Let me hasten to say that the East African Community is a vibrant and very strong regional integration organisation. It is ever growing from strength to strength with each passing year. Thanks to the commitment and steadfastness of the people of East Africa, their governments and, we, their leaders including you, Members of the East African Legislative Assembly, for the lofty gains made so far. I look to the future of our Community with a great sense of optimism for even greater successes.

*Honourable Speaker,*

The past year has been very eventful for our Community and our integration agenda. We celebrated the 10<sup>th</sup> anniversary of the establishment of the East African Community. Indeed, it was a decade of great progress as we successfully navigated our way from cooperation to integration. As you may remember, the Charter of the Establishment of the East African Community stipulates that the Customs Union will be the entry point in our integration roadmap.

December 31<sup>st</sup>, 2009 marked the successful completion of the 5-year transition period of the East African Customs Union. Beginning January 1<sup>st</sup>, 2010 East Africa became a full fledged Customs Union region. Since then, all goods produced in East Africa which conform to the agreed rules of origin principle move across the borders of the five East African Community member states duty free and without non-tariff barriers.

*Honourable Speaker,*

The Customs Union has had a positive impact on the economies of the Partner States contrary to the original fears that it could be otherwise. Trade has increased tremendously and all nations have benefitted. By comparison, between 2005 and 2008 intra-East African Community trade increased from USD1,847.3 million to USD 2,715.4 million. Government revenues which were feared would drop have not and, instead, there is evidence of increase.

The Customs Union has worked well for all of us so far. I am aware that there is need to do some more work to smoothen matters so as to enable it to attain optimal operational status. Fortunately, we all know what needs to be done, in this regard. I have no doubt in my mind that we will surely do the needful and get where we want to be. The only thing that is required of us is continued commitment and dedicated service to make things happen the way we want them.

*Honourable Speaker,*

There are three things, among the several others, that I would like to highlight. I mention these because I think they need to be given special attention. **The first** one is about how to fully integrate Rwanda and Burundi into the East African Customs Union. These two sister countries are late comers and they are relatively smaller economies compared to the three original East African Community countries of Kenya, Tanzania and Uganda. I am sure these need to be assisted accordingly.

**The second** is about how to make our region a single customs territory whereby duties for imported goods are paid at the port of entry. This way evasion of tax that could be done by some unscrupulous importers in the name of transit goods could be avoided. I am aware that elaborate systems should be put in place so that the revenues that are due to the nation where goods are destined are expeditiously and duly remitted by the collecting nation.

*Honourable Speaker,*

**The third** thing I would like to mention is the removal of infrastructure related barriers both physical and non physical. This is critical for smooth flow of trade and people of our region, who are the main actors and objects of the integration project. Good physical infrastructure such as roads, railways, ports, inland water ways, airports, energy and telecommunications are essential for a well functioning customs union and common market. Despite the huge challenges, I am happy with our commitments to overcome them. I know and applaud the many plans and programmes to address each of the infrastructure deficit. We need to stay the course. And, we also need to do a lot more in terms of using own resources where possible and mobilisation of donor support, where feasible, for infrastructure development in East Africa. It is not possible for our nations to realise the full benefits of regional integration where there is no reliable infrastructure. For sure the markets will not be accessible, hence render all of our effort an exercise in futility.

## Common Market

*Honourable Speaker,*

Another major milestone erected last year in our integration process is the signing of the Common Market Protocol. That act alone propelled the East African Community into the most advanced regional integration organisation on the African continent. I am glad to learn that all member states have started the process of ratification of the Protocol. I am aware also that some have done so already and some have even gone further and deposited the instruments of ratification with the Secretary General of the East African Community. I am quite confident that come 1<sup>st</sup> July, 2010 the East African Common Market will be in place.

I am happy, also, that work is underway on the draft protocol on the establishment of the Monetary Union. I hope the negotiation process will as anticipated, be completed within the set time frames.

*Honourable Speaker,*

The significance of the EAC Common Market should also be viewed in the context of the emerging COMESA-EAC-SADC Tripartite arrangement whereby the three Regional Economic Communities are working towards the establishment of a Grand Free Trade Area, later a Customs Union and eventually their merger into one Economic Community. I would like to commend the Secretariats of the three RECs for the good work done so far. Consultations are now underway to hold the Tripartite Summit during this year where the Heads of State will pronounce themselves on the exact date for the commencement of the FTA.

Let me add, Mr Speaker, that through the Tripartite Arrangement, a unique collaboration has emerged to address regional infrastructure challenges. COMESA-EAC-SADC are now jointly working on mobilising resources for the development of the major transport corridors in our new expanded region. The corridors include the following: the North-South Corridor linking the port of Dar-es-Salaam and the port of Durban; the Northern



Corridor linking the Mombasa Port with Uganda, Rwanda, Burundi and Eastern DRC; and the Central Corridor linking Dar-es-Salaam Port with Uganda, Rwanda, Burundi and Eastern DRC.

Under the Tripartite arrangement, plans are being made to hold an Aid for Trade Conference to identify potential resources for the development of these three corridors. A new Corridor is also under development linking the new Port at Lamu with Juba in Southern Sudan and Addis Ababa in Ethiopia. I am aware that the Kenya Government is at an advanced stage in securing funding for implementation.

### **Drought and Food Security in East Africa**

*Mr. Speaker,*

Despite the successes we have attained in the integration process, the past year has been a very challenging one for the economic wellbeing of our countries. **Firstly**, there was the worst drought our region has encountered in many decades. The drought and its resultant food insecurity exposed our region to its

most vulnerable state. Crops failed and pastoralists in some parts of Kenya and northern Tanzania lost a lot of their livestock. Some lost up to 60 and 70 percent of their herds.

Many of our people had to suffer the indignity of begging food as their means of livelihoods were entirely destroyed. This year, the rains are good and in some parts they have been in excess thus causing floods and their resultant damages. There will be good harvest in many areas that suffered the drought. However, the adversities we faced during 2009 were a grim reminder of our vulnerability. We need to improve on our disaster preparedness, ensure food security and pay greater attention to the environmental threats and its direct effect on the quality of lives of our people.

*Honourable Speaker,*

The EAC will have to place high priority on food security and agricultural development and environmental management. Following our decision at the last November Summit, the first EAC Special Summit on Food Security and Climate Change will

be held this year. The Summit will focus on how best to expand agricultural production and improve agricultural productivity within our national and regional framework, as well as to set out effective measures to adapt and mitigate the effects of climate change.

The other challenge which proved to be a major threat to the economic wellbeing of our countries and people was the global economic financial crisis and slowdown. None of our countries was responsible for this problem but, we suffered adversely and continue to suffer from its effects. We have suffered from declining demand and low prices for our export as well as low tourist arrivals and low revenues as a result, GDP growth declined to less than projected. We were faced with the daunting responsibility of rescuing and assisting the affected sectors and businesses a matter which we could not do much. There is some glimmer of hope but the great challenges remain ahead of us. We have to remain watchful. I suggest that we, in the East African

Community need to find time and discuss this problem and agree on the common course of action going forward.

## **Politics and Democracy in East Africa**

*Mr. Speaker,*

This year is a very important one for politics and democracy in our region. Within the coming 10 months, Burundi, Rwanda, Tanzania and Uganda will be holding elections. Kenya will be involved in a constitutional referendum and so will Tanzania, Zanzibar. This is both an exciting and challenging time for our region. Exciting because we have an opportunity to demonstrate to the entire world and to our own people, that democracy reigns and democratic values are taking root in our Community.

It is challenging because we have to ensure that the elections and referendums are conducted in a manner that they will be free, fair and peaceful. Experience has shown that many countries in Africa have degenerated into political crises and violence after elections. Partly this is precipitated by flaws in management of

the electoral processes – but, also because some people are yet to embrace the culture of accepting defeat and acknowledging winners.

*Honourable Speaker,*

Entrenching democracy, democratic values and culture in our region, are critical for ensuring smooth integration as well as peace and prosperity. I congratulate this House for its strong advocacy for democracy in our region. We have to make all efforts to build the administrative capacity and muster political will to conduct free, fair and peaceful elections.

I understand that, over the years, the EALA has participated in election observation in the Partner States and contributed to the quest for strengthening democracy in our region. I also understand that the EAC Council of Ministers will examine an Electoral Observation Manual for EAC. This is a good development which I fully support. I am of the view, however, that the time has come for the East African Community to consider developing common principles and guidelines

governing democratic elections in our region and ensures their observance.

### **Critical Issues, Challenges and the way forward**

*Mr. Speaker,*

Before I conclude, allow me to highlight some of the challenges facing the Community today and how we can work together to address them. The first relates to the need for a reliable and sustainable financing of the Community. This is a long standing issue. It assumes greater importance today because deeper integration requires higher levels of resource availability. Apart from perennial appeals to Partner States for timely remittances of contributions, it is imperative that we develop alternative mechanisms of funding the EAC. The Summit is keen on getting concrete proposals on this important matter.

The second critical challenge centres on better planning and implementation of regional programmes. It is opportune that we have just embarked on the preparation of the 4<sup>th</sup> EAC Development Strategy (2011-2016). We need to ensure, therefore,

that the Strategy focuses on well selected objectives which are SMART; that is to say they are Simple, Measurable, Achievable, Realistic and Time-bound. Sometimes our resource deficit is compounded by our strategies which are very broad and unfocused. The late Mwalimu Julius Nyerere taught Tanzanians one good thing about that “Kupanga ni Kuchagua” which literally means that “to plan is to choose”. Let us be guided by this mantra in developing the 4<sup>th</sup> development strategy.

Last but not least, we need greater political will and popular participation in the Community. This involves a multi-variety of interventions by the broad spectrum of EAC stakeholders on aligning national visions, activities and strategic plans to regional integration objectives and goals. The overriding principle of a people centred integration demands that the East African regional integration process be owned by the people for it to have relevance and chance of success. As we move into the Common Market, a number of challenges will emerge requiring broad based stakeholder consultation. Our Community is people-

centered so, let us make sure that we pursue broader participation in every step of the way.

*Mr. Speaker,*

In posing these challenges, I am also making an appeal to this Assembly to ensure that it examines these issues and comes up with ideas, strategies and programmes which can be shared with other EAC organs and institutions in making the EAC a more effective organisation. The EAC mission is definitely clear and ambitious: to maintain the momentum and build on our strengths and successes to realise higher levels of integration. We have established high goals in our regional integration agenda and let each one of us play his or her part properly in realising these goals.

### **Avoid Danger to our Community**

*Honourable Speaker,*

The successes we have attained are so precious that we must make all efforts to protect and sustain them. We must guard against reversals and for us who have the experience of a



Community collapsing in 1977 have to be extra vigilant. I must acknowledge that so far, we have done well in trying to avoid the mistakes of the past which brought down the previous Community. I call upon all East Africans political leaders, journalists, opinion leaders and commentators, to avoid taking actions or making utterances that would antagonise another Partner State or their leaders and people. Such are things which erode mutual trust and confidence, which are critical for a successful regional integration project. We should realise that it is words as much as deeds, that brought down the EAC in 1977.

In fact, it is lack of mutual trust and confidence among the Partner States, that ensured because of that which precipitated the demise of the former East African Community. We must guard against repeating that mistake again. I know, there may arise differences among us but let's find better ways of working them out. And, the best way is to sit down and talk about them. We should avoid making public statements against each other which will poison the goodwill and kill the existing spirit of

brotherhood and cooperation. We must know that we cannot move forward this integration project in an atmosphere of bad faith and mistrust.

Also, as partners in a joint endeavour we should not rejoice at, or partake in engineering the setbacks of our fellow members. And, we certainly do not have to be despondent at, or downplay, the triumphs of our fellow members. If we let these things take hold, we will just move with our integration on paper, but we will have left behind the hearts and minds of our people and of our own. We will have failed as leaders because we will weaken the noble institution we are trying to build with dire consequences. We cannot afford to fail this time around. We should all say, *Never and Never Again*".

In concluding, I must thank my Brother, H.E President Mwai Kibaki for the usual warm reception and hospitality. We in the EAC wish him and the brotherly people of Kenya every best wishes and God speed in the forthcoming Constitution referendum.

*Mr. Speaker,*

I once again thank you for your invitation and wish you and esteemed Members of the East African Assembly well as you continue to serve the interests of the East African people.

**I thank you for your kind attention!**