

**ADDRESS BY H.E. JAKAYA MRISHO KIKWETE,
PRESIDENT OF THE UNITED REPUBLIC OF TANZANIA,
TO THE MEMBERS OF THE EAST AFRICAN
LEGISLATIVE ASSEMBLY (EALA),
AICC - ARUSHA, 27TH NOVEMBER, 2012**

Honourable Speaker;

Invited Speakers here present;

Honourable Members of the East African Legislative Assembly,

Distinguished Guests;

Ladies and Gentlemen;

I thank you, Hon. Speaker for giving me this rare opportunity to address this august Assembly at its 3rd sitting since its inauguration this year. I also thank you for the kind words you have spoken about me and my dear country, the United Republic of Tanzania.

Honourable Speaker;

Since I am speaking to Members of East African Legislative Assembly for the first time since you were elected, let me take this opportunity to extend to you all my warm

congratulations on your well deserved election. Your election is a testimony of the immense confidence and trust reposed in you.

More so I wish to congratulate you Madam Speaker, on your momentous election to the position of Speaker of the East African Legislative Assembly. Allow me to acknowledge and commend you in a very special way for being the first female Speaker in the history of EALA. It speaks volumes about the trust that Members of this august Assembly have on your leadership skills.

Madam Speaker;

Your election is another expression of the growing confidence and trust the people of East Africa have in women. It speaks volumes about the existence of women who are able and effective leaders to steer the affairs of institutions of governance and management of politics – a field previously deemed a preserve for men. You are joining an impressive list of powerful women Speakers of Parliament in our region. There is Honourable Rebecca Kadaga, Speaker of the Uganda

Parliament and Honourable Anna Makinda, Speaker of the Tanzanian Parliament.

Achievements

Honourable Speaker;

This Session is taking place at a time when our region is on an irreversible movement towards deeper integration and increased socio-economic prosperity. I dare say so for three reasons. **First**, our integration is getting deeper and deeper with each passing day and, its benefits are being realized by all partner states and our people. **Second**, we are witnessing good governance being institutionalized and consolidated in all partner states. And, **third**, the unity of purpose and political will to forge ahead is ever greater than at any other moment in the history of the Community.

Honourable Speaker;

The successes we are witnessing today are a result of nineteen years of hard work, dedication and commitment of successive leaders and the people of East Africa. As you all know, the current East African integration endeavours have come a long way. It began with the Treaty to revive the East

African Cooperation that was signed by the three Heads of State of Tanzania, Kenya and Uganda on November 30, 1993. This provided the nucleus upon which the current East African Community grew. Several protocols were signed thereafter to bring the cooperation agenda to fruition. These protocols led to the re-establishment of the East African Community (EAC) through a Treaty which was signed by the EAC Heads of State on 30th November, 1999.

The Treaty which came into force on 7th July, 2000 calls for a progressive and incremental approach toward deeper integration. It identifies the Customs Union as the entry point followed by the Common Market, the Monetary Union and finally the Political Federation. The incremental approach which is embodied in the Treaty is intended to harmonize and balance the integration process as each stage builds the solid foundation for and feeds into the subsequent stage. Each stage also consolidates the gains made from the previous one.

Honourable Speaker;

The EAC Customs Union which started on 1st January, 2005 became fully fledged on January 1st, 2010 succeeded to live

up to its expectations. As we speak today, we already have two years of implementing the Common Market Protocol, which we signed in May 2010 and came into force in July 2010. I am informed that the implementation of the Common Market Protocol is progressing well, despite the existence of some albeit surmountable challenges.

With a combined population of over **133 million** people, and a combined GDP of over **US\$ 79 billion**, the East African Community region is a sizeable market. With a Customs Union fully operational and a two years old Common Market, the East African Community is a vibrant and prospective market. This market has great potential for steady and sustainable economic growth capable of propelling our region into middle income status in the next decade.

Trade and investment statistics speak volumes to underscore my assertions. Between 2005 – 2010 for example, intra East African trade doubled from **US\$ 2.2 billion** to **US\$ 4.1 billion**. Similarly, foreign direct investment to EAC countries increased from **US\$ 910 million** in 2005 to **US\$ 1.72 billion** in 2009. These statistics demonstrate, in practical terms,

the benefits the East African integration agenda bring to the people of East Africa. It further proves that we are on the right track towards a prosperous future.

Honourable Speaker;

Member of the EALA;

As it is customary, there have encountered challenges in the process of implementing the Customs Union which have been delaying the full realisation of its benefits. For example, there are non-tariff barriers which the East African business community continues to contend with. These include bureaucratic processes, administrative restrictions and misuse of the rules of origin principle among others. I must admit these are problems which should not be there, therefore, they should not be allowed to continue. We must act decisively to end them. These problems should not be allowed to continue to undermine the Customs Union. We have talked about them for far too long, it is time we must walk the talk.

Honourable Speaker;

It is encouraging to note that we are moving in the right direction in this regard. The building of One Stop Border Posts

(OSBP) at our border posts will go a long way towards facilitating easy clearance of goods across our borders. In all partner states, there are mechanisms to monitor the elimination of the non tariff barriers. All that is required of us, is to ensure that the mechanisms are functioning properly so that non-tariff barriers are eliminated in a timely manner. I believe time has come to give ourselves specific time frames to clear this hurdle.

Inadequate infrastructure, particularly roads, railways and energy have been non-tariff barriers of their own kind, but more significantly, they have been responsible for the high cost of doing business in our region. This is impacting negatively on the competitiveness of the EAC region in relation to other regional and global markets. We must double our efforts to implement previous decisions on solving the infrastructure challenge in East Africa.

Honourable Speaker;

With regards to the Common Market, the Protocol opens opportunities in the movement of goods and services, labour, capital in the region and right of settlement, establishing business and economic activities within the EAC partner states.

However, for these opportunities to be realised partner states need to review their domestic laws to conform with the commitment and undertaking made in the Protocol. Unfortunately, the process of review and amendment of national laws is behind schedule in all the partner states. I am hopeful that we will soon be able to finalise the process and allow our region to expand and deepen integration.

Honourable Speaker;

We are also moving steadily towards the Monetary Union as far as negotiations are concerned. This is the defining and ultimate phase in the East African economic integration agenda because what comes after it is political integration - The Political Federation. It's realization heralds the conclusion of the economic integration facet of the East African Community. This phase will provide the needed impetus for consolidating the successes we continue to register in the Customs Union and Common Market operations. It will also shield the Community from the volatilities associated with operating different fiscal and monetary policies in the partner states. This will inevitably build on and deepen our cooperation in fiscal and monetary

policies, already championed by our Fiscal Affairs and Monetary Affairs Committees.

Honourable Speaker;

The Monetary Union is a very delicate phase in our integration agenda. We should avoid making mistakes for that will cost us dearly. It could make, this phase become the weak link that could undermine all the many years of good work done and achieved in the process of building the East African Community. I hope our officials appreciate this fact and are giving themselves ample time as they craft and negotiate the various aspects and facets of the Monetary Union Protocol. I hope, also, that we will learn from the experience of the former East African Community on this matter. Besides that, we will take time and learn from the experience of other REC's around the world, particularly the European Union.

Honourable Speaker;

It is common knowledge that economic successes cannot be sustained for long without commensurate efforts on the good governance front. It is for this reason that the EAC partner states and the region at large is heavily investing in

good governance. We are reaping good results. Democratic fundamentals are being entrenched in all partner states, the fight against corruption is unrelenting and gaining momentum. There is observance of the rule of law and respect for human rights are taking root. Peace, security and stability which are critical factors for socio economic development are being realized in all partner states. The EAC region is steadily building a good track record on both good governance and integration. I have no doubt in my mind that conditions are now ripe for accelerating the East African socio-economic development to the next level.

Honourable Speaker;

It is worth noting that the process has always not been easy. There were difficult moments, there were challenges and challenges still exist. Some of the challenges are local but some are external like the global economic and financial crisis and the high food and fuel prices. Fortunately, despite the challenges, the leaders of East Africa supported by their people have remained steadfast, focussed and committed to advance the cooperation and integration agenda. This spirit is paying

the desired dividends. We need to stay the course and redouble our efforts so that we can consolidate the gains and take the Community to the highest possible levels of integration that we all desire.

Honourable Speaker;

I would like to take this opportunity to acknowledge and congratulate Members of the East African legislative Assembly for the invaluable contribution you have made and continue to make to advance the integration agenda. EALA has discharged its mandate and authority very well. You have performed well your legislative role and oversight function over the Community programmes and activities. Through EALA's efforts several EAC policies and decisions have been given legal effect. I urge the Third (3rd) Assembly to sustain and accelerate this spirit and momentum. My belief is that you have neither the option nor the time to waver, more so when the call by the people of East Africa for us to deliver on the priorities as articulated in our five years Development Strategy 2011/12 – 2015/16 is loud and clear.

The Priorities

Honourable Speaker;

Member of the Assembly;

I am a believer of Mwalimu Nyerere's dictum that "to plan is to choose". Each year the Community identifies priority areas for implementation in the next financial year. In my view, there is need to refocus our approach by identifying few priorities that will have tangible outcomes and multiplier effects to East Africans. It is imperative that our choices are informed by three principles: comparative advantage; synergy building; and, effectiveness.

In this regard, we should focus on cross-border infrastructure development which is capable of truly facilitating trade and other interactions among our people – railways, energy, ports and harbours, roads and ICT. Secondly, we should make sure that we implement the EAC Food Security and Climate Change Master Plan. We must give due focus to sustainable agricultural production to ensure food security and environmental protection. This way, we shall be

able to increase average GDP growth from **5 percent** to **8 percent** and beyond, on our path to making poverty history.

My call and challenge to this esteemed Assembly is for you to legislate in a manner that facilitates delivery on our priorities and interventions as identified in our Development Strategy. This brings me to your role in this endeavour. I know you know your roles better than I do. But let me share some thoughts.

The Role of EALA

Honourable Speaker;

The Treaty gives this Assembly legislative and oversight functions. It also, inter alia, enjoins the Assembly to "*liaise with the National Assemblies of the Partner states on matters relating to the Community.*" By all standards this is a significant task. As our integration is deepened and widened in its scope, the issues which EALA is called to address are also becoming complex. Indeed, the EALA needs to be more proactive in fulfilling its legislative functions.

It is a matter of essence that the EALA has to align itself with other major actors within the Community. Such actors

include first and foremost the people it serves. There are other national actors such as legislative authorities, national governments, private sector, civil society and development partners. This alignment was envisaged by the Treaty when it prescribed the legislative mandate of this House in Chapter 9, article 59. The alignment is also more important as it creates clear checks and balances between the Assembly, the Council, the partner states and other legislative authorities within partner states.

I am emphasising this because we have distinctions to make. There are local issues which need to be addressed at the national levels. Conversely, there are national challenges whose remedies require cascading the approaches to give more prominence to local solutions, building on the interface between the national parliamentarians and their local constituents. Then there are local interests which require regional approaches to address, and in some cases a combined effort of both the national and the regional legislatures.

Honourable Speaker;

We also need to determine how the EALA, through legislation, could harness, mobilise and leverage the participation of the people of East Africa in the regional integration process. Undeniably, the principal responsibility for sensitising the East African public about integration must largely fall on the shoulders of the political leadership at national levels. However, EAC legislators and leaders of other Organs of the EAC are critical stakeholders and have a fundamental role to play. The regional dimension of mobilisation through synergy building and targeted awareness creation falls squarely on the EAC Organs.

It is important that the private sector, civil society, and other stakeholders are meaningfully consulted during the Assembly's legislative process. But they also need to be mobilized to support it. Through their involvement we should be able to design policies that open avenues for the private sector and civil society including women and youths, to engage in constructive and transformative integration. Harnessing the potential of these actors in taking East African integration to

greater heights is a matter of extreme urgency. It is imperative that all these actors are enabled to contribute effectively to our economic and social transformation.

Honourable Speaker;

This calls for increased mobilisation and sensitisation activities so as to increase the level of awareness on the EAC integration. In doing this, there is need to promote a culture of *East-Africanness*, driven by our Community's fundamental principles, as provided for under Chapter 6 of the Treaty.

This sensitisation and information sharing should also be promoted amongst regional legislators themselves and between regional and national legislators and the executive. I am one of those people who passionately believe that organisations are like human beings and that there is need to subject them to continuous renewal so that they remain agile and healthy. In this regard, I wish to urge you, Honourable Speaker, and the entire House to promote information exchange and sensitization.

I would wish to see stronger synergies built in your relations with the Council of Ministers, partner states

governments and national legislatures. This way the efforts become non-contradictory, mutually reinforcing and sustainable. It will also help avert the sad situation where Bills passed by this House could get difficulties being assented to by Heads of State or being domesticated by partner states.

Honourable Speaker;

Honourable Member of the Assembly;

Distinguished Guests;

Ladies and Gentlemen;

To conclude, I wish to reiterate that our integration must be transformative. We must hold on to our vision of a prosperous, competitive, secure, stable and politically united East Africa. However, we must also fold our sleeves and do the hard work required to transform this vision into reality. The United Republic of Tanzania is both committed and determined to work hard to ensure that the vision is realised in a timely manner.

On behalf of my colleagues, Heads of State of the partner states, I would like to underscore the confidence we have in you and in your capacity to positively advance the East

African integration agenda, now and in the future. On our part, we stand ready, as we have always been, to support your efforts as we deepen and widen our integration for the prosperous future of our people.

I wish you great success in your endeavours.

I thank you for your kind attention.