



# EAST AFRICAN COMMUNITY

ANNUAL REPORT 2014 - 2015

**EAST AFRICAN COMMUNITY  
ANNUAL REPORT  
2014-2015**

EAC Secretariat  
Arusha, Tanzania



# **EAST AFRICAN COMMUNITY ANNUAL REPORT 2014 - 2015**

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EAC SECRETARIAT  
ARUSHA, TANZANIA

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# List of Abbreviations/ Acronyms

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<b>ACP</b>	African Caribbean Pacific
<b>AfDB</b>	African Development Bank
<b>AMREF</b>	African Medical and Research Foundation
<b>BMU</b>	Beach Management Unit
<b>CASSOA</b>	Civil Aviation Safety and Security Oversight
<b>CMP</b>	Common Market Protocol
<b>COMESA</b>	Common Market for Eastern and Southern Africa
<b>COP</b>	Conference of Parties
<b>DRC</b>	Democratic Republic of Congo
<b>DRR</b>	Disaster Risk Reduction
<b>EAC</b>	East African Community
<b>EACDF</b>	East African Community Development Fund
<b>EACJ</b>	East African Court of Justice
<b>EADB</b>	East African Development Bank
<b>EALA</b>	East African Legislative Assembly
<b>EALP</b>	EAC/AMREF Lake Victoria Partnership Programme
<b>ECSA</b>	Eastern, Southern and Central Africa
<b>EDF</b>	European Development Fund
<b>EPA</b>	Economic Partnership Agreement
<b>EU</b>	European Union
<b>ICAO</b>	International Civil Aviation Organization
<b>IGAD</b>	Intergovernmental Authority on Development
<b>IOM</b>	International Organization for Migration
<b>IUCEA</b>	Inter University Council of East Africa
<b>LVBC</b>	Lake Victoria Basin Commission
<b>LVEMP</b>	Lake Victoria Environmental Management Project
<b>LVFO</b>	Lake Victoria Fisheries Organization
<b>LVWATSAN</b>	Lake Victoria Water Supply and Sanitation
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MEAs</b>	Mutual Environmental Agreements
<b>MERECF</b>	Mount Elgon Regional Ecosystem Conservation Project
<b>MoU</b>	Memorandum of Understanding
<b>NEPAD</b>	New Partnership for Africa Development
<b>NFPOs</b>	National Focal Point Officers
<b>NGO</b>	Non-Governmental Organizations
<b>NTBs</b>	Non-Tariff Barriers
<b>OSBP</b>	One Stop Border Posts
<b>PF</b>	Partnership Fund
<b>SADC</b>	Southern African Development Community
<b>TMEA</b>	Trade Mark East Africa
<b>UNFCCC</b>	United Nations Framework convention on Climate Change



## Hon. Dr. Augustine Mahiga Foreword by the Chairperson EAC Council of Ministers

Each year the Chairperson of the Council submits an annual report on the activities and achievements of the Community to the East African Legislative Assembly in line with Article 49 (2) (c) of the Treaty. In the year under review, the Community Organs and institutions, once again demonstrated their commitment and determination in line with their respective mandates and missions to further deepen and widen cooperation between and among Partner States.

Key achievements during the period under review include among others further consolidation of the Single EAC Customs Territory through finalization of key operational instruments, leading to further enhancement of ports and customs systems interconnectivity. The EAC-EU Economic Partnership Agreement negotiations were concluded and agreement initialed in October 2014. Efforts to integrate the region through improved road networks saw commencement of construction of the Arusha-Holili/Taveta- Mwatate (Voi) road effective July 2014, starting with the Kenyan side.

Within the context of the Common Market Protocol, an EAC Common Market Scorecard was developed in 2014, to track progress made by Partner States in fulfilling their commitments under the Protocol. Also worth noting is the progress made towards creating foundation for East Africa Monetary Union (EAMU) by 2024. To this effect, definitions of indicators for EAC macroeconomic convergence criteria and EAC Fiscal Risk Assessment Framework were developed and adopted. We are looking forward to smooth and progressive implementation of the EAMU roadmap. It is now evident that through these initiatives, the region is progressively moving towards its objective of attaining a seamless single market economy.

Agriculture being the main stay of the East African economy, especially on food security experienced further boost, following the adoption of the EAC Protocol on Sanitary and Phytosanitary Measures that protects the health of human, animal and plants across the EAC Partner States. Moreover, in recognition of the importance of tourism sectors across the region, a Protocol on Collaboration in Tourism and Wildlife Conservation and Management was adopted in February 2015 to further promote the region as among destinations for tourism attractions.

Last, but not least, it's worth commending capacity building initiatives across the EAC Organs and Institutions for effective discharge of their mandates. Key among all is the commissioning of the EAC Tele-Presence Video Conferencing System. The system has substantially improved speed of communication between the EAC Headquarters and Partner States Ministries responsible for the EAC Affairs, since about 10% of planned meetings were held through video conferencing, leading to substantial saving in time and financial related costs to the Community. To this effect, I wish express my profound appreciation to the TradeMark East Africa for their support to the project.

In the Spirit of one people one destiny, allow me to extend my appreciation to the Summit of Heads of State for their continued guidance, the Council of Ministers, Heads of EAC Organs and Institutions and experts from the Partner States for their resolve to the work of the Community. I also wish to express our appreciation to development partners, the private sector and civil society organizations for their unwavering support and commitment to the EAC integration agenda.

***Hon. Dr. Augustine Mahiga***

*Chairperson EAC Council of Ministers*



## Amb. Liberate Mfumukeko Summary Report by the Secretary General

The Annual Report 2014/15 covers the period July 2014 to June 2015. The report captures the progress made in the implementation of planned activities and achievement of targeted results. The achievements registered this year builds upon progress made in the previous years as follows:

**The Single EAC Customs Territory:** Implementation of the Single Customs Territory (SCT) was consolidated during the year through finalization of key operational instruments including revision of SCT business manuals, development of SCT Monitoring and Evaluation Tool, development of the Framework for deployment of Staff in other Partner States, and revision of the Enforcement and Compliance Framework.

**EAC-EU EPA Negotiations:** The EAC-EU EPA Agreement underwent legal scrubbing. The process underway was to translate the Agreement into the EU official languages and Kiswahili.

**COMESA-EAC-SADC Tripartite Free Trade Area (TFTA):** The 3<sup>rd</sup> Tripartite Summit of Heads of State and Government signed the TFTA Agreement on 10<sup>th</sup> June, 2015 in Sharm el Sheikh, Egypt. The Tripartite Summit also signed the Sharm el Sheikh Declaration launching the Tripartite FTA and commencement of Phase II of the Tripartite

negotiations, and adopted the Tripartite FTA Post Signature Implementation Roadmap.

**Establishment of the East African Monetary Union:** A draft Bill for establishment of the East African Monetary Institute was developed and negotiated by Partner States, and reviewed by Legislative Drafters. The Bill was due to be considered by the Sectoral Council for Finance and Economic Affairs (SCFEA).

**Infrastructure Developments:** The One Stop Border Post Bill and the Vehicle Load Control Bill were enacted by East African Legislative Assembly (EALA) in April, 2013 and May 2013 respectively. During the year all Partner States have assented to the Bills. The Community also developed regulations to support the implementation of both Acts.

**Peace and Security:** Through a consultative process, an EAC Inter-Religious Council (EAC-IRC) was established to serve as a platform for collaboration on peace, security and stability in the region. On counter-terrorism, the Community and the EU concluded a funding package for a five year broad-based program aimed at addressing the threat posed by terrorism in all its manifestations.

**East African Legislative Assembly:** The following Bills were passed by the Assembly: The East African Community Supplementary Appropriation Bill, 2015; The East African Community Cooperative Societies Bill, 2014; The East African Community Integration (Education) Bill, 2014; The East African Community Elimination of Non-Tariff Barriers Bill, 2015; The East African Community Customs Management (Amendment) Bill, 2015; The East African Community Appropriation Bill, 2015; The East African Community Creative and Cultural Industries Bill, 2015; and The East African Community Electronic Transactions Bill, 2015

**The East African Court of Justice:** The East African Court of Justice (EACJ) as a judicial body, ensures the adherence to law in the interpretation and application in compliance with the Treaty. In 2014/15, the Court registered a number of achievements. Cases filed in both Appellate and First Instance Division were in total forty one (41) cases, and delivered fourteen (14) rulings and eighteen (18) judgments.

**The Civil Aviation Safety and Security Oversight Agency:** The Agency continued to revise and formulate harmonised operating civil aviation Regulations and technical guidance materials in order to meet the requirements of ICAO Annexes to the 1944 Chicago Convention. The Agency also completed the development and amendment of technical guidance materials necessary for certification of organisations and personnel in the flight safety standards, implementation of safety management systems, search and rescue, and aviation security.

**Inter University Council for East Africa:** The Council of Ministers approved the East African

Qualifications Framework for Higher Education (EAQFHE) as an important tool for harmonization of higher education and training systems and qualifications attained in the Community.

**The Lake Victoria Basin Commission:** The Commission strengthened its coordination and management capacity, and implemented programmes and projects under the various key result areas including: - harmonisation of policies, laws and standards and strengthening of institutional development and governance on natural resources management; public health services; water and sanitation; safety of navigation and security on Lake Victoria; management of ecosystems and natural resources; and investments and sustainable livelihood.

**Lake Victoria Fisheries Organization:** The Organisation developed its Strategic Plan (2016-2020) with an objective to expand its scope and mandate to include fisheries and aquaculture management and development in the region.

**East African Development Bank:** The financial performance of the Bank continued to improve during the reporting period. The Bank's portfolio increased by 27% from US\$ 111 million in December 2013 to US\$ 141 million in December 2014. The Bank posted a net income of US\$ 9.8 million in the year ending 31st December 2014, which was 15% higher than the net income in the previous period.

## Conclusion

The EAC Annual Report 2014/15 has further demonstrated good progress towards the attainment of the EAC integration agenda as stipulated along the four stages of integration, namely Custom Union, Common Market, Monetary

Union, and ultimately Political Federation. The implementation of the Single Custom Territory with a pilot phase along the Northern and Central corridors has shown substantial improvement in the turn-around of time for trucks from ports to land-locked Partner States. The region has further consolidated its foundation for a seamless East African Community single market, following continued improvement in infrastructure development, especially with the establishment One-Stop-Border Posts for ease movement of goods and services cross-border. This good progress is being further enhanced in the wake of the ongoing negotiations of the COMESA-EAC-SADC Tripartite Free Trade Area (TFTA) that will see widened trade area for increased economies of scale.



**Amb. Liberat Mfumukeyo**

Secretary General

East African Community



# Chapter 1



## Introduction

# Introduction

## 1.1 Background

The East African Community (EAC) is a regional organisation mandated by the governments of Burundi, Kenya, Rwanda, Uganda and Tanzania to spearhead the East African economic, social and political integration agenda. The Treaty for the Establishment of the East African Community was signed in November 1999 and entered into force in July 2000. The regional cooperation and integration envisaged in EAC is broad based. Article 5 (1) of The Treaty for the Establishment of the East African Community states that *“The objectives of the Community shall be to develop policies and programmes aimed at widening and deepening cooperation 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.”*

The Vision of the EAC is to *become an upper-middle income region within a secure and politically united East Africa based on principles of inclusiveness and accountability, while the Community’s Mission is to widen and deepen economic, political, social and cultural integration in order to improve the quality of life of the people of East Africa.* The Brand of the East African Community is *“One People, One Destiny”*.

## 1.2 EAC Organs and Institutions

The Treaty establishes the following Organs and Institutions: The **Summit** composed of the Heads of State of the Governments of Partner States; The **Council** composed of the Ministers responsible for East African Community Affairs and other Ministers as each Partner State may

determine; and the **Coordination Committee** composed of Permanent Secretaries. The Sectoral Committees composed of Senior Officials from the Partner States are responsible for preparation of comprehensive programmes implementation reports and priorities in their respective sectors.

Other Organs are: **East African Court of Justice**, a judicial body of the Community responsible for administration of justice; **East African Legislative Assembly**, the legislative organ of the Community composed of fifty two members (nine elected members from each Partner State and seven ex-officio members who include the Ministers responsible for EAC Affairs, the Secretary General and the Counsel to the Community); and The **Secretariat**, which is the executive organ of the Community responsible for initiating and coordinating the harmonization of policies and strategies relating to the development of the Community. The Secretariat is also responsible for the general administration and financial management of the Community.

The EAC Institutions that handle specific and specialized mandates are: the East African Development Bank (EADB); Inter-University Council for East Africa (IUCEA); Lake Victoria Fisheries Organization (LVFO); Lake Victoria Basin Commission (LVBC); and the Civil Aviation Safety and Security Oversight Agency (CASSOA). Other institutions that have been established but await operationalization include the Kiswahili Commission; the Science and Technology Commission; and the Health Research Commission.

### 1.3 Structure of the Report

The report is structured as follows: Chapter 1.0 is the introduction; Chapter 2.0 presents socio-economic setting of EAC; Chapter 3.0 presents the Office of the Secretary General; Chapter 4.0 is the Office of the Deputy Secretary General (Planning and Infrastructure); Chapter 5.0 is the Office of the Deputy Secretary General (Productive and Social Sectors); Chapter 6.0 is the Office of the Deputy Secretary General (Political Federation); Chapter 7.0 is the Office of the Director General (Customs and Trade); and, Chapter 8.0 is the Office of the Deputy Secretary General (Finance and Administration) and includes the audited financial statements of the Community for the financial year 2014/15.

This is followed by key developments registered by the Organs and Institutions of the Community as follows: Chapter 9.0 is the East African Legislative Assembly (EALA); Chapter 10.0 is the East African Court of Justice (EACJ); Chapter 11.0 is the Lake Victoria Basin Commission (LVBC); Chapter 12.0 is the Civil Aviation Safety and Security Oversight Agency (CASSOA); Chapter 13.0 is the Inter University Council of East Africa (IUCEA); Chapter 14.0 is the Lake Victoria Fisheries Organisation (LVFO); and Chapter 15.0 is the East Africa Development Bank (EADB).

# Chapter 2



## Recent Economic Developments in East Africa

# Recent Economic Developments in

## East Africa

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East Africa as one of the largest regional economic blocs, with the largest single markets in Africa has a total population of about 150 million and is considered to be one of the fastest growing regions in Sub-Saharan Africa recording an average GDP growth of 6.2 per cent in 2015. The region is further considered as the world's fastest reforming region with stable economic and political environment; harmonized tariff; great market access to all regions in Africa, Middle East and Asia and preferential market access to the US, EU and some other developed countries.

### 2.1 The EAC Land Area

The EAC region is located between 5°30"N, 12°S, 28°45"E and 41° 50" E, and comprises of Burundi, Kenya, Rwanda, Tanzania and Uganda,. The region has a total surface area of 1,817.7 thousand square kilometres. Tanzania accounts for slightly over half (51.7%) of the surface area while Burundi and Rwanda account for the least share of the surface area at 1.5 per cent each. Kenya and Uganda account for 32.1 and 13.3 per cent, respectively. The region has a total land area of 1,716.7 thousand square kilometres.

### 2.2 Economic Trends

The region's economic performance for the period 2014/15 was generally positive in spite of several downside risks, including instability in the Great Lakes region. The collective GDP (at current prices) stood at USD 134 billion (after rebasing in some partner states in 2014). East Africa recorded the fastest growth in 2014/15, of above 6 per cent. Real GDP growth in 2014 varied across the EAC Partner States driven by diverse factors. In Burundi, real GDP growth was 5.2 per cent, slightly higher than the 4.6 per cent registered in 2013/14, with agriculture and construction remaining the main drivers of growth. In Kenya, real GDP grew by 5.7 per cent compared to 4.9 per cent in 2013/14. In Rwanda, real GDP grew by 7.0 per cent from 5.6 per cent in 2013/14 due to recovery in the agriculture and service sectors and strong growth in industry. Strong real GDP growth of 7.2 per cent was recorded for Tanzania up from 7.0 per cent in 2013/14, driven mainly by construction, transport, storage, financial services and information and communication. Uganda's real GDP grew by 6.6 per cent compared to 5.2 per cent in 2013/14. The increase was mainly due to the expansion in the services sector specifically in hotels, restaurants, transport and communications.

### 2.3 Demographic Trends

#### (a) Population Size

The EAC had a combined population of about 148 million in 2014. Tanzania had the largest population in the region at 49 million, followed by Kenya (40 million), Uganda (39 million), Rwanda (10 million)

and Burundi (9 million). The average population growth rate in the region is about 2.3 per cent. At this rate the population is bound to double in the next 35 years. The population of the region is projected to increase to 184.3 million by 2025 and 278.4 in 2050. The population density in the region ranges from as high as 403 in Rwanda to as low as 47 people per square kilometre in Tanzania. Kenya’s population density was 70, Uganda 139 and Burundi 301 people per square kilometer.

**Table 2: Trends in East Africa’s Population (Thousands)**

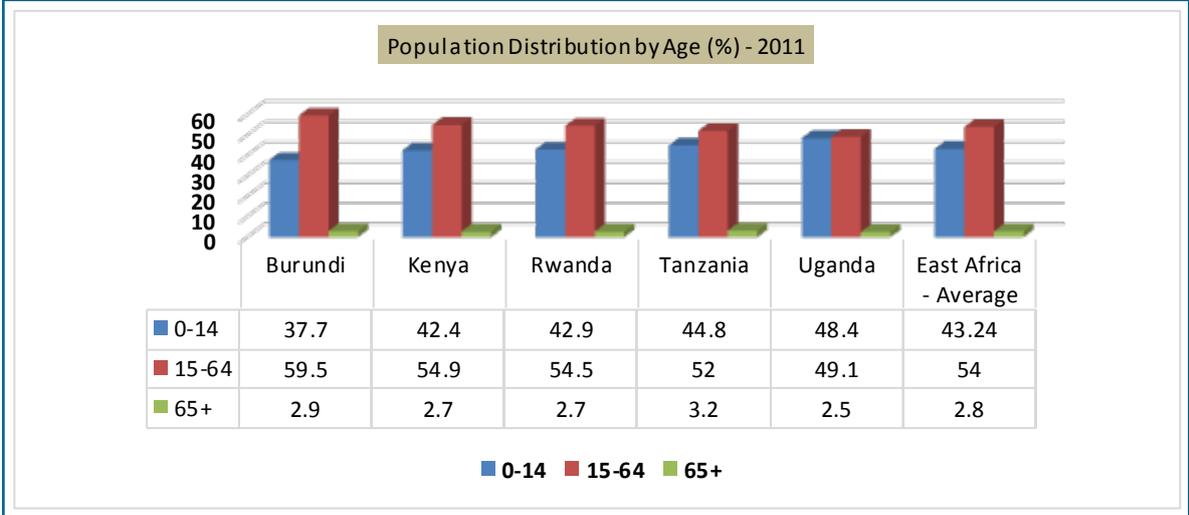
Country	Land Area in Sq. Km	Population		
		1950	2000	2015
Tanzania	886.3	7,886	35,119	49,343
Kenya	580.7	6,265	30,669	40,001
Uganda	200.5	5,210	23,300	38,739
Rwanda	24.2	2,120	7,609	10,504
Burundi	25.0	2,456	6,356	9,835
<b>EAC</b>	<b>1,716.7</b>	<b>17,672</b>	<b>103,053</b>	<b>148,422</b>

Source: EAC Facts and Figures, 2013

(b) **Population Distribution**

Africa is the youngest continent in the world with 70 per cent of the population estimated to be under the age of 30. EAC mirrors this continental trend. East Africa’s youth (people aged 15–34 years) was estimated at 48 million or 35 per cent of the total population in 2014.

**Figure 2: Population Distribution by Age**



Source: EAC Facts and Figures

### (c) **Employment**

Integrated labour force surveys provide some baseline data on employment and unemployment in the region. Unemployment, especially among the youth remains a major challenge for the region.

**Table 3: Unemployment Rates in East Africa in 2014**

Burundi	2.0
Tanzania	10.3
Uganda	9.6
Kenya	12.7
Rwanda	2.0

Source: EAC Facts and Figures 2014 and Rwanda Integrated Household Living Conditions Survey 2014

## **2.4 Socio-Economic Indicators**

### (a) **Life Expectancy**

Life expectancy at birth on average stands at 59.2 years. This is slightly higher than the life expectancy for Africa that stands at 58.1 years. The under-five mortality rate per 1000 births was on average at 70.4 in 2012, while average maternal mortality (per 100,000 births) stands at 446, which is slightly below the Africa average of 460 (UNSD, 2015). The state of health systems in the region is a contributing factor to the current life expectancy and mortality rates.

### (b) **Poverty Dimensions**

In 2014 the average population living below US\$1.25 a day was 48.0 per cent. There is wide variability in this data but the fact is that the poverty level in the region remains a big challenge. Women and children constitute the majority of the most affected groups.

### (c) **Literacy**

The Community has an average literacy rate of 74.4, which is higher than the African average (64.9), but lower than the world average of 84.1. EAC's youth literacy rate stands at 81.9 compared to the global average of 89.5 per cent.

**Table 5: Literacy Rates for 15-24 Year Olds in EAC**

	Year	Both sexes	Men	Women
<b>Burundi</b>	2000	73.7	76.8	70.4
<b>Kenya</b>	2008	92.3	91.8	92.9
<b>Rwanda</b>	2008	77.1	77.1	77.1
<b>Uganda</b>	2009	88	90	87
<b>Tanzania</b>	2002	78.4	80.9	76.2

Source: Final Report on the status of achievement of MDGs by the East African Community, 2010

Within the EAC, the youth literacy rates are generally higher for men than women, except in Kenya and Rwanda.

**Table 6: Selected Socioeconomic Indicators for East African Countries**

Country	Total Population (millions) in 2015	Life Expectancy at birth, 2012	Under Five Mortality Rate, 2012	Population living below \$1.25 a day (2009-2011)	Adult literacy rate (%), 15+ yrs., 2005-2010
<b>Burundi</b>	9.8	50.9	142	-	67.2
<b>Kenya</b>	40.2	61.1	52.4	43.4	87.4
<b>Rwanda</b>	10.5	64.5	50	44.9	71.1
<b>Tanzania</b>	49.3	60.9	49.7	67.9	73.2
<b>Uganda</b>	38.7	58.7	57.8	38.0	73.2
<b>East Africa</b>	148.4	59.2	70.4	48.6	74.4
<b>Africa</b>	1,070.1	58.1	71.4	40.0	64.9

Source: Adapted from UNDP - HDR 2013 and AfDB Statistics Department Databases

# Chapter 3



## Office of the Secretary General

# Office of the Secretary General

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The office of the Secretary General coordinates all regional projects and programmes in the Community and is assisted by the Offices of the Deputies Secretary General. However, the office directly supervises the following areas: cooperation in legal and judicial affairs; cooperation in defence; corporate communications and public affairs; internal audit; and resource mobilization for the implementation of Community projects and programmes.

## 3.1 Defense Liaison Unit

Mutual Defense Pact. Having ratified the Protocol of Cooperation in Defense, Partner States embarked on negotiations towards the development of a Mutual Defense Pact to enhance cooperation in defense.

## 3.2 Cooperation in Legal and Judicial Affairs

The office of the Counsel to the Community is established under Article 69 of the Treaty and is responsible for Legislative Drafting and Parliamentary Services; advisory services and litigation; agreements and legal instruments; and corporate secretarial services among others. Key achievements over the year under review were among others;

- (a) **Harmonization of Laws focusing on implementation of EAC Common Market Protocol:** The Sub-Committee on Harmonisation of National Laws in the EAC context continued to harmonize intellectual property laws of the Partner States. Model laws were developed on New Plant Varieties Protection, Geographical Indications, Tradition-

al Cultural Expressions and Folklore, Traditional Knowledge, Trade Secrets, Industrial Designs, Utility Models and Layout Designs of Integrated Circuits to support implementation of the Common Market Protocol. In addition, the Law Reform Commissions of Partner States met regularly to share information while amending their national laws or initiating new Bills.

- (b) **Regional Judicial Training:** The East African Judicial Education Committee in collaboration with the Secretariat and National Judicial Training Institutes conducted a number of trainings for Judicial Officers in the EAC Partner States and at the East African Court of Justice in areas of: Trade-related Laws and Other Emerging Issues in the Community Law; Judicial Management of Commercial and Trade-related Disputes in the EAC Context; Emerging Issues on Criminal Justice Systems in the EAC Laws; and on Gender and the Law. The above trainings enhanced the knowledge of senior Judicial Officers on EAC integration processes and provided guidance to the national judiciaries on their specific role and mandate in adjudicating on the regional matters. The outcome of the trainings also benefited the Heads of the National Judicial

training institutes and other key personnel involved in judicial education, especially those involved in formulation of judicial education policies and programmes

### 3.3 Resource Mobilization Office

The Department of Resource Mobilization is responsible for coordinating all EAC Resources mobilization initiatives and processes for funding Community projects and programmes. The key achievements under resources mobilization during the year were:

- (a) **Operationalisation of EAC Resource Mobilization Policy and Strategy:** For the FY 2014/15, the Partnership Fund Steering Committee agreed to fund four priority areas with support amounting to US\$ 11,490,758. The priority areas were: Implementation of the Common Market Protocol; Negotiations for the East African Monetary Union; Enhancing Public Awareness and Popular Participation in the EAC; and Institutional Strengthening. Disbursements received from the Development Partners as of 30<sup>th</sup> June 2015 amounted to US\$ 7,395,514 equivalent to 64% of the commitments.
- (b) **Support from the European Union (EU):** The EU allocated €85 million for three EAC's priorities: Peace and Security (€15 million); Regional Integration (€45 million); and Natural Resources (€25 million). During the reporting period, the EAC Secretariat developed two programs that have been

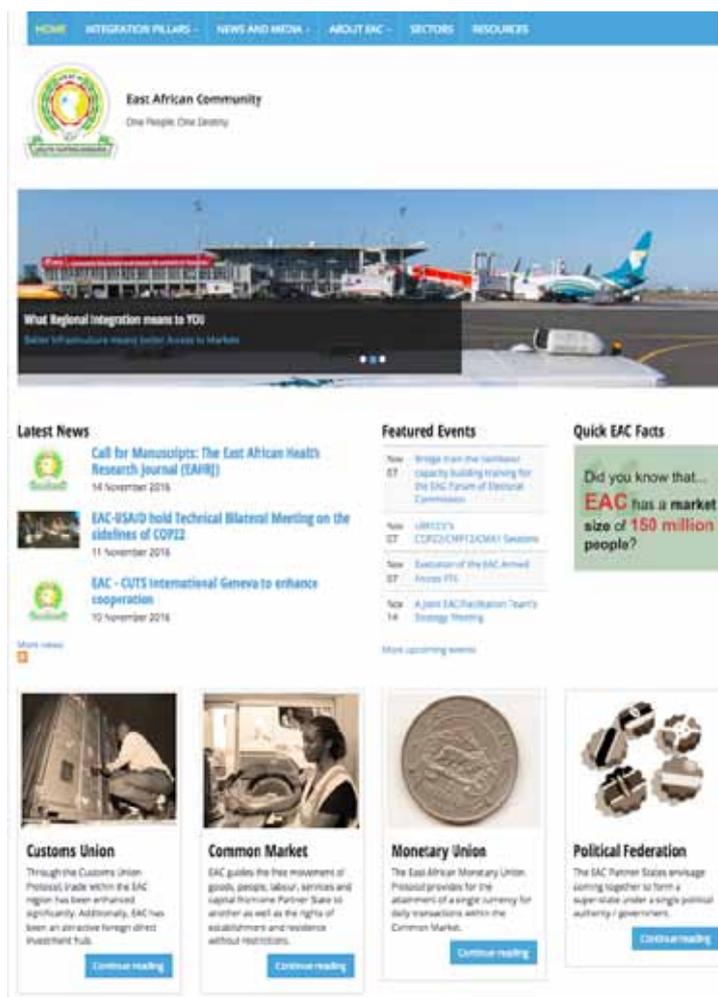
approved by EU for a total amount of €50 million: Trade related facility for €30 million; and Water Management for € 20 million.

- (c) **Support from USAID:** During the FY 2014/15, the Secretariat mobilized US\$ 4.3 million from USAID to support activities at the EAC Secretariat and Lake Victoria Basin Commission (LVBC). The supported sectors were Trade and Customs, Agriculture, Environment, Health and Energy.
- (d) **Finalization of EAC Development Fund (EACDF) Bill.** The Draft EACDF Bill aimed at mainstreaming development support to the Community, and to be used as an instrument for attracting support from development partners was considered by Partner States' experts for submission to the Sectoral Council on Finance and Economic Affairs.
- (e) **Establishment of EAC Private Sector Fund:** The Community established a Private Sector Fund to support private sector initiatives towards deepening regional integration process and increase private sector participation. The Fund targets to reach a portfolio of USD 20 Million in a period of three years. A draft strategy and mechanism for establishing a Private Sector Partnership Fund was also developed. The strategy aims at creating an instrument that will enable the private sector to contribute financially to EAC.

### 3.4 Corporate Communications and Public Affairs

The Department of Corporate Communications and Public Affairs is responsible for sensitizing the people of East Africa about the EAC integration Agenda and increase public awareness of the regional projects and programmes. The key achievements during the year were:

- (a) **Access to On-line Information on EAC Integration:** The Community continued to provide easy access to information on EAC integration through on-line platforms by maintaining a robust Web portal, [www.eac.int](http://www.eac.int). During the period under review, the Secretariat embarked on a comprehensive program of revamping the EAC Web portal, aimed at enhancing the portal's interactivity and ease of access to information. Further, the Secretariat carried out a major social media drive and live-streaming of EAC events to allow wider public participation and up-scaling of visibility and corporate image of the Community. A thematic campaign on the EAC Twitter handle was launched. The Twitter campaign revolved around four (4) themes: to sensitize EAC citizens on trade within the EAC; facts and figures on the EAC; history of the Community; and inspirational and leadership messaging.



- (b) **Public Awareness and Popular Participation of all Stakeholders in the Integration Process:** The Secretariat reached out and sensitized over 626 members of the national assemblies; 1,442 University Students; 1,094 Secondary School Students; 320 Government officials/stakeholders; 80 Judges; 260 members of the CSO; 600 residents of border communities and approximately 2.5 million ordinary citizens and external audiences through EAC tele-documentaries on NTV (K), NTV (U) and Radio 5 Arusha.

- (c) **Engagement with the media:** Press Interviews were conducted upon request from the Media Houses/Journalists; (147) press releases were issued; (12) Press conferences were convened in Kampala, Nairobi, and Kigali; (7) Television programs were aired and (6) Radio/TV Talk shows were held. Seven (7) Special Reports/Supplements featured in the Citizen, New Vision, East African, New Times, East Africa Digest magazine, East African Business Times magazine and Arusha Times newspaper. Six (6) EAC events were live streamed namely: EALA Plenary – Dar es Salaam; 3<sup>rd</sup> EAC University Students’ Debate, Nairobi; 3<sup>rd</sup> SG’s Forum – Entebbe; EALA Plenary – Kigali; Heads of State Retreat on Infrastructure Development – Nairobi; and EALA Plenary – Arusha.
- (d) **Development and Distribution of EAC Intergration Materials:** The Secretariat developed and distributed the EAC Integration Guide; Simplified versions of the Customs Union, Common Market and Monetary Union. In addition, two joint sensitization and outreach activities were held in Rusumo Border between Tanzania and Rwanda and at Makamba between Burundi and Tanzania. Over 400 soft copies of the Treaty were circulated to Partner States and stakeholders; 5,000 copies of the Community Magazine were printed and distributed; 10,000 copies of Simplified/Comic Booklets on EAC integration; 1,200 copies of the EAC Integration on the Wheels; and 2,000 copies of Vol.7 of the Non-Tariff Barriers (NTB) publication.
- (e) **Trade Shows and Exhibitions:** The Community show-cased Integration achievements and benefits and sensitized 7,700 East African citizens as follows: (1050) Show goers at Rwanda Annual Trade Fair; ( 850) Show goers at Mwanza East African Trade; (2000) Show goers at Nairobi International Trade Fair; (1500) Show goers at East Afripack Conference and Exhibition in Nairobi, Kenya; (1800) Show goers at Uganda International Trade Fair and Exhibition; (300) Show goers at Academia-Public-Private Partnership Forum and Exhibitions held at Kigali; (200) Stakeholders at the launching of the EACJ User guide in Nairobi; and (2,500) Show goers at Jua Kali Nguvu Kazi exhibition in Kigali, Rwanda.

# Chapter 4



**Office of the Deputy Secretary General -  
Planning and Infrastructure**

# Office of the Deputy Secretary General - Planning and Infrastructure

The Office of the Deputy Secretary General - Planning and Infrastructure is responsible for the following sectors: infrastructure development comprising of Roads, Railways, Civil Aviation and Airports; Meteorology, Information and Communication Technology, Monetary, Fiscal, Financial Sector development, harmonization of regional statistics, Private Sector Investments and Strategic Planning.

## 4.1 Regional Infrastructure Development

- (a) **Improvement of Road Connectivity and operations across the region:** The target was to undertake feasibility studies and detailed designs for: Nyakanazi – Kasulu – Manyovu / Rumonge – Bujumbura road; and Lusahunga – Rusumo / Kayonza – Kigali road. A Grant Agreement for USD 2.7 million was signed between EAC and AfDB in November, 2014. Technical Proposals were evaluated and a request for No Objection to open financial proposals was granted by the AfDB in March, 2015.
- (b) **Harmonization of National Road Standards, Specifications and Regulations:** Partner States were in the process of domesticating the above standards. National consultations were held to acquaint with the recommendations before decision making. A meeting of the High Level Standing Committee of the East African Road Network Project was held in July, 2014 to develop a roadmap leading to adoption of the standards.
- (c) **Design and Construction of Dual Carriageway Sections along the Northern Corridor Route:** EAC presented a joint project with the Northern Corridor Transit Transport Coordination Authority (NC-TTCA) to AfDB for funding. This was the design of dual carriageway sections along the Northern corridor route. EAC also made a joint presentation for the Dar es Salaam Southern Bypass with the Central Corridor Transit Transport Facilitation Agency (CC-TTFA). Two Railway projects were also presented to Development Partners, namely the Railway Industry Structure & Operational framework and Development of Technical Standards for Interoperability.
- (d) **Construction of the Arusha – Holili/Taveta – Mwatate (Voi) Road:** Construction on the Kenyan section of the project commenced in July, 2014. The contract for construction of the Arusha Bypass and Sakina – Tengeru Dual Carriageway was signed between the Government of Tanzania and the winning bidder in February, 2015 and the contractor mobilized in March, 2015.
- (e) **Operationalization of One Stop Border Posts and Vehicle Load Control (VLC) Bill :** The VLC Bill was still undergoing Assent by Heads of State. In the meantime, preparation of regulations to support the Acts were underway. A joint stakeholders’ workshop to review the draft regulations was held in Kigali in March, 2015.

- (f) **Establishment/Enhancement of Numerical Weather Prediction Units in Partner States by June 2015:** The Numerical Weather Prediction hardware and software were procured (servers and desktop computers and related software) and were installed in April 2015 at the Tanzania Meteorological Agency and Kenya Meteorological Services. EAC had already established NWP Units in Burundi (2012), Rwanda and Uganda (2014). The equipment are expected to improve weather forecasting capabilities at National Meteorological Services.
- (g) **Harmonization of Aeronautical Meteorological Services for Air Navigation:** National Meteorological Services committed to redouble efforts to implement Quality Management Systems (QMS) in the provision of aeronautical meteorological services in line with the International Civil Aviation Organization. In this regard, Kenya and Tanzania Meteorological Services were ISO certified while the other three Partner States are at advanced stages of implementing QMS.
- (h) **Implementation of MOU between EAC and World Meteorological Organization (WMO):** A Consortium with WMO was established to implement the early warning project for Lake Victoria and its basin. An agreement between EAC and Earth Networks was developed and eleven stations installed to monitor lightning around the lake basin in line with implementation of the new forecasting for severe weather around the Lake.
- (i) **Implementation of the Yamoussoukro Decision.** The Heads of Civil Aviation and Airports Authorities met in October 2014 and agreed in principle that the ownership provision (Draft Regulation 8(g)) of the draft regulations should provide for majority ownership of the eligible operator for the nationals of other Partner States for the determination of effective control. The Partner agreed to consult further on the matter and reconsider it at the next meeting of the Heads of Civil Aviation and Airports Authorities.
- (j) **Establishment of a Unified upper flight information in the region:** The Executive Summary Report of EAC Upper Flight Information Region (UFIR) Tasks 9,10,11 and 12 consisting of the EAC Airspace Redesign, System Architecture for the Upper Area Control Center (UACC), Cost Benefit Analysis and sustainability of the lower Airspace(Task 14) was completed, reviewed and approved by the Communication, Navigation and Surveillance/Air Traffic Management(CNS/ATM) Sub Committee during the 6th Working Session held from 3rd to 9th December 2014 in Bagamoyo, Tanzania. The meeting agreed on a phased approach for the establishment of the EAC UFIR controlled by an UACC with a transition/preparatory phase (2015-2018) and establishment of UACC from 2019.
- (k) **Integration of CNS/ATM Systems:** The EAC UFIR Project is looking at the integration of CNS/ATM Systems for increased efficiency of Air Navigation in the Region. The EAC Secretariat participated in various working

Sessions of the Global Navigation Satellite System (GNSS) EGNOS Satellite Navigation Systems Sub Committee which aims at bringing the Satellite Based CNS/ATM Navigation Systems to move from the existing ground based navigation systems. The outcome will be an integrated, harmonized, improved and interoperable CNS/ATM Navigation Systems - from Ground based systems to Satellite based systems through the application of the GNSS.

## 4.2 Development of Regional Statistics

- (a) **Compilation and dissemination of the 2014 edition of the EAC Facts and Figures Report:** The Facts and Figures (2014) Report was compiled and published on the EAC website.
- (b) **Finalization of Frameworks for Compilation of Harmonized Statistics:** Draft Regulations to govern the compilation of EAC Harmonized Consumer Price Indices were adopted by the Sectoral Committee on Statistics in January 2015. Common regional survey instruments (questionnaire & manual) for conducting Informal Cross Border Trade (ICBT) survey was also approved by the Sectoral Committee on Statistics.
- (c) **Establishment of a Regional Statistical System:** The EAC Statistic was developed and approved by the Council in November, 2014. The Draft EAC Statistics Bill was also

prepared awaiting negotiation by the High Level Task force on EAMU institutions.

## 4.3 Harmonization of Fiscal and Monetary Policies

- (a) **Harmonized Monetary and Exchange Rate Arrangements:** Technical note of definition of the indicators in the EAC macroeconomic convergence criteria was developed and EAC Fiscal Risks Assessment Framework developed and validated by stakeholders during the reporting period. Draft Bill for establishing the Surveillance, Compliance, and enforcement commission was developed and validated in March 2015 and is awaiting to be negotiated by the High Level Task force on EAMU institutions.
- (b) **Regional Banking and Financial Sector Education:** A consultancy on the Regional Financial Education was commissioned in December, 2014. The draft inception report highlighting study objectives, scope and focus, methodology and approach and the proposed work schedule was approved by Project Administration Team. One of the expected deliverables is the development of an action plan to increase access to finance in the EAC region.
- (c) **Development and implementation of EAC Regional Banking Certificate Program:** The Contract on the Banking Certification program was signed in November; 2014 and the Consultant commenced the

assignment on 15th December, 2014. The final report was received in February 2015 and the contract was closed in March 2015. The following recommendations were made and adopted: developing an EAC Diploma in Insurance (Syllabus and Regulation); Certificate in Proficiency in Insurance; Certificate in Insurance; and Regional Insurance certification.

(d) **Certification Programs in Banking, Microfinance, Insurance, Capital Markets, Pensions Development and Implementation:** Seven (7) policy papers were developed and adopted by the Executive Committee as follows: Risk Based Supervision on EAC Securities Market; Mobile and Agency Banking in EAC countries; EAC Pension Regionalization; Determinants of household savings mobilization; Assessment against IOSCO principle 38; Assessment against IOSCO new principles; and Assessing EAC regional Financial Integration.

(e) **Establishment of Harmonized Legal Framework for Single Financial Market:** Evaluation of Technical and Financial Proposals were done for a consultant to undertake a regional PPP framework. Another Contract on IOSCO Principles Assessment for Rwanda was signed in November, 2014 and work commenced in December, 2014. As part of the work, a pre-assessment seminar was held in January, 2015.

(f) **Assessment in relation to Mutual Recognition of Supervisory Agencies and development of a Multi-year Action**

**Plans:** Consultations with key stakeholders in the Partner States was carried out in order to set up a framework for a centralized database for cross-border financial flows within the region. In this regard, a draft framework was developed during the year.

(g) **Establishment of a Capital Market Authority in Burundi:** The revised Strategic Plan and Road Map for establishing capital markets in Burundi were finalized. The consultant presented a draft Human Resource Management Policy, staff training plan and institutional monitoring and evaluation framework in April, 2015.

(h) **Undertaking of Studies on Risk Based Supervision in EAC Securities Markets:** The following studies were undertaken during the year: Assessment of pension structure in the EAC from perspective of regionalization; Assessment of the Insurance Industry from the perspective of EAC Regionalization; Assessment against IOSCO Principle 38; Assessment against IOSCO 8 new Principles; Assessment of compliance against IAIS Insurance Core Principles(ICPs); Hiring a consultant to support the Capital Market Infrastructure (CMI) Technical Working Group; Study on the demutualization of Uganda Securities Exchange; Technical Assistance for the pension Sector Study (Technical Assistance) and Assessment and strengthening regulators and market participants via capacity building curriculum at the School of Finance and Banking in Kigali and Light University in Bujumbura, and Hiring a Securities Market Advisor.

## 4.4 Integration of Payment and Settlement Systems

- (a) **Acquisition of Infrastructure to support the Payment Systems:** The contract for the Supply, Implementation and Support of Automated Clearing House (ACH) Cheque truncation systems for Rwanda was signed. An evaluation report for the bids for the Supply and Delivery of Business Continuity Plan (BCP) equipment for Tanzania was done and report sent to African Development Bank (AfDB) for No Objection. Further a request for re-allocation of funds for the upgrade of Real Time Gross Settlement (RTGS) and to implement a new ACH system in Kenya and direct contracting for upgrading the current RTGS system for Uganda was also forwarded to AfDB for No Objection. However, delays in granting of No Objection from the AfDB for bidding documents for Disaster Recovery Settlement (DRS) systems for Rwanda, and variation of projects by the central banks of Uganda and Kenya led to delays in the implementation process.
- (b) **Capacity building for Regional Payment Systems Operations for all Central Banks in the region.** Procurement for various consultancy services and call for expression of interest were done. A stakeholders meeting for the formation of Legal Technical Working Group (LTWG) was held as well. Once established, the LTWG will provide direction and coordinate the consultancy under component 2.

## 4.5 Investment Promotion and Private Sector Development

- (a) **Implementation of EAC Investment Policy and Strategy:** The Final reports were considered by the Sectoral Committee on Investment that recommended to SCTIFI for their adoption. The strategy is aimed at creating a more predictable investment environment desirable for investors, and increase participation/involvement of private sector in the EAC integration process.
- (b) **EAC Public-Private Partnerships (PPP):** The inaugural PPP Development Conference was held in October, 2014 in Nairobi, Kenya. The Conference provided a platform for participants to share experience on PPP development and how to enhance the PPP agenda in the region. The recommendations of the Conference informed the PPP Policy Framework. Technical evaluation to undertake consultancy services to develop an EAC Public-Private Partnerships (PPP) Policy and Legal Framework was done and the Consultant was expected to finalize the work by December 2015.
- (c) **Promotion of EAC as a Single Investment Destination:** EAC Guide for investors was produced and the soft copy was uploaded on the EAC Website. A meeting of experts on investment promotion and private sector development from government ministries and private sector was held in November, 2014 in Nairobi, Kenya and their report was considered by the Sectoral Com-

mittee on Investment that recommended it to SCTIFI for adoption. The meeting among others recommended adoption of the final reports of the studies on Investment Promotion and Development of a work plan for joint promotional activities.

(d) **Enhancement of Private Sector Participation in the EAC Integration Process:**

The Donors Roundtable meeting was held on 21st July, 2014 in Nairobi, Kenya and Donors committed to funding of the implementation of the Consultative Dialogue Framework. The 3rd SG Forum was held in September, 2014 in Entebbe, Uganda and made recommendations to take to Council for implementation by Partner States. The SG CEOs Forum was held on 17th February, 2015 and 18th March, 2015 in Nairobi, Kenya and Bujumbura, Burundi respectively.

- (b) **The East African Common Market Scorecard 2014:** With assistance from the World Bank Group and Trademark East Africa, the Secretariat developed an EAC Common Market Scorecard 2014. The Scorecard has facilitated the tracking of progress made by Partner States in fulfilling their commitments under the Protocol and identified areas of slow or limited progress.



## 4.6 Planning, Monitoring and Evaluation

- (a) **Bi-annual meetings to Review the Implementation of the Common Market Protocol and compilation of bi annual reports:** Meetings of the National Implementation Committee (NIC) on the implementation of the EAC Common Market Protocol were held twice in each Partner State's capitals.. During the meetings, implementation of the Protocol was reviewed at the national levels and appropriate recommendations were made to the Council.

- (c) **Priority Interventions for the Financial Year 2015/2016:** The following key priority interventions were adopted by the Council for the Financial Year 2015/16:-
- i. Establishment of the East African Monetary Institute and the East African Statistics Bureau to support the transition to a single currency;
  - ii. Consolidating of the Single Customs Territory by developing and implementing the requisite systems and administrative mechanisms;
  - iii. Enhanced implementation of the EAC Common Market Protocol;

- iv. Implementation of the roadmap on the constitution making process for the EAC Political Federation;
  - v. Development of cross-border infrastructure in the respective subsectors
  - vi. Implementation of the EAC Industrialization Policy and Strategy;
  - vii. Implementation of the EAC Food Security Action Plan and Climate Change Strategy;
  - viii. Harmonisation of higher education systems and developing a harmonised EAC Education Curricula;
  - ix. Conclusion of negotiations of the Tripartite Free Trade Area encompassing EAC-COMESA-SADC; and
  - x. Implementation of EAC Peace and Security initiatives.
- (d) **Rolling out of Quality Management System for the EAC Secretariat:** Following the successful pilot implementation of the Quality Management System in the Planning Department, the Secretariat commenced the roll-out of the Quality Management System based on ISO 9001:2008 Certification.
- (e) **Formulation of EAC Vision 2050:** Terms of Reference for the formulation of the EAC Vision 2050 were approved by the 29th Meeting of the Council in August 2014. An inception meeting involving members of the Regional Steering Committee, national consultants and UNECA was held in November 2014 to among others discuss and approve the Inception Report. Stakeholders consultations were concluded in March 2015. The Draft EAC Vision 2050 was considered by the Regional Steering Committee in June 2015 and was expected to be presented to the 32nd Meeting of the Council and 17th Summit in November 2015 for adoption.
- (f) **Establishment of an EAC Policy Research Unit:** During the year, the Executive Board of the African Capacity Building Foundation (ACBF) approved a Grant of US\$ 1.0 million to EAC to contribute towards the financing of a Capacity Building Project to enhance Research and Policy Analysis function at the EAC Secretariat through the establishment of a Policy Research Unit. Recruitment of the research staff was expected to take place in FY 2015/16.

- (g) **Monitoring the implementation of Summit and Council Decisions and Directives:** The report on the status of implementation of decisions and directives made at the 28th and 29th Meetings of Council were compiled and presented to the 30th Meeting of the Council in November 2014. The Council took note of the status and directed the Secretariat and Partner States to implement all the outstanding decisions and directives. Another report on the status of implementation of outstanding Summit decisions and directives was compiled and considered by the 16th Summit in February 2015.
- (h) **Compilation of Progress Reports:** The cumulative progress reports January – June, 2014, was considered by the Sectoral Council of EAC Affairs and Planning at its 20th Meeting held in Arusha and the cumulative report for July 2013 to June 2014 was considered and approved by the 29th Meeting of the Council of Ministers held in September 2014 in Arusha, Tanzania. The Draft EAC Annual Report 2013/14 was finalized in December 2014 and was subsequently tabled to and adopted by EALA in May 2015.

# Chapter 5



## Office of the Deputy Secretary General - Productive and Social Sectors

# Office of the Deputy Secretary General - Productive and Social Sectors

The Office of the Deputy Secretary General Productive and Social Sectors over sees the following functions: Agriculture and Food Security; Labour, Employment and Immigration; Gender, Community Development and Civil Society; Education, Culture and Sports; Training, Science and Technology; Health; Energy; Tourism and Wildlife Management; Environment and Natural Resources; and Industry.

## 5.1 Agriculture, Food Security and Livestock Sector

- (a) **EAC Comprehensive Africa Agricultural Development Programme (CAADP) Process:** The EAC CAADP Compact was finalized for consideration and adoption by the Sectoral Council on Agriculture and Food Security. The EAC CAADP Compact is a shared framework for strategic planning and implementation, partnerships and development assistance in the agricultural sector. In addition, the EAC Secretariat developed and finalized the EAC CAADP Results Framework. The Framework will contribute towards ensuring coordinated and harmonized measurement and reporting of results as required under the AU Heads of State and Government Malabo declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods.
- (b) **The EAC Protocol on Sanitary and Phytosanitary (SPS) Measures:** In 2013, The East African Community Protocol on Sanitary and Phytosanitary Measures was adopted by the Council of Ministers. The objectives of the Protocol encompass protection of human, animal and plant health and promotion of trade in food and agricultural commodities. So far the Protocol has been ratified by the Republic of Rwanda and Uganda. The other Partner States are at an advanced stage of ratification.
- (c) **EAC Regional Project on Aflatoxin Abatement:** During the reporting period, eleven evidence-based multi-sectoral Technical Papers on Aflatoxin were finalized. The key topics covered in the papers were:- i) impact of aflatoxin on animal and human health; ii) standards for food and feed; iii) biological control of aflatoxin; iv) post-harvest handling; v) alternative uses and disposal systems for contaminated products; vi) economic impacts on trade; and vii) a five-year communication strategy on aflatoxin control and prevention. The papers will inform the formulation of a robust multi-sectoral aflatoxin strategy and action plan across the health, agriculture, livestock, trade, industry and environmental sectors.
- (d) **Implementation of the Veterinary Governance Project (VETGOV Project):** With support of the African Union, a project on "Reinforcing Veterinary Governance in Africa"- EAC VETGOV became operational. The Project is dedicated to strengthening regional institutions to play their roles of coordination, harmonization, and integration with the aim of stimulating a more conducive environment for public and private investments in the livestock sector. Under this

project, National Livestock Policy hubs were formed and supported financially in all the Partner States.

- (e) **Development of Food Security Bankable Projects:** Two project proposals on TADs and Aquaculture were developed and submitted to African Development Bank and European Union respectively in an effort to enhance food security in the region. Furthermore, the EAC harmonized regulatory framework and procedures for fertilizer marketing and was adopted by Sectoral Council on Agriculture and Food Security in September 2014.
- (f) **Development of Policies and Procedures:** A draft EAC Seed Policy was developed through a consultative process. Once adopted, the Policy will address the constraints at regional level to enhance the delivery of improved seeds. This will in turn contribute to improved agricultural productivity, food and nutrition security and livelihoods of the EAC citizens. The scope of this policy covers all the seed value chain actors from research and variety development along the value chain to utilization.
- (g) **Establishment of Regional Agricultural Marketing Information and Early Warning Systems:** During the period, an EAC Regional Food Balance Sheet (RFBS) was established as a mechanism for monitoring food security and food availability at the national and regional levels. The cereals and pulses component of RFBS became functional on trial-basis and provided information on surplus and deficit cereals and pulses in the regional.

## 5.2 Energy Sector

- (a) **Establishment and Operationalisation of a Programme Co-ordination Unit (PCU):** A concept paper on establishment of a Regional Renewable Energy and Energy Efficiency Centre (EACREEE) was prepared and presented to the 30<sup>th</sup> Council Meeting. Council agreed in principle to establish EACREEE but directed EAC Secretariat to work out the financing modalities. Once established, EACREEE will contribute towards increased access to modern, affordable and



reliable energy services and energy security by creating an enabling environment for renewable energy and energy efficiency markets and investments. Through its activities in the areas of policy, capacity development, knowledge management, awareness raising, as well as business and investment promotion, the Centre will play a key role in creating economies of scale, as well as a competitive sustainable energy market and business sector in the EAC region.

(b) **Development and adoption of key legal, regulatory, technical and operational instruments for EAC Power Pool (EACPP)**

: Inter-Governmental Memorandum of Understanding for the establishment of EACPP and Inter-Utility MOU for its operationalization were completed and approved by the Sectoral Council on Energy. However, they are yet to be executed. In addition, Terms of Reference to develop power market structures with related instruments to operationalise EACPP were developed and approved by the Sectoral Council on Energy.

(c) **Convening of the Petroleum Conference: The 7<sup>th</sup> East African Petroleum Conference and Exhibition 2015 (EAPCE'15)**

was held at the Kigali from 4<sup>th</sup> to 6<sup>th</sup> March, 2015 under the theme "EAST AFRICAN REGION: Proven Destination for Investment in Petroleum Resources for Regional Energy Sufficiency and Lasting Socio-Economic Development". The objective of the Conference and Exhibition was to promote the EAC as an attractive destination for investment in the petroleum sector.

The Conference attracted 546 participants drawn from all over the world and with various professional backgrounds, including Government officials and representatives from financial institutions, professional organizations, International Oil Companies and oil industry service providers, among others. There were 49 technical presentations on a wide range of topics. The Conference attracted twenty four (24) exhibiting companies in addition to the five Partner States and EAC. Pre and Post-Conference field excursions trips took place in areas of geo-scientific and tourist's interest sites in Kenya, Rwanda, Tanzania and Uganda. During the Conference, Uganda announced her first licensing round where six high potential blocks totaling to about 3,000 km<sup>2</sup> were on offer. All Partner States had opportunities to discuss their petroleum potential and opportunities with investors. The Conference demonstrated the vast potential of the region and emphasized the need for holistic development of the sector through local content and citizen participation.

## 5.3 Industrial Development

- (a) **EAC Bill on Industrialization:** The development of an EAC draft Bill on Industrialization is in progress following a directive of the 26<sup>th</sup> Council of Ministers meeting held in November 2012. The objective of the Bill is to empower the Community to take actions for faster development of industries; improve coordination of industrial development in the region; and to provide a legal

anchor for the promotion of industrial development in the Community.

- (b) **Implementation of the EAC Regional Pharmaceutical Manufacturing Plan of Action (EACRPMPOA) 2012-2016:** The EAC Regional Pharmaceutical Manufacturing Plan of Action (EAC-RPMPOA), 2012 - 2016 is currently being implemented to address the challenges of local manufacturing of essential medicines. The national committees to coordinate implementation of RPMPOA were established in March 2015 in each Partner States. To date, the following activities relating to implementation of RPMPOA have been undertaken:

- A comprehensive Market Assessment study outlining local production, including imported and donated medicines has been undertaken to provide information and guide investment, and assist in the formulation of evidence based policies for the sector.
- The region has also carried out an assessment study on the potential for establishment of Chemical Reference Centre which would reduce transaction costs related to importation of the standards, and ensure affordable access to much needed reference and testing standards for use in pharmaceutical industries and laboratories in the regulatory urgencies.
- To ensure availability of quality and efficacies medicines in the region, a post market surveillance

study has been conducted, the result of which will form the basis of preparation of post market surveillance capacity building programme for the region.

## 5.4 Environment and Natural Resources

- (a) **Finalization of Draft Disaster Risk Reduction (DRR) Bill:** The 2nd Extra Ordinary Sectoral Council on Environment & Natural Resource Management was held in March 2015, to provide guidance on the Draft Disaster Risk Reduction (DRR) Bill, after the proposal by the United Republic of Tanzania to renegotiate the Protocol on Environment and Natural Resources Management. The Sectoral Council made the following key decisions: established a multi-Sectoral Technical Task Force of Experts to study the issues raised by the United Republic of Tanzania on the Protocol; directed Partner States to undertake national consultations on the draft Concept Paper for the justification of the EAC Climate Change Bill; and directed the EAC Secretariat to develop a Technical Paper on an appropriate institutional arrangement for Disaster Risk Reduction and Management by 30<sup>th</sup> April 2016 and share with Partner States for comments.



- (b) **Establishment of the EAC Climate Change Coordination Unit:** Terms of Reference for Climate Finance and Climate Information & Knowledge Management Specialist were developed and approved by Development Partners in July 2014. An Information and Knowledge Management System (IKMS) Officer was recruited during the year while the other positions were to be recruited by Project Partners and be embedded/seconded to EAC.
- (c) **Mainstreaming of Climate Change in National Planning in the Region:** EAC participated and presented a paper during the Climate Finance Conference for Eastern & Southern Africa in September 2014, that was organized by United Nations Environmental Program (UNEP), United Nations Framework Convention on Climate Change (UNFCCC), East African Development Bank (EADB) and GIZ. Furthermore, a two day dialogue with the East African Legislative Assembly on climate change and gender was organized in Burundi in March 2015 and deliberated on policy issues related to climate change and gender in the context of sustainable development in the EAC region.
- (d) **Support to Implementation of Regional and Multilateral Environmental Agreements (MEAs):** National and Regional priorities were identified in October and November 2014 and informed the African Common Position on Climate Change in preparations for UNFCCC-COP20/CMP21 in December 2014 in Lima, Peru. EAC Secretariat participated in the 15<sup>th</sup> Session of the African Ministerial Conference on the Environment in March 2015 in Cairo, Egypt and in the Third World Conference on Disaster Risk Reduction (WCDRR 15) held in March 2015 in Sendai. The key outcome was 10 draft decisions, which are contained in the Cairo Declaration on Managing Africa's Natural Capital for Sustainable Development and Poverty Eradication.
- (e) **Support to Sustainable Management of Biologically Significant Trans-boundary Ecosystems in the EAC region:** Draft EALA Resolution on Poaching and Illegal Trafficking of Wildlife and Wildlife Products was developed during the EALA Sensitization Workshop held in August 2014. A draft Regional Strategy to combat Poaching and Illegal Wildlife Trafficking was finalized in April 2015. In addition, the 4<sup>th</sup> African Mountains Ecosystems Forum was held from 22-24 October 2014.
- (f) **Coordination and Implementation of PREPARED Project Activities:** under the PREPARED Project, EAC developed and disseminated Climate Change Information and Decision Making tools; Climate change round table dialogues were facilitated;

Awareness and sensitization created; Information sharing, exchange & learning visits facilitated and Tripartite Programme Steering Committee facilitated and strengthened. National and Regional priorities were identified in October and November 2014 and informed the African Common Position on Climate Change in preparations for UNFCCC-COP20/CMP21 in December 2014 in Lima, Peru; EAC Youth Sensitized on Climate Change held in July 2014 and Youth Statement on Climate Change prepared.

- (g) **EAC Climate Change Finance Readiness Proposal was prepared and submitted to AfDB in August 2014.** The proposal was selected for the 2<sup>nd</sup> round of evaluation and additional information was submitted in December 2014. In addition, EAC Bi-annual Tripartite Climate Change Programme work plan and budget was prepared in October 2014, and presented to Norway and DfID in November 2014. A Technical Paper for EAC Climate Change Bill was prepared and considered by the 2<sup>nd</sup> Extra Ordinary Sectoral Council on Environment in October 2014.
  
- (h) **Development and Approval of EAC Climate Change Adaptation Strategy and Master Plan:** The strategy entails among others; facilitating the design and developing Climate Change Adaptation Investment Frameworks and Packages; support to small holders farmers and collection and compilation of best practice evidence, including supporting the initiation and implementation of pilot projects and demonstration sites. A regional meeting to support the designing of National Climate Change and Agriculture (NCCA) investment frameworks was held in February 2015, with the overall objective of deliberating on investment frameworks for Climate Smart Agriculture (CSA) with the view of increasing investments in Agriculture. The key outcomes of the meeting were; establishment of linkages between CSA Programming and CAADP Initiatives in the region; sharing of National Experiences and best practices on the ongoing CSA Initiatives; and also development of Innovative Climate financing mechanisms to enhance CSA activities.
  
- (i) **Implementation of In-country Climate Smart Agriculture/Conservation Agriculture (CSA/CA) Investment projects:** Three Inception meetings for National Climate Smart Agriculture Structures/Task Forces (Burundi, Tanzania and Rwanda) were held in September and November 2014. The Tripartite Climate Change Programme supported tree planting during celebrations to commemorate the International Women's Day on 8<sup>th</sup> March 2015 in Arusha.

## 5.5 Tourism and Wildlife Management

- (a) **Finalization of the Protocol on Collaboration in Tourism and Wildlife Conservation and Management:** The Protocol for Tourism and Wildlife conservation and Management was finalized and adopted by the 6<sup>th</sup> Sectoral Council on Tourism and Wildlife Management in February 2015. The Protocol will form the basis for collaboration among Partner States in Tourism and Wildlife Management Sectors. The specific objectives of the protocol are to:
- (i) maximize benefits from quality tourism and sustainable wildlife management for the people of the Community;
  - (ii) develop a collective and coordinated approach to the promotion and marketing of the Community as a single tourist destination;
  - (iii) support and promote development of strategies, plans and programmes for sustainable utilisation of tourism and wildlife resources;
  - (iv) enhance cross border efforts in the protection and monitoring of wildlife and wildlife protected areas against encroachment, poaching and other illegal activities;
  - (v) collaborate in establishing and sustaining viable wildlife populations and species diversity;
  - (vi) promote and facilitate research, monitoring and information management and sharing in tourism and wildlife sectors.
- (b) **Development of a Tourism in-flight Magazine to promote the region as a Single Tourist Destination:** 6000 copies of Inflight magazine were distributed at the World Travel Market (WTM) London in November 2014 and in the Internationale Tourismus-Börse (ITB) Berlin in March 2015, as well as respective missions to London and Berlin in an effort to promote EAC as a single tourism destination.

## 5.6 Education, Science and Technology

### (a) **Harmonisation of the EA Education systems and Training Curricula:**

The 26<sup>th</sup> Council of Ministers approved the establishment of a Technical Committee (TECHCOM) to oversee the process of harmonization of the EAC Education Systems and Training Curricula. The 11<sup>th</sup> meeting of the Sectoral Council on Education, Science and Technology, Culture and Sports (SCESTCS) adopted and approved seven strategies and directed the EAC Secretariat to develop harmonization Structures and Frameworks for the EAC curricular and also develop regulations and guidelines for the conduct of examinations. The Secretariat conducted five workshops during the reporting period leading to the drafting of Structures and Frameworks on which, the harmonisation of the EAC Education Systems and Training Curricula will be anchored.

### (b) **Mutual Recognition Agreements (MRAs) Negotiations:**

The Sectoral Council on Legal and Judicial Affairs at its 11<sup>th</sup> meeting identified a number of outstanding legal issues, including the legal status of the MRAs that would be concluded by the various professional bodies in the Community, the applicability of the MRAs concluded by professional bodies and how they will bind the Partner States and the need to define the term "professional". During the period under review, the Secretariat organized a meeting of legal experts, officials from the ministry of education and competent Au-

thorities who developed draft regulations and identified and addressed outstanding legal issues on the respective Annex - "The East African Community Common Market (Mutual Recognition of Academic and Professional Qualifications) Regulations 2011".

### (c) **Introduction of ICT into the EAC Education System:**

As directed by the 28<sup>th</sup> Council, the Secretariat organized five national stakeholders' workshops which developed literature to feed into the Regional ICT Education Strategic Plan. During the period under review, a regional workshop to input into the 1<sup>st</sup> draft EAC ICT Integration in Education Strategic Plan 2013 - 2018 was held and a 'Regional EAC ICT Integration in Education Strategic Plan' was drafted.

### (d) **EAC Students' Essay Writing Competition:**

The Secretariat has been conducting annual EAC students' essay writing competition for the past 10 years. The 2014 EAC Students' essay writing competition was successfully conducted as planned.

### (e) **Introduction of EAC Clubs in Schools:**

The Workshop for the establishment and operationalization of EAC Clubs in Secondary Schools, organized by EAC Secretariat and facilitated by GIZ, was held from 9<sup>th</sup> - 11<sup>th</sup> June, 2014 in Bujumbura, Burundi. The existence of the clubs in the pilot schools will offer a wide range of opportunities including; enhancing and understanding the EAC Integration process and sharing experiences among members of the clubs and other students.

- (f) **Operationalisation of EASTECO in Kigali Rwanda:** During its 24<sup>th</sup> Meeting held in November, 2011, the Council of Ministers decided that the East African Science and Technology Commission (EASTECO) was to be hosted by the Republic of Rwanda. At its 26<sup>th</sup> Meeting, the Council of Ministers directed the Secretariat to initiate and conclude negotiations of the Headquarters Agreement between the East African Community (EAC) and the Republic of Rwanda on the East African Science and Technology Commission. The Secretariat engaged the Republic of Rwanda in amicable negotiations, which culminated in the final Headquarters Agreement that was endorsed by both parties on 22<sup>nd</sup> April 2014, in Kigali Rwanda. The EASTECO commenced operation in January 2015.
- (g) **Introduction of Education for Sustainable Development (ESD) into the EAC Curricula:** In order to address issues of environment protection, ESD has been incorporated into the approved EAC Education curricula. This presents the EAC with an opportunity to take responsibility for development that is sustainable. ESD will enable the Community to address issues in the three pillars of sustainable development namely, environment, society and economy. Through ESD the Community can realize sustainable development, which is the ultimate aspiration of the Partner States. The East Africa Education for Sustainable Development Policy brief was developed by stakeholders from all Partner States, which included policy makers in the education and environment sector, Civil Society Organizations, the Private sector, teaching and learning institutions, national curriculum development centres, country national commissions to UNESCO, and the National Environment Management Authorities of partner states.

## 5.7 Gender, Community Development and Civil Society

- (a) **Celebrating the International Youth Day: On the 12<sup>th</sup> August 2014, the Global Community celebrated the United Nations International Youth Day.** The year's theme was "Youth and Mental Health" under the slogan 'Mental Health Matters'. In recognition for the crucial role the youths play in the development of the East African region, the EAC Secretariat joined the youth of Arusha in celebrating their achievements and presenting to them the opportunities for their participation in the East African Community integration process.



*Young people perform during the Celebrations of the International Youth Day held at the EAC Secretariat Headquarters in Arusha, Tanzania.*

(b) **The First EAC Youth Conference:** The 1<sup>st</sup> EAC Youth Conference held at the EAC Secretariat Headquarters in Arusha, Tanzania on 5<sup>th</sup> -6<sup>th</sup> December 2014. The Conference was organized by the EAC Secretariat in collaboration with the coordinating Ministries in the Partner States, as well as Development Partners and Youth Networks. Over 400 young people drawn from diverse backgrounds across the five Partner States attended the Conference. The overall theme of the forum was “Think, Speak, Participate.” The Sub -Themes covered the following broad areas;

- a. Entrepreneurship, employment, skills development and innovation.
- b. Leadership, Governance, Peace Building, Human Rights and Conflict Management.
- c. Creativity, expression and Transformation.
- d. Youth and Sexual Reproductive Health and Substance Abuse.
- e. Youth, Environment, Climate Change Adaptation and Mitigation.

The 1<sup>st</sup> EAC Youth Conference provided a platform for the youth in the region to meet, discuss, and strategize on their effective participation in the EAC regional integration agenda.

The conference also provided an opportunity for the launch of the EAC Youth Policy (2012) and its popular version.

(c) **Promotion of Children’s Rights in the EAC Region:** The formulation of the draft EAC Child Policy was initiated during the 1<sup>st</sup> EAC Child Rights Conference held in Bujumbura in September 2012. Several experts meetings and national consultations coordinated by the EAC Secretariat in collaboration with the Inter Agency Working Group on promoting Child Rights in the EAC (IAWG) were held throughout the year. The Inter-agency working group is composed of Save the Children International, Plan International, World Vision International, the African Child Policy Forum (ACPF), the African Platform for Social Protection and the Eastern and Southern Africa Regional Inter-Agency Task Team on Children Affected by AIDS (RIATT-ESA), and Elizabeth Glaser Paediatric AIDS Foundation. The policy aims at providing a functional regional framework to facilitate the development, harmonization coordination and effective implementation of national legislations, policies and action plans related to children and their wellbeing and is expected to be completed and adopted by June 2016.

(d) **Celebration of the International Women’s Day and the 20<sup>th</sup> Anniversary of the 4<sup>th</sup> World Conference on Women held in Beijing, 1995 (Beijing +20):** In appreciation of the Partner States commitment to ensure an East African Community where women are able to participate as equal partners, decision makers, and beneficiaries of the sustainable development of their societies, the EAC Secretariat celebrated the 2015 International Women’s day under the theme ‘Make it Happen’. The celebration coincided

with the 20<sup>th</sup> Anniversary of the 4<sup>th</sup> World Conference on Women held in Beijing, 1995. Various activities were implemented including a ‘Gender Equality Walk’ around Arusha town; tree planting; presentations on the achievements and setbacks of the promotion of gender equality in the EAC since the adoption of the Beijing Platform for Action at the 4<sup>th</sup> World Conference on Women (Beijing, 1995); and a live talk on how EAC women can ‘Make it Happen’. Several donations were made to the Maternity wing of the Mt. Meru regional hospital and to ‘Pippi House’- a home for homeless, orphaned girls and young mothers. An EAC Women Website was also launched to provide tailored information from the region on women, gender and the international women’s day.

(e) **Promotion of Citizenry Participation in the EAC Integration:** Following the adoption by the 26<sup>th</sup> Council of the Consultative Dialogue Framework for Private Sector, Civil Society and other Interest Groups in the EAC Integration Process, the 3<sup>rd</sup> EAC Annual Secretary General’s Forum with a theme “EAC: My Home, My Business” was held in September, 2014 at Imperial Resort Beach Hotel-Entebbe, Uganda. Recommendations were made focusing on strengthening citizen participation in the EAC integration process and fast-tracking the implementation of the Single Customs Territory and the Common Market Protocol. Stakeholders recommended that all Partner States should urgently facilitate the implementation of the free movement of labour, persons, as well as the Right of Residence as major indicators of socio-economic integration; address

challenges related to food security, climate change mitigation and adaptation; and promotion of the region's competitiveness in relation to access to affordable financing and mobile commerce, especially the interoperability challenges and opportunities in Business Process Outsourcing (BPOs).

- (f) **Promotion of the Rights of Persons with Disability (PWDs):** A Regional Consultative Meeting between the AU Commission (AUC), the EAC Secretariat, EAC Partner States and Ethiopia was held in the Boma Hotel Conference Centre, Nairobi, Kenya, from 16-17 October 2014. The key objective of the Regional Consultative Meeting was to familiarize the AUC and EAC and their respective Partner States with the AU Social Policy Framework (SPF) and of the EAC Policy on Persons with Disabilities (2012), as well as the three pillars of the African Union Disability Architecture (AUDA). It was also a forum to review progress with the implementation of the SPF and the Continental Plan of Action on the African Decade of Persons with Disabilities (2010-2019) and to introduce the Monitoring and Evaluation Framework to be completed for the AUC and by the EAC Partner States annually.

The Consultative Meeting was attended by Honourable Members of the Parliamentary Caucuses, Ministries of EAC Affairs and Focal Points for Governments on disability, National Disability Councils and Disabled People's Organisations from the EAC Partner States and Ethiopia, the African Union Commission (AUC), the Eastern Africa Legislative Assembly (EALA) and the EAC Secretariat.

The meeting recommended that EAC Partner States to put in place measures to evaluate the impact and quality of interventions rather than quantity in order to ascertain the effect of the interventions in the lives of Persons with Disabilities; EAC to develop punitive measures to address the persistent killing and alienation of children and adults with albinism in the region; sign language should be recognised as one of the important languages taught in schools and all levels of learning; and stressed the urgent need for an East African disability law to enforce the existing policy.

- (g) **Popularisation and Dissemination of Information on Key Programmes:** All Key information in the area of gender, youth, children, persons with disabilities, social protection and community development was posted on the EAC website in order to allow wider access by the public.

## 5.8 Health Department

The EAC health department is composed of the following five (5) Units under which the achievements for FY 2014/15 are grouped along the following clusters :

- i. Disease prevention and Control;
- ii. Health Systems, Research and Policy;
- iii. HIV and AIDS, Tuberculosis (TB), and Sexually Transmitted Infections (STIs);
- iv. Reproductive, Child, Adolescent Health and Nutrition; and
- v. Medicines and Food Safety Unit

The Department received funding from Partner States and various Development Partners including the Bill and Melinda Gates Foundation/World for Medicines and Food Safety; SIDA for HIV/AIDS, STI's and TB; NORAD Open Health Initiative and UNFPA for Reproductive Child and Adolescent Health and Nutrition; The Government of Germany and the World Bank supported initiatives towards disease prevention and control and health Ssystems, research and policy.

- i. HIV/AIDS, TB And STI's Unit registered the following achievements: Conducted a comprehensive analysis of HIV and AIDS Laws, Policies and Strategies in the EAC Partner States. The report of the analysis, which identifies areas requiring legal, policy and programmatic reforms across the region was approved and launched by the 11<sup>th</sup> Sectoral Council on Health and during the 5<sup>th</sup> Annual East African Health and Scientific Conference respectively.
- ii. Developed a draft HIV and AIDS Workplace Policy to guide EAC Organs and Institutions in addressing HIV & AIDS issues at the work place in a comprehensive manner.
- iii. Developed the EAC HIV and AIDS response Report 2013: 'Realizing the regional goals in HIV and AIDS, TB and STI Programming' in collaboration with Partner States and support from UNAIDS Regional Support Team for Eastern and Southern Africa (RST ESA). The report was approved by the 10<sup>th</sup> Sectoral Council on Health in October 2014, adopted by 30<sup>th</sup> Ordinary Meeting of Council of Ministers in November 2014 and launched during the 5<sup>th</sup> EAC Health and Scientific Conference as a key reference document for HIV/AIDS response in the region.
- iv. Conducted a mapping of health services along transport corridors in East Africa with the aim of facilitating effective engagement; better planning and better service deliver along the transport corridors in the region with support from International Organization for Migration (IOM) FHI 360 and North Star Alliance (NSA). The report of the analysis highlights the gaps in health, HIV and AIDS and other services along transport corridors in East Africa was approved by the 10<sup>th</sup> ordinary meeting of the Sectoral Council of Ministers of Health in March 2015. The report has informed development of a strategy for scaling up integrated Health and HIV and AIDS programming along

the transport corridors in the EAC region.

- v. Developed the 2<sup>nd</sup> EAC HIV and AIDS TB and STIs Strategic plan and implementation framework for 2015 – 2020. The strategic plan, which was approved by the 11<sup>th</sup> Sectoral Council on Health in March 2015, seeks to achieve the following targets:

- Reduce new HIV infections by at least 50%, using combination prevention approaches.
- Reduce the number of new TB infections and deaths from TB by 50%.
- Reduce the number of new ST infections by at least 50%.

- vi. Convened the 2<sup>nd</sup> HIV and AIDS Symposium as part of the 5<sup>th</sup> Annual EAC Health and Scientific Conference and International Health Exhibition and Trade Fair. Priority actions for strengthening the HIV/AIDS, TB and STIs response at region and national levels were discussed by stakeholders and the following regional research, policy and programmatic documents were launched and disseminated:

- The 2<sup>nd</sup> EAC HIV and AIDS Multisectoral Strategic Plan and implementation framework (2015 – 2020);
- EAC Regional comprehensive analysis report on HIV and AIDS Laws, policies and strategies; with proposed legal and policy reform framework adopted by the 10<sup>th</sup> Sectoral Council of Ministers of Health;
- The EAC Regional HIV and AIDS Response Report 2013 under the theme “Realizing the HIV and AIDS, TB and STIs Programming”;

- The EAC regional report consisting of Health, HIV and AIDS and other Services along major transport corridors in East Africa;
- Situation analysis report on health and HIV and AIDS along the transport corridors in East Africa.

#### (a) Medicines and Food Safety Unit

- i. Developed the following medicines regulatory harmonization instruments that were approved by the 29<sup>th</sup> Ordinary Meeting of the EAC Council of Ministers held on 20<sup>th</sup> September 2014 (EAC/CM29/Decision 36):

- EAC harmonized technical guidelines for Medicines Evaluation and Registration (MER) to facilitate single lodge of application by Pharmaceutical Manufacturers, joint evaluation for quality, safety and efficacy by EAC regulators and central registration system. EAC Partner States National Medicines Regulatory Authorities (NMRAs) with the exception of the Republic of Burundi have domesticated the EAC guidelines and fifteen (15) medical products (bio therapeutics, antiretrovirals and anti-hypertensives) have been jointly assessed by all Partner States.
- EAC harmonized technical guidelines for Good Manufacturing Practices (GMP) for Pharmaceutical Manufacturers and Regulators. The guidelines are being used to build capacity of manufacturers and regulators in the region with support from collaborating international agencies and institutions.
- EAC compendium of harmonized guide-

- lines on quality management system (QMS) for NMRAs.
- ii. Developed four (4) technical papers and policy briefs on aflatoxin control in collaboration with the EAC Agriculture and Standards/Trade departments, as follows;
    - Harmful Effects of Aflatoxin and its Impact on Human Health;
    - Impact of Aflatoxin Exposure to Children during the First 1,000 Days of Life;
    - Harmonization and Strengthening of Aflatoxin Standards Regulation for Human Food and Food Products to Promote Fair Trade and Public Health;
    - Controlling the burden of liver disease through integrating Hepatitis A and B vaccination into the national immunization programs of the Partner States.
  - iii. Procured and installed seven (7) videoconference facilities in the six (6) NMRAs and EAC Secretariat between August to November 2014 in order to strengthen information and work sharing among Partner States.
  - iv. The following four (4) Centres of Excellences have been established during the reporting period and two have already conducted training course to Partner States experts on regulatory sciences:
    - Pharmacy and Poisons Board (PPB) and University of Nairobi to provide training course on Pharmacovigilance;
    - National Drug Authority (NDA) Uganda and University of Makerere for training on licensing, inspections and surveillance of medicines dealers;
    - Saint Luke Foundation- Kilimanjaro School of Pharmacy, Tanzania for provision of Masters Course on Regulatory Sciences and Industrial Pharmaceutical Technology since 2013.
  - v. Training of thirty-seven (37) EAC dossier assessors from 21<sup>st</sup> July to 1<sup>st</sup> August 2014, in Dar es Salaam, United Republic Tanzania to pilot the developed EAC harmonized evaluation and registration guidelines.
  - vi. Development of twinning programme among the EAC NMRAs to facilitate transfer of knowledge, technical expertise and best practices on Medicines Evaluation and Registration using EAC Common Technical Document (CTD).
- (b) Reproductive Child and Adolescent Health and Nutrition Unit**
- i. Convened two forums aimed at strengthening political momentum on women, children's and adolescents' health as follows;
    - ms in
      - The 7<sup>th</sup> Meeting of the East African Inter-parliamentary Forum on Population Health and Development held in November 2014, Nairobi Kenya.

- The 2<sup>nd</sup> EAC Health Ministers and Parliamentarians Forum on Health and Symposium on Reproductive, Maternal, Newborn, Child and Adolescent Health (RMNCAH) held in March 2015, as part of the 5<sup>th</sup> Annual East African Health and Scientific Conference and International Health Exhibition and Trade Fair.

The reports and recommendations informed EAC's policy agenda for RMNCAH post 2015 and the EAC Integrated Reproductive Maternal Newborn Child and Adolescent Health Policy Guideline (2016-2030) and Strategic Plan (2016-2021).

- ii. Developed an EAC regional data warehouse (<http://hmis.eac.int/portal>) based on the District Information System Software and provided technical support towards updating of Partner States' National Information Systems DHIS-2 platforms in collaboration with University of Oslo (Norway) to facilitate tracking of key RMNCAH indicators across the region.
- iii. Developed the first ever EAC Regional RMNCAH Scorecard. The scorecard was approved in March 2015, by the 11<sup>th</sup> Ordinary Meeting of the EAC Sectoral Council on Health and launched during the 2<sup>nd</sup> EAC Health Ministers and Parliamentarians Forum on Health and Symposium on RMNCAH on 25<sup>th</sup> March 2015. The regional scorecard has stimulated development of national RMNCAH scorecards in all the Partner States.

- iv. Supported development of national health accounts and other resource tracking tools, as well as the actual resource tracking exercises in Partner States; thereby strengthening accountability for women, children and adolescent health results and resources. All Partner States have either carried out at least one national level resource tracking exercise or have put in place mechanisms to do so with technical support from the EAC. Results of resource tracking exercises have been used to refocus public sector and non-public sector resources towards severely underserved areas.

- v. Drafted the EAC Integrated Reproductive Maternal Newborn Child and Adolescent Health Policy Guidelines (2016-2030) and the Strategic Plan aligning them to the Global Strategy for Women Children and Adolescent Health 2016-2030 and thus the Sustainable Development Goals (SDGs).

- vi. Developed an EAC regional website for women children and adolescent's health (<http://ohi.eac.int/>) to facilitate documentation and sharing of knowledge, expertise and innovations. The website also facilitates online development of policy documents by an extended scope of experts and minimizes challenges associated with face-to-face meetings.

- vii. Supported three technical exchanges among Partner States focusing on tracking RMNCAH resources and Maternal and Perinatal Death Surveillance and Response (MPDSR) – les-

sons learnt have been used to develop associated tools and guidelines in the Partner States.

viii. Provided financial support for conducting priority RMNCAH operations research in Partner States. Among which is the study on - “factors affecting the use of uterotonics by Health Workers in Uganda”; “Knowledge and practices in sexual and reproductive health and gender based violence in secondary schools pupils in Burundi” and “Factors contributing to neonatal deaths in hospitals of Rwanda”

ix. In addition to supporting the above stated regional level interventions, National Open Health Initiative Officers provided technical support towards development of national level RMNCAH policies, strategies and programmes. Examples of these deliverables include:

- Development of the National Maternal, Newborn and Child Health Strategic Plan (2014-2018); Maternal Death Surveillance and Response guidelines and Maternal and Child Health mentorship and coaching tools in Rwanda.
- Development of Maternal Neonatal Health (MNH) Implementation Plan, review of the Free Maternity Services Policy, Review of the Adolescent Sexual Reproductive Health Policy and review of the Community Maternal Neonatal Health guidelines in Kenya.
- Development of the National RMNCH

Scorecard; development of the Mother – Child Passport that keeps all the health records of the mother and child in one book; development of the costed implementation plan for Family Planning and implementation of operations research in Uganda.

- Midterm review and development of RMNCH Sharpened One Plan 2014-2015; resource tracking; EmONC assessment and development of Maternal and Perinatal Death Surveillance and Response (MPDSR) guidelines in the United Republic of Tanzania.

**(c) Health Systems, Research and Policy Unit and the Disease Prevention and Control unit**

- i. Convened the 5<sup>th</sup> Annual East African Health and Scientific Conference and International Health Exhibition and Trade Fair in Kampala, Uganda from 25-27 March 2015. The recommendations of the Conference are being used to develop various regional policy instruments, such as the EAC RMNCAH Strategic Plan 2016-2021.
- ii. Supported operationalization of the East African Health Research Commission (EAHRC) to be hosted by the Republic of in Burundi to among other undertakings the development of Terms of Reference and Job Descriptions for recruitment the EAHRC personnel.
- iii. Finalized the EAC Health Strategic Plan 2015-2020 that was approved by the 11<sup>th</sup> Sectoral Council of Ministers of Health.
- iv. Facilitated regional level actions in support of curtailing the spread of Ebola Virus Disease in West Africa through the 10<sup>th</sup> Sectoral

Council on Health, which released a communiqué detailing actions for Ebola Virus Disease Emergency Preparedness and Response in the East African Community Partner States and Support to the Western African Countries.

## 5.9 Immigration, Labour, Employment And Refugee Management

- (a) **Preparations and the Development of the New International EA e-Passport:** The EAC Secretariat in collaboration with Partner States' Chiefs of Immigration undertook several activities in preparation for the launch by the 17<sup>th</sup> Ordinary Summit, which included; bench-marking missions to the Republics of Burundi, Rwanda and South Korea from 15<sup>th</sup> to 18<sup>th</sup> December 2014 and from 28<sup>th</sup> March to 3<sup>rd</sup> April 2015 respectively. The aim of the missions was to undertake assessment study on needs/preparedness of Partner States to implement the new International EA e-Passport; development of agreed minimum technical specifications of the new International EA e-Passport and de-



velopment of the schedule of activities.

Arising out of the benchmarking missions, the Chiefs of Immigration acquired the opportunity to share experiences and learn best practices that included:- e-Passport Production and Issuance in the Republic of Burundi; Home grown in house Integrated Border Management Systems ( IBMS); e- Immigration and E-Gates in the Republic of Rwanda; and e- Immigration Smart Systems in the Republic of South Korea.

- (b) **Harmonization of Labor laws /Employment Policies:** In accordance with Article 10(8) of the EAC Common Market Protocol, "The Partner States are expected to develop a framework of a joint programme to encourage the exchange of young workers amongst the Partner States. The exchange framework for the young workers will provide the youth with the opportunity to learn more about EAC, learn new skills, develop a stronger sense of community and get a chance to experience EAC's diversity through the work exchange programme among others. In view of the foregoing provision, the EAC Secretariat in collaboration with ILO convened three meetings of Partner States' labor experts and representatives from national Youth Councils. In the last meeting held in June 2015. Memorandum of Understanding (MoU) on the exchange of Young Workers in the Partner States was developed and is undergoing consultations in Partner States.

- (c) **The EAC Regional Strategic Framework for e-Immigration:** The EAC Regional Strategic framework for e-Immigration 2014/15-2019/20 was finalised and awaited consideration and adoption by the Council. The aim of the framework is to offer excellent e-Immigration services for a secure, developed and integrated region. The main objective of the regional framework is to guide the development of harmonized policies, strategies, institutional, legal and regulatory frameworks and the overall implementation of e-immigration initiatives at the EAC Secretariat and Partner States levels. Once adopted by the Council, implementation of the framework is expected to commence in 2016.

## 5.10 Culture and Sports

- (a) **Operationalization of the Kiswahili Commission:** During the period under review, the East African Kiswahili Commission commenced its operations at the EAC Headquarters in Arusha, Tanzania in July 2015, with a core team of staff to kick-start the work of the Commission. Following the conclusion of the negotiations of the Headquarters Agreement between the EAC Secretariat and the United Republic of Tanzania for hosting of the East African Kiswahili Commission in Zanzibar, the staffs of the Commission have since moved to the Headquarters Premises in Zanzibar.

In addition, a draft Bill for the establishment of the East African Kiswahili Commission was prepared and presented to the

12<sup>th</sup> Sectoral Council on Education Science and Technology Culture and Sports before it is tabled to EALA for consideration. The Bill seeks to establish the East African Kiswahili Commission as an institution of the Community, in recognition of the fundamental importance of collaboration in Kiswahili for political, economic, social, educational, cultural and technological development as a lingua franca of the East African Community. It is anticipated that the enactment of this Bill will greatly enhance the integration of the people of East Africa, in addition to fulfilling the mandates of the Partner States as specified under Article 137 of the Treaty for the establishment of the East African Community.

- (b) **Regional Mapping Studies of Culture and Sports Industries:** During the period under review, national level Mapping of Culture and Creative Industries in all the 5 Partner States of the EAC was finalized. National Status Reports on the state of Culture and Creative Industries were produced and a regional report is being developed. The study aimed at collecting socio-economic data on the different segments of cultural and creative industries such as music, film and video, crafts, visual arts, performing arts, sound recording, television and radio, computer software, museum and heritage sites, advertisement, publishing, design and fashion, among others with an ultimate goal of informing the planning and investment interventions in the culture and creative sector of the EAC.

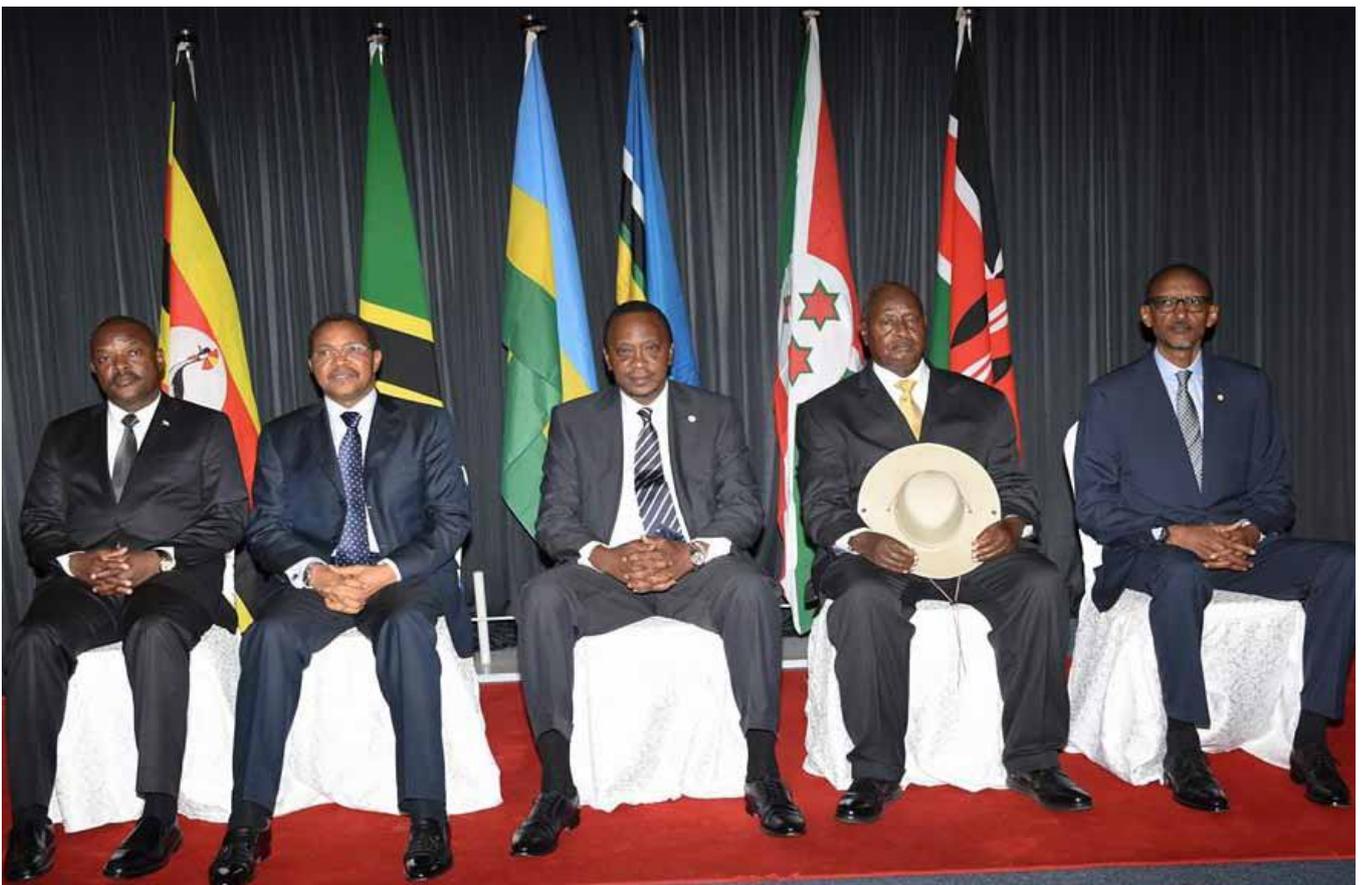
- (c) **East African Regional Arts and Culture Festivals:** The Community continued to promote regional socio-cultural integration through culture and sports activities as drivers of EAC integration through the East African arts and culture festivals and sports tournaments. EAC successfully held the 2<sup>nd</sup> edition of the EAC Arts and Culture Festival and Sports Tournament-Jumuiya ya Afrika Mashariki Utamaduni Festival (JAMAFEST), in Nairobi Kenya under the theme “Unleashing the Economic Potential of Cultural and Creative Industries in the EAC”. With over 1,250 Artistes and 21,000 festival goers, the event provided tremendous opportunities for marketing regional cultural and creative goods/commodity outputs within the region and internationally, in addition to offering space for intercultural dialogue among the people of East Africa.
- (d) **East Africa Community Sports Tournaments:** The 8<sup>th</sup> Edition of the EAC Military Games and Culture Event under the theme ‘One People, One Destiny through EAC Military Games and Cultural Events’ that was held in August 2014 in Zanzibar, brought together over 600 Military Sports men and women.. The East Africa Inter Parliamentary Sports Tournament that is held on rotation basis bringing together Parliamentarians from all the five Partner States were held in December 2014 in Arusha, Tanzania, while the 13<sup>th</sup> edition of the East Africa Secondary School Games was held in September 2014 in Mbarara Uganda.

In addition, during the period under review, the EAC initiated the planning process for the 1<sup>st</sup> Edition of East Africa Community Games (EACoG), which is scheduled to be held in 2016 in Dar es salaam, Tanzania. The overall objective of the EAC Games is to foster regional integration and solidarity among the people of East Africa. The East African Games are envisioned to be a grand regional sport event, taking the form of an all East African Games, which will be held in every 2 years. It is also envisaged that the games will involve both modern sporting disciplines, as well as traditional games from the region such as wrestling.

- (e) **Strengthening of Culture and Sports Networks at Regional and Global Level:** During the period under review, the sector continued to strengthen collaboration between EAC and other Regional and International Organizations in the promotion and development of culture and sports in the EAC. There was regular attendance and participation in activities organized by international organizations to include UNESCO, AUC and ACCALAN. This entails attending Culture and Sports meetings and events organized by these Development Partners.



# Chapter 6



## Office of the Deputy Secretary General - Political Federation

# Office of the Deputy Secretary General - Political Federation

The Office of the Deputy Secretary General Political Federation comprises of the three departments namely: Political Affairs (including EAC Nyerere Centre for Peace Research); International Relations; and Peace and Security.

## 6.1 Political Affairs

**Preventive Diplomacy:** EAC conducted preventive diplomacy and peace building initiatives to promote dialogue among political players prior to the elections in the Republic of Burundi. At the Emergency Summit Meetings on the situation in Burundi held in May and June 2015, the Summit noted the intensity of the crisis and appointed His Excellency President Museveni as a Facilitator to lead mediation efforts. The Facilitator is engaged in consultations with the Government of the Republic of Burundi with a view to convening a political dialogue as directed by the Summit.

## 6.2 International Relations

(a) **Mobilization of the Diaspora East Africans:** As part of the efforts to mobilise the diaspora East Africans to actively promote the pursuit of EAC integration objectives, the Secretariat held meetings with leaderships of the five Partner States Diaspora associations based in the Federal Republic of Ethiopia, with a membership of over 300 professionals. This was in preparation for the launch of the EAC Diaspora Chapter in Ethiopia.

(b) **Cooperation with the Africa Union (AU) Commission, other Regional/International Organizations:** As a member to the Coordination Committee of Chief Executives of the AU Commission, the RECs, African Development Bank (AfDB) and the UN Economic Commission for Africa (UNECA), the EAC continued to engage with other RECs on strategies for strengthening cooperation and collaboration for continental integration, guided by the 2008 Protocol on Relations between the AU and Regional Economic Communities (RECs). The engagements include sharing of experiences and lessons learnt in the negotiations of the Tripartite EAC-COMESA-SADC Free Trade Area to inform the processes towards the Continental Free Trade Area (CTFA). Other engagements focused on mainstreaming Africa Union Agenda 2063 into RECs programs.

## 6.3 Peace and Security

(a) **Preventive Diplomacy, Conflict Prevention and Crisis Management:** The key achievements under the Peace and Security sector during the period under review include; continued deliberations and consultations on the establishment of the EAC Peace and Security Council; mandate by the Summit of Heads of State for the establishment of an EAC Panel of Emi-

ment Persons; and continued generation of regular analytical reports by the EAC Early Warning Mechanism to support security sector interventions. Through a consultative process, an EAC Inter-Religious Council (EAC-IRC) was established to serve as a platform for collaboration on peace, security and stability in the region.

(b) **Sub-Sectoral Cooperation:** Interventions aimed at strengthening implementation of cooperation among the various sub sectors in the Peace and Security sector that include Police, Intelligence, Small Arms and Light Weapons (SALW), Prisons/Correctional Services, Refugee Management and Disaster response were sustained. Police training manual on Human Rights was launched in partnership with the Eastern Africa Police Chiefs Cooperation Organization (EAPCCO) while mentorship attachments and exchange visits by the Prisons/Correctional subsector was intensified.

(c) **Maritime Security:** During the period under review, special emphasis was given to implementation of initiatives aimed at strengthening maritime security for the purpose of ensuring safe and secure navigation in the Indian Ocean and exploitation of the blue economy. These interventions took into account the nexus between narcotics-trafficking, piracy, trafficking in persons and terrorism as key threats to economies, livelihoods and development within the integration sphere. Specific interventions focused on capacity building of the investigative, prosecutorial, judicial and

custodial arms of the EAC Partner States. The interventions also paid attention to the need to involve other neighboring littoral states in the Indian Ocean in this security arrangement through COMESA, IGAD and the Indian Ocean Commission.

(d) **Chemical Security:** While acknowledging the threat and impact of terrorism on the security of the Partner States, specific measures were taken to address the possible risk faced by dual use of chemicals critical to propelling economic development of the region, but which may be diverted to serve acts of terrorism within the context of the Chemical Weapons Convention to which all Partner States are State Parties. Development of a regional chemical incidents response capacity commenced during the period under review.

(e) **Counter Terrorism:** The Community, with support from the EU, developed a five year broad based program aimed at addressing the threat posed by terrorism. Consultations with both governmental and non-governmental stakeholders will commence within the next planning horizon to develop consensus and implementation modalities with respect to identification of specific priority areas of intervention.

(f) **Regional and International Cooperation and Coordination:** To ensure coordination and complementarity, partnerships with AU, IGAD, COMESA, IOC, ICGLR, EAPCCO, ESAAMLG and UNHCR were sustained

through continuity in the implementation of existing cooperation arrangements on the various areas of specialization. Mandatory reporting obligations to the UN and AU on various Peace and Security issues were also fulfilled.

- (g) **Operationalization of the Conference of Peripheral Maritime Region (CPMR) Framework and Enhanced capacity to prevent conflicts and crisis in the EAC region:** Draft templates for field data collection and reporting of incidents and situation events that threaten peace and security in the region were developed. The refinement process continued through the first quarter of 2015. An East African Early Warning System (EACWARN) document archive management system was developed for systematic storage of relevant document resources related to peace and security for the region. EACWARN continued to analyze data collected and to produce daily briefs intended for EAC decision-makers from thematic issues on incidents and situations affecting peace and security in the region. EACWARN produced an analysis report on the security situation in Burundi ahead of the 2015 general elections to guide EAC-COMESA ERM initiative in Burundi.

An assessment mission of existing early warning systems and conflict prevention, management and resolution mechanisms/frameworks was conducted in Tanzania and Burundi respectively on 16<sup>th</sup> – 19<sup>th</sup> July and 30<sup>th</sup> – 1<sup>st</sup> August 2014. Two EACWARN staff attended training in social network analysis, scenario build-

ing and field assessments in Malta on 24<sup>th</sup> – 27<sup>th</sup> September 2014. A Team of EAC Peace and Security Experts headed by EACWARN undertook a field assessment on 7<sup>th</sup> -13<sup>th</sup> July 2014 in North Western Kenya's violent conflict involving the Pokot and Turkana Communities.

- (h) **Strengthening the Mediation Capacity for the Region:** Workshops and conference of Religious Leaders in the EAC Region were organized in May, July and September 2014 for strengthening of peace and security in the region, where South Sudan attended as an observer. Missions were conducted to AU, RECs and other regional/international organization in order to share experiences, for coordination and harmonization with AU and sister REC's

# Chapter 7



## Office of the Director General - Customs and Trade

# Office of the Director General - Customs and Trade

The Office of the Director General (Customs and Trade) is responsible for the implementation of the customs and trade (internal and external) functions in the EAC. Customs encompasses tariff and valuation, compliance and enforcement, procedures and facilitation while trade covers international trade, internal trade and Standards, Quality Assurance, Metrology and Testing.

## 7.1 Customs

During the period under review, the key activities under Customs administration were aimed at deepening the implementation of the Single Customs Territory, enhancing trade facilitation and developing efficient revenue management systems.

- (a) **Implementation of a Single Customs Territory (SCT):** Implementation of Single Customs Territory, commenced on a pilot basis along the Northern and Central corridors effective July 2014, and was consolidated in 2015 through finalization of key operational instruments. Such instruments include revision of SCT business process manuals; development of SCT Monitoring and Evaluation Tool; development of a framework for deployment of Customs Officers in other Partner States; and revision of the Enforcement and Compliance Framework. The instruments were adopted and became operational in the Partner States. To ensure real time flow of information and minimum clearance time for goods; ports and customs system interconnectivity was further enhanced. Movement of cargo from Mombasa to Kampala and Kigali is reported to have reduced from 18 and 21 days to 4 and 6 days respectively; and Cargo movement from Dar es Salaam to Kigali and Bujumbura has also registered substantial reduction from 18 days to 3-4 days.
- (b) **Review of EAC Common External Tariff and EAC Rules of Origin:** At its 14th Summit, the EAC Heads of State delegated to the Council of Ministers its powers to review the East African Community Common External Tariff and the East African Community Rules of Origin for a period of three years with effect from 20th November, 2012. During the period under review, the Council accordingly reviewed some of aspects of the EAC Common External Tariff in order to facilitate trade, stimulate production, and promote investment and competitiveness. The Council published all the changes in the Common External Tariff in the EAC Gazette at the end of June 2015. The revised EAC Rules of Origin, 2015 came into effect in January, 2015. The new EAC Rules of Origin are simpler and promote value addition and investment in the EAC region. A Manual to guide the application of the EAC Rules of Origin, 2015 has been developed and adopted. Goods hitherto not qualifying for Community tariff treatment, such as motor vehicles assembly are now fully eligible.
- (c) **Undertaking of Time Release Study:** A Time Release Study was undertaken along the Central Corridor from Dar-es-Salaam to Bujumbura and to Kigali. The study established that the average clearance and transit time for inbound cargo from docking of the vessel at Dar es Salaam Port to Bujumbura is 35 days 9 hours 30 minutes while for

outbound from Bujumbura to departure of vessel from Dar es Salaam Port is 29 days 22 hours 34 minutes. The Study further established that the average clearance and transit time for inbound cargo from docking of the vessel at Dar es Salaam Port to Kigali is 27 days 20 hours 42 minutes while for outbound from Kigali to departure of vessel from Dar es Salaam Port is 30 days 3 hours and 50 minutes.

(d) **Development of One Stop Border Posts:**

Out of 15 borders earmarked to operate as OSBP, seven (7) were completed and three (3) were operating as OSBPs using bilateral agreements. The seven OSBP completed are; Gasenyi/Nemba; Ruhwa; Lunga Lunga/Horohoro; Holili/Taveta; Isebania/Sirari; Kagitumba/Mirama hills; and Rusumo OSBPs. The three that were operational are; Gasenyi/Nemba; Rhuwa; and Holili/Taveta. Five (5) border stations which were almost complete are; Namanga, Busia, Malaba, Mutukula, and

Kobero/Kabanga. Work has also commenced on Katuna/Gatuna OSBP. The Secretariat commenced development of the OSBP regulations to operationalize the EAC OSBP Act once fully assented to by the EAC Heads of State.

(e) **Policy Review and Management of the EAC Tariff Regimes and Rules of Origin:**

A research mission was undertaken in December 2014, covering the following products: Acrylic polymers in primary forms; Iron and Steel products; Oil or petro filters for internal combustion engines; Intake air filters for internal combustion engines; Other prefabricated buildings; Gas cylinders; Prepared gypsum and Nylon used for manufacturing fishing nets. The study report was presented to the SCTIFI in May 2015 and Legal Notice was issued in June 2015 for implementation.

(f) **Review and Uniformly Application of EAC Customs Valuation Code & Tariff Regime:**

The meeting of Rules of Origin experts was held in August 2014, and finalized the reviews of the revised EAC Rules of Origin. The revised EAC Rules of Origin were presented to policy organs meetings (Council, SCLJA, Council) for legal input and adoption in September and November 2014. The Legal Notice on 'Revised EAC Rules of Origin' was issued in February 2015. The Customs Valuation meeting was conducted in September 2014 and finalized development of Products Identification Bulletins of: Hardware materials, Tools and cosmetic products; Spirits, mobile phones and their accessories; Furniture and internationally traded commodities



confectionaries and Auto spare parts (used and new); and Toners, cartridges and Palm oil products.

(g) **Implementation of EAC Customs Curriculum:** The curriculum was rolled out in Rwanda, Kenya, Uganda and Tanzania. Plans were under way to roll the same in Burundi. With regard to accreditation, Kenya entered into partnership with the University of Nairobi and Burundi is collaborating with ISGE in implementing the curriculum.

(h) **Tax harmonization undertaken to facilitate the Single Customs Territory by 2015:** EAC Secretariat hired consultants to develop Income tax, VAT and Excise duties policies. Validation sessions were held in September and October 2014. The policies were approved by the subcommittee in charge of EAC Tax Policy and Tax Administration and submitted to CFA and SCFEA in October, 2014.

## 7.2 Trade

(a) **Development of a Legally Binding Mechanism on Elimination of NTBs:** The EAC NTBs Act was enacted in March, 2015, and was undergoing assent process by the EAC Heads of State. The objective of the Act is to enhance and facilitate trade by removing conditions that affect and distort trade in goods in the Community; creating an environment, which is conducive to trade in the Community and effective movement of

goods within the Community; and removing restrictions that make importation or exportation within the Community and outside difficult or costly.

(b) **Operationalization of EAC Trade Remedies Committee:** All Partner States nominated members to the Committee during the year in accordance with Article 24 of the EAC Customs Union Protocol. The Committee will be operationalized in 2015/16.

(c) **Promotion of Local Artisans (Jua Kali/ Nguvu Kazi Artisans) on Market Opportunities in the EAC:** The 15th EAC Jua Kali/ Nguvu Kazi Exhibition was held in Kigali, Rwanda in December, 2014 and the Post-exhibition Report prepared. The exhibition attracted an all-time high number of exhibitors to the tune of 873 drawn from the Partner States, thousands of micro and small enterprises stakeholders from East Africa, and a significantly large number of youthful participants compared to the past exhibitions. The exhibition provided a unique opportunity for the artisans to broaden and strengthen their business skills and their competitiveness, as well as increase their productivity and potential for wealth and employment creation.

(d) **Operationalization of the EAC Competition Authority:** The establishment of EAC Competition Authority is ongoing and Partner States were requested to nominate one Commissioner each in accordance with Section 38 of the EAC Competition Act, 2006 (as amended). All Partner States nominated



Commissioners to the EAC Competition Authority. In addition, the Secretariat commenced the recruitment process for the EAC Competition Authority staff positions as approved by Council.

- (e) **Trade in Services:** National Workshops to review the schedules of commitments on Trade in Services were held in the five Partner States to enable Partner States consult their stakeholders in developing national positions on the amendment of the EAC Common Market Protocol (CMP) and reviewing their schedules of commitments on services. Partner States consulted on rectification of the technical errors, legal discrepancies, provision for Mode 4 commitments; and additional commitments on further subsectors on the seven negotiated sectors.
- (f) **East African Community-European Union Economic Partnership Agreement (EAC-EU EPA):** The EAC-EU EPA negotiations were concluded and an agreement initialed in October, 2014. In preparation for the signing, the agreement underwent legal scrubbing and was translated into the EU official languages and Kiswahili. The agreement covers: General provisions; Trade in goods; Fisheries; Agriculture; Economic and Development cooperation; Institutional provisions; Dispute avoidance and settlement; General exceptions; General and final provisions; and lastly, related Annexes and Protocols.
- (g) **EAC-US Trade and Investment Partnership:** The EAC-US Cooperation Agreement on Trade Facilitation, Sanitary and Phytosanitary (SPS) measures and Technical Barriers to Trade (TBT) was signed on 26th February 2015 during the EAC-US Ministerial meeting in Washington D.C. The ob-

jective of the Agreement is to increase exports, expand investment and enhance job creation and economic growth. Pursuant to the decision of the Sectoral Council on Trade, Industry, Finance and Investment (SCTIFI) during its meeting held in May 2015, the Secretariat developed draft work plans on Trade Facilitation, SPS and TBT. These were to be considered by the Technical Officials of the EAC and US during a joint meeting in 2015/16.

- (h) **COMESA-EAC-SADC Tripartite Free Trade Area:** The 3rd Tripartite Summit of Heads of State and Government signed the TFTA Agreement on 10th June, 2015 in Sharm el Sheikh, Egypt. The Tripartite Summit also signed the Sharm el Sheikh Declaration launching the Tripartite FTA and commencement of Phase II of the Tripartite negotiations and adopted a Tripartite FTA Post Signature Implementation Roadmap. EAC embarked on the formulation of an EAC-AGOA Strategy in June 2015. The objectives of the EAC AGOA Strategy are to; increase production and export of tradable products; diversify products exported to the USA from the region; intensify value addition; and promote investment. The Strategy seeks to take advantage of the additional provisions contained in the AGOA Act 2015, which has been extended for another 10 years until 30th September 2025. Partner States have also embarked on formulating country-specific AGOA strategies to address the challenges the private sector is facing in accessing the U.S. market.
  
- (i) **Development of EAC Weights and Measures Regulations:** The 32nd Council of Ministers considered and approved 11 Standardization, Quality Assurance, Metrology and Testing (SQMT), Weights and Measures Regulations in October 2014 to operationalize the EAC SQMT Act 2006. The Regulations have since been referred to the Sectoral Council of Legal and Judicial Affairs for legal inputs.
  
- (j) **Implementation of the provisions of EAC SQMT Act 2006 in the promotion of trade:** Draft Programme of Work to develop Conformity assessment procedures for assessment of potential laboratories to be designated have been undertaken by the Secretariat and presented to Partner States. On 20th October 2014 the 18th Meeting of East African Standards and IT Technical Sub-Committee was held in Arusha as part of statutory requirement to enhance trade. Also as part of statutory requirement to facilitate trade, on 1st to 3rd December 2014, the 4th Meeting of East Accreditation Board was held in Kigali.

# Chapter 8



## Office of the Deputy Secretary General - Finance and Administration

# Office of the Deputy Secretary General - Finance and Administration

## 8.1 Human Resources and Administration

- (a) **Staffing Levels:** As at 30<sup>th</sup> June 2015, the EAC Secretariat, Court and Assembly had a total staff complement of three hundred and sixty one (361) staff. Out of which, Executive Staff were six (6), EALA Members, forty five (45); Professional Staff, ninety one (91); General Staff, eighty one (81); Project Staff, eighty two (82); and Temporary Staff, fifty six (56). The Secretariat accounted for 67% of the total staff, followed by EALA at 25% and EACJ at 8%, as observed in the tables below:

EAC SECRETARIAT, COURT AND ASSEMBLY STAFF COMPLEMENT AS OF 30 JUNE 2014		
Staff Category	30 June 2014	30 June 2015
Executive	6	6
EALA Members	45	45
Professional	86	91
General	93	81
Project	84	82
Temporary	20	56
<b>Total</b>	<b>334</b>	<b>361</b>

Source: EAC Secretariat

**EAC STAFF COMPLEMENT BY ORGAN AS OF  
30 JUNE 2014**

Staff Category	EAC Secretariat		EACJ		EALA	
	30 June 2014	30 <sup>th</sup> June 2015	30 June 2014	30 June 2015	30 June 2014	30 June 2015
<b>Executive</b>	6	6	-	-	-	-
<b>EALA Members</b>					45	45
<b>Professional</b>	69	72	4	7	13	12
<b>General</b>	46	49	18	19	19	13
<b>Project</b>	84	82	-	-	-	-
<b>Temporary</b>	16	35	2	2	2	19
<b>Total</b>	<b>231</b>	<b>244</b>	<b>24</b>	<b>28</b>	<b>79</b>	<b>89</b>

Source: EAC Secretariat

- (b) **Finalization of the Institutional Review Process:** The Final report of the Institutional Review exercise was submitted on 21<sup>st</sup> April, 2015. The report was submitted to Council on its 32<sup>nd</sup> meeting held on 27<sup>th</sup> – 30<sup>th</sup> April, 2015. The Council established a Sub-Committee of the Ministers responsible for EAC Affairs to consider and conclude the exercise and report to the 32<sup>nd</sup> Meeting of Council.
- (c) **Digitization and Access of EAC Information and Knowledge:** The EAC integration information and knowledge comprises of various information materials including among others; treaties, pProtocols, and memorandum of understandings, development strategies, policy reports, technical and expert reports, studies, speeches, parliamentary debates, court rulings, photos, video and documentaries of key events and milestones, maps, architecture drawings etc. This information and knowledge constitute the EAC Institutional Memory and Heritage.

The Information Resource Centre embarked on a massive project to digitize the EAC information and knowledge with the aim of providing it online. In the first phase of the digitization project, an EAC Information Repository ([repository.eac.int](http://repository.eac.int)) and Web Portal ([elibrary.eac.int](http://elibrary.eac.int))

were developed and set up. The repository and web portal provide 'One-stop shop' information framework for the Organs and Institutions of the Community. The digitized collections are expected to chronicle the regional integration process of the East African Community.

- (d) **EAC Tele-Presence Video Conferencing Project:** As part of the effort by the East African Community to enhance efficiency and speed of communication, both formal and informal; EAC initiated the installation and commissioning of a Video Conferencing System. The financing agreement between TMEA and EAC was signed in February 2014. Subsequently, the process of procurement commenced. In order to mainstream the VC into EAC management processes and systems, various stakeholder meetings were organized to familiarise participants and potential users with the scope of the EAC-VC project and discuss technical and management components. One of the components was to develop procedures to guide the use and administration of Video Conferencing meetings as required by the Council.

The EAC Telepresence Video Conferencing system has been installed in the 5 Partner States at the Ministries responsible for EAC Affairs and at the EAC Headquarters. The Tele-Presence Video Conferencing system is now operational in the six sites, which include EAC Headquarters in Arusha and the five Ministries responsible for EAC affairs. During the 16<sup>th</sup> Ordinary Summit of the EAC Heads of State held in Nairobi on 20<sup>th</sup> February 2015, their Excellences the EAC Heads of State launched the EAC Telepresence Video Conferencing System and commended Trademark East Africa for their support. A number of meetings are already taking place using the Video Conferencing system. The calendar of EAC activities includes at least 10% of all the meetings on Video Conferencing. The overall utilization of the EAC Video Conferencing system is expected to rise considerably during the Financial Year 2016/17.

## 8.2 Financial Management

The Directorate of Finance facilitated the preparation of budgets, mobilization and collection of financial resources, and expenditure control while safeguarding the resources of the Community. This was evidenced by unqualified (clean) audit opinion across all Organs and Institutions of the Community. During the period under review, the following activities were carried out ;:

- (a) **Roll out of Sun Systems to EAC Institutions:** In order to facilitate effective financial reporting, Sun system was being rolled out in three (3) EAC institutions - LVFO, IUCEA and CASSOA - which had been previously using different financial management systems. By June 2015, Sun

system had been fully operationalised at LVFO, IUCEA and CASSOA. The data migration was expected to be completed by September 2015.

- (b) **Modalities for Sustainable Financing Mechanism of the Community:** Modalities for sustainable financing mechanism of the EAC were explored and a report submitted to the Council of Ministers and the Summit for consideration.
- (c) **Budget Management System (BMS):** The development BMS software was implemented, more staff trained to use it, and it was rolled out to all EAC Institution and used to prepare Budgets for FY2015/16 onwards.
- (d) **Harmonization of Public Financial Management Regulations and Practices in the Partner States:** The Directorate of Finance was also involved in the process of implementing a project geared towards harmonization of Public Financial Management regulations and practices in the Partner States. The project is contributing towards laying a strong foundation for the implementation of the EAC Common Market and Monetary Union Protocols.

### 8.3. Financial Statements for the East African Community

The following are the Financial Statements for The East African Community (Secretariat, EALA and EACJ), for the Financial Year 2014/2015, with comparatives for the Financial Year 2013/2014, both with an unqualified audit opinion.

**EAST AFRICAN COMMUNITY STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED  
30 JUNE 2015**

		2014/15	2013/14
REVENUE		USD	USD
Revenue from non- Exchange Transactions	<b>NOTES</b>		
Contribution from Partner States	15	37,729,334	35,517,304
Special funds from Development Partners	16	23,254,988	22,748,138
Other Revenue	17	104,434	556,301
		61,088,756	58,821,743
Revenue from Exchange Transactions			
Other Revenue	18	243,736	169,341
<b>Total Revenue</b>		<b>61,332,492</b>	<b>58,991,085</b>
EXPENSES			
Salaries, Wages and Employee Benefits	19	21,809,048	20,507,102
Administrative, Meetings & consultancy Expenses	20	37,916,270	35,663,171
Finance Cost	21	625,449	240,548
Depreciation & amortization Expenses	22	1,743,299	1,430,226
<b>TOTAL</b>		<b>62,094,064</b>	<b>57,841,047</b>
<b>SURPLUS / (DEFICIT) FOR THE PERIOD</b>		<b>(761,572)</b>	<b>1,150,038</b>
<b>Attributable to:</b>			
<b>EAC</b>		<b>902,128</b>	<b>2,821,710</b>
<b>Development Partners</b>		<b>(1,663,700)</b>	<b>(1,671,671)</b>

**EAST AFRICAN COMMUNITY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015**

DESCRIPTION		2014/15	2013/14
ASSETS	Notes	USD	USD
<b>CURRENT ASSETS</b>			
Cash and Cash equivalents	1	18,617,468	15,592,072
Financial Assets	2	-	4,100,000
Receivables from Non Exchange Transactions	3	4,028,800	2,651,025
Inventories	4	99,556	116,007
Prepayments	5	11,301	63,607
Taxes Recoverable	6	906,115	963,802
<b>TOTAL CURRENT ASSETS</b>		<b>23,663,240</b>	<b>23,486,514</b>
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	7	23,694,121	22,360,927
Intangible Assets	8	1,168,526	755,479
<b>TOTAL NON CURRENT ASSETS</b>		<b>24,862,647</b>	<b>23,116,406</b>
<b>TOTAL ASSETS</b>		<b>48,525,887</b>	<b>46,602,920</b>
<b>LIABILITIES AND NET ASSETS/EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Payables	9	5,798,810	5,221,521
Employee benefits	10	1,249,672	1,121,349
Deferred funds from Development Partners	11	870,154	3,845,182
Other Current Liabilities	12	28,477	37,961
<b>TOTAL CURRENT LIABILITIES</b>		<b>7,947,113</b>	<b>10,226,013</b>
<b>NON CURRENT LIABILITIES</b>			
Employee Benefits	10	4,486,889	3,651,441
Deferred Credit for Assets	13	1,726,449	939,286
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>6,213,338</b>	<b>4,590,727</b>
<b>TOTAL LIABILITIES</b>		<b>14,160,451</b>	<b>14,816,739</b>
Net Assets/Equity			
Capital contribution and Grant	14	23,235,752	23,116,406
Revaluation Reserves	14	0	221,760
Accumulated Surplus	14	11,129,682	8,448,015
<b>TOTAL NET ASSETS/EQUITY</b>		<b>34,365,435</b>	<b>31,786,181</b>
<b>TOTAL LIABILITIES AND NET ASSETS/EQUITY</b>		<b>48,525,886</b>	<b>46,602,920</b>

# Chapter 9



## East African Legislative Assembly (EALA)

# East African Legislative Assembly (EALA)

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Article 49 of the Treaty for the establishment of the East African Community EALA is established as the legislative Organ of the Community. EALA's core functions are; legislative, oversight and representation. The Assembly contributes to a number of strategic objectives of the EAC, but is directly linked to strengthening of the EAC's oversight role. During the reporting period, the following achievements were registered:

Article 49 of the Treaty for the establishment of the East African Community EALA is established as the legislative Organ of the Community. EALA's core functions are; legislative, oversight and representation. The Assembly contributes to a number of strategic objectives of the EAC, but is directly linked to strengthening of the EAC's oversight role. During the reporting period, the following achievements were registered:-

- (a) **Legislation:** The Assembly held six plenary sessions/meetings: 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> Meetings of 3<sup>rd</sup> Session and the 1<sup>st</sup> and 2<sup>nd</sup> Meetings of the 4<sup>th</sup> Session of the 3<sup>rd</sup> Assembly.
  - (b) **Bills:** The Bills passed during the period under review include; The East African Community Supplementary Appropriation Bill, 2015; The East African Community Cooperative Societies Bill, 2014; The East African Community Integration (Education) Bill, 2014; The East African Community Elimination of Non-Tariff Barriers Bill, 2015; and The East African Community Customs Management (Amendment) Bill, 2015; Other Bills include; The East African Community Appropriation Bill, 2015; The East African Community Creative and Cultural Industries Bill, 2015; The East African Community Electronic Transactions Bill, 2015; and Forests Management and Protection Bill, 2015.
  - (c) **Committee Reports:** During the period under review, the Assembly considered and adopted sixteen (16) Committee Reports, which were transmitted to the National Assemblies of the Partner States and other key stakeholders for further consideration. Such reports include:- The report of the Committee on Legal Rules and Privileges on Rules of Procedure of Committee of the Assembly and Code of Conduct for the Members of the Assembly; The report of the Committee on Communication, Trade and Investment on oversight activity of the EAC Single Customs Territory (SCT); Report of the Audit Commission on the financial statement of the EAC for the year ended 30th June, 2013; and the report of EALA Committee on Legal Rules and Privileges on investigation of the complaints raised in the motion for the removal of Speaker from office.
- Other reports considered by the Assembly include; The report of the General Purpose Committee on the East African Community Supplementary Budget Estimates for Financial year 2015; The report of the Committee on regional Affairs and Conflict Resolution and the African Leadership Centre Conference in East African Societies and Regional Security; The report of the Committee on Legal, Rules and Privileges on the amendments to EALA Rules of Procedure; Report of the Committee on Agriculture, Tourism

and Natural Resources On-Spot Assessment of the Lake Victoria Water Supply and Sanitation Programme II; and the report of the Committee on Accounts on the On-Spot Assessment of the Internal Audit Systems of the Lake Victoria Basin Commission.

Others were:- Report of the Committee on General Purpose on the EAC Annual Report for the period 2012/2013; Report of the General Purpose Committee on the EAC Budget for the Financial Year 2015/2016 and the Resolution on the Budget for FY 2015/2016, as moved by the Chairperson of Council; Report of the Committee on Communication, Trade and Investment on the Workshop on Investment Policies and Strategies in EAC Region; and Report of the Committee on Agriculture, Tourism and Natural Resources on the Regional Parliamentarians Policy Dialogue on Climate and Gender; Furthermore, the Assembly considered the report of the Committee on General Purpose on the Legal Framework and implementation of policies on the rights of the Child in the Partner States; The Report of the Regional Affairs and Conflict Resolution Committee on the Goodwill Mission to Kigoma, Tanzania and Eastern Province of Rwanda to interact with refugees from Burundi; and Report of the Committee on Communication, Trade and Investments on Public hearings on the EAC E-transactions Bill 2014.

(d) **Resolutions:** The Assembly adopted a number of resolutions among which include:- Resolution of the Assembly to remove the Speaker from office; Resolution of the Assembly to appoint a Select Committee on Genocide; Resolution of the Assembly on the establishment of the African Parliamentary Centre for Peace and Security (APCPS); and Resolution of the Assembly urging EAC Partner States to adopt the African Charter on Democracy, Elections and Governance. Others include; Resolution of the Assembly condoling with the Government and people of Kenya over the tragic loss of lives in the Garissa University attack; Resolution of the Assembly to support East African Athletes from the Republic of Kenya and congratulate them for their exemplary performance in the world Athletics Championships in Beijing-China; and Resolution of the Assembly to call for urgent action to prevent trafficking in persons, protect victims of the crime of trafficking in persons and prosecution of victims of trafficking in persons in the East African Community. Also passed is the Resolution of the Assembly to congratulate the Republic of Uganda upon acquiring 3<sup>rd</sup> generation national identity cards and encourage Partner States which are still in the process to finalize theirs on time.

(e) **Taking of Oath:** During the period under review, four (4) members took oath of allegiance to the House before the Speaker, Rt. Hon Daniel Kidega. They include Hon Dr. Anthony Luyirika Kafumbe, the new Counsel to the East African Community (CTC) as an Ex-Officio Member of EALA, Hon. Leontine Nzeyimana, the re-appointed Minister for

EAC affairs in the Republic of Burundi as an ex-officio Member, Hon. Dr. Francois Xavier Kalinda, and Hon Martin Ngoga, the new Members from Rwanda replacing two members who resigned from the service of the Community.

The Members took the oath in accordance with Rule 5 (4) of the Rules of Procedure of the Assembly. The Rules of Procedure say in part that: "No Member can sit or participate in the proceedings of the House until the Oath or Affirmation of Allegiance to the Treaty is taken".

- (f) **Petitions:** The Assembly received a petition from the East African Employers Organization and the East African Trade Union Confederation regarding work/residence permits in East African Community for the citizens of the Partner States. The petition called upon the Assembly to ensure that decisive actions are taken to expedite free movement of workers within the East African Community as one of the urgent issues.

The Assembly also received a petition from the EAC Youth seeking to advocate for key issues concerning the youth. The petition called upon the Assembly to:- Urge the Partner States through their respective authorities to ensure the establishment of National Youth Councils (NYC) in Partner States; Advocate for the operationalization of the NYCs so that they become more vibrant in their activities; Urge the Council of Ministers to advocate for the establishment of the East African Youth Council that will leverage representation of all youth activities at the EAC; and urge the Partner States to adhere to

the provisions of the African Charter on the Youth. Also the petition appealed to the Partner States' National Assemblies to consider reserving slots for youth representation at their respective Assemblies; and consider reserving slots for youth representation at the EAC Assembly.

- (g) **State of the Community Address:** The Assembly received the State of the Community Address from the Chairperson of the Summit, President Jakaya Mrisho Kikwete during its 5<sup>th</sup> Meeting of the 3<sup>rd</sup> Session of the 3<sup>rd</sup> Assembly in Bujumbura, Burundi. The address was debated in the 6<sup>th</sup> Meeting of the 3<sup>rd</sup> Session. The address is pivotal in addressing matters of integration.
- (h) **The EAC Bureau of Speakers:** The 10<sup>th</sup> Meeting of the EAC Speaker's Forum took place in Dar es Salaam, Tanzania, on 24<sup>th</sup> April 2015. The Forum urged EAC Partner States and the continent to come up with quick solutions to the threats that derail the integration efforts. In addition, the Bureau implored the EAC Council of Ministers and called upon the respective Governments of the Partner States to share knowledge and information on the mobilization, recruitment and operationalization of terror networks in the region, while working with global partners.
- (i) **Oversight:** The Assembly through its Committee on Legal, Rules and Privileges carried out oversight/on-spot assessment of implementation of the EAC Laws in the

context of the Common Market Protocol in the EAC Partner States. Among others, the on-spot assessment aimed at assessing and comprehending the implementation of the Common Market Protocol in the context of free movement of capital, goods and services in the EAC Partner States. It also analyzed the performance at EAC Partner State level in terms of hindrances, challenges and lessons learnt in the implementation of EAC Common Market Protocol.

The Assembly also through its Committee on Regional Affairs and Conflict Resolution sent a goodwill Mission to the Republic of Burundi following the political and humanitarian crisis in the aftermath of the political crisis and attempted coup. The goodwill Mission among others aimed at appraising itself with the humanitarian situation on the ground and the arrangements in place to deal with the crisis; re-affirming EALA's commitment to Burundi in finding the lasting solution to the political impasse and visiting the refugee camps to bond with and console the victims of the crisis.

- (j) **Inter-Parliamentary Tournament:** The Assembly coordinated the Inter-Parliamentary Games for the National Parliaments of the Partner States from 6<sup>th</sup> -12<sup>th</sup> December 2014 in Arusha, Tanzania. The games play a fundamental role in enabling EALA's interaction with Members of the National Parliaments in the Partner States as envisaged in Article 49 (2a) of the Treaty for the Establishment of East African Community. At the same time, such games enhance interaction with the citizenry of the Partner States and as a mode of sensitization and popularizing

the integration process.

(k) **Relations with Other Organisations:**

The Assembly received a proposed collaboration framework from the East African Civil Society Organisation Forum (EACSOFF). The areas of proposed engagement include participation in the EALA Plenary Sessions and in the annual regional meetings, such as the Inter-Parliamentary Relations Seminar (Nanyuki Series), engagement with EALA National Chapters and the establishment of an annual Civil Society Organization (CSO) - EALA (Speaker's) Forum, where ideas and best practices are exchanged. It is envisaged that the proposed Civil Society-EALA relationship would boost policy research and legislative initiatives.

The Assembly also received a delegation of officials from a regional civil society think-tank, Twaweza, and launched a report on the state of literacy and numeracy in the region. The findings of the report dubbed: "Are our Children Learning – Literacy and Numeracy across East Africa".

Similarly, the Assembly received representatives of the Westminster Foundation for Democracy (WFD) Regional Director of Programmes, Africa and Europe, George Kunath; Senior Programme Manager, Africa, MajdaElbeid; and Regional Finance Manager, East Africa, Beverly Kaluli. The visit reviewed the relationship with EALA and charted the way forward on the working arrangements for Phase II of the Programme.

Under the arrangement, WFD will assist to build the capacity of Communications component at the Assembly by revolutionizing

the online and social media platform to enhance interactivity between the Assembly and its constituents. The move is expected to enhance outreach to many citizens and create a mode of interaction between the regional legislators and their citizens.

- (l) **Sensitization Workshop:** The Assembly held a two-day sensitization workshop on promoting the Sustainable Development Goals (SDGs) with a mantra to ensure the region realizes the set objectives. The two-day meeting brought together Members of EALA and resource persons from institutions working round the clock to ensure Africa's concerns are taken on board fully when SDGs are rolled out. The Institutions are the Society for International Development, Africa Platform and the Institute for Economic Affairs.

The workshop also analyzed performance at the EAC level, hindrances and challenges learnt from MDGs while focusing on EALA's mandate in promoting good governance, transparency and accountability. The sensitization workshop also explored strategies towards ensuring that the Global Development Framework (Post 2015 Agenda) is implemented and realized.

- (m) **Capacity Building Workshop:** In a bid to enhance the oversight function of the Assembly, Members undertook a capacity building workshop on the Medium Term Expenditure Framework (MTEF) and Auditing processes in Zanzibar, Tanzania in September 2015. The capacity building workshop offered an opportunity for EALA to be able to harness understanding of the technical workings of the MTEF budgeting and to comprehend the procedures that go on in the auditing processes.

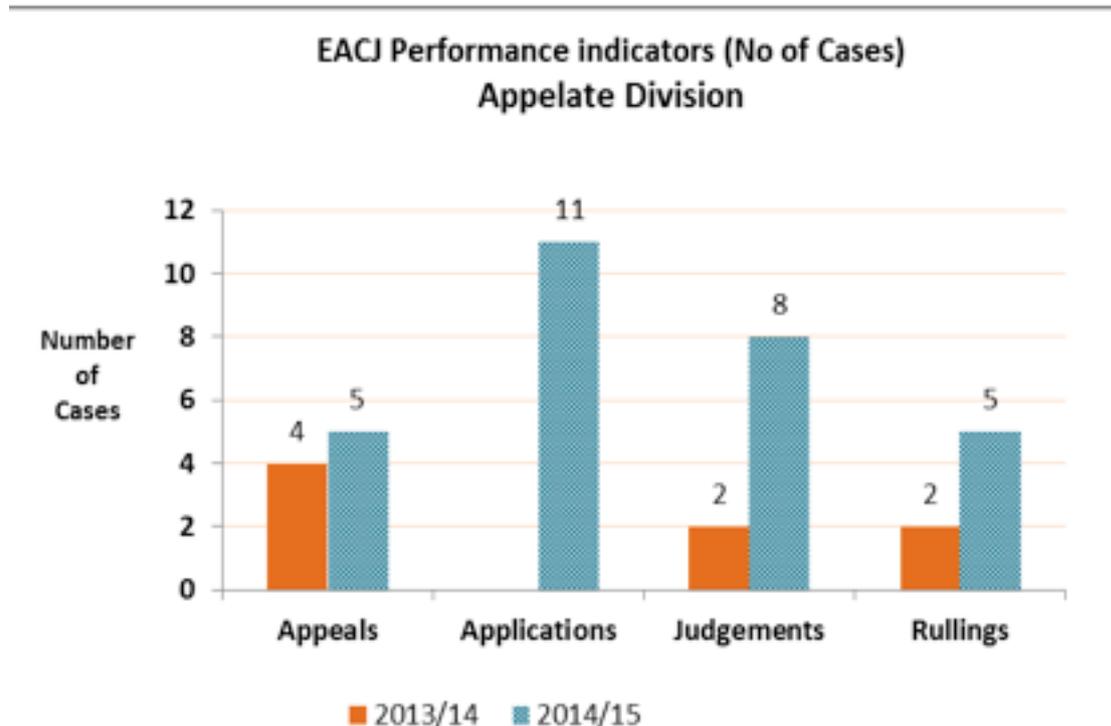
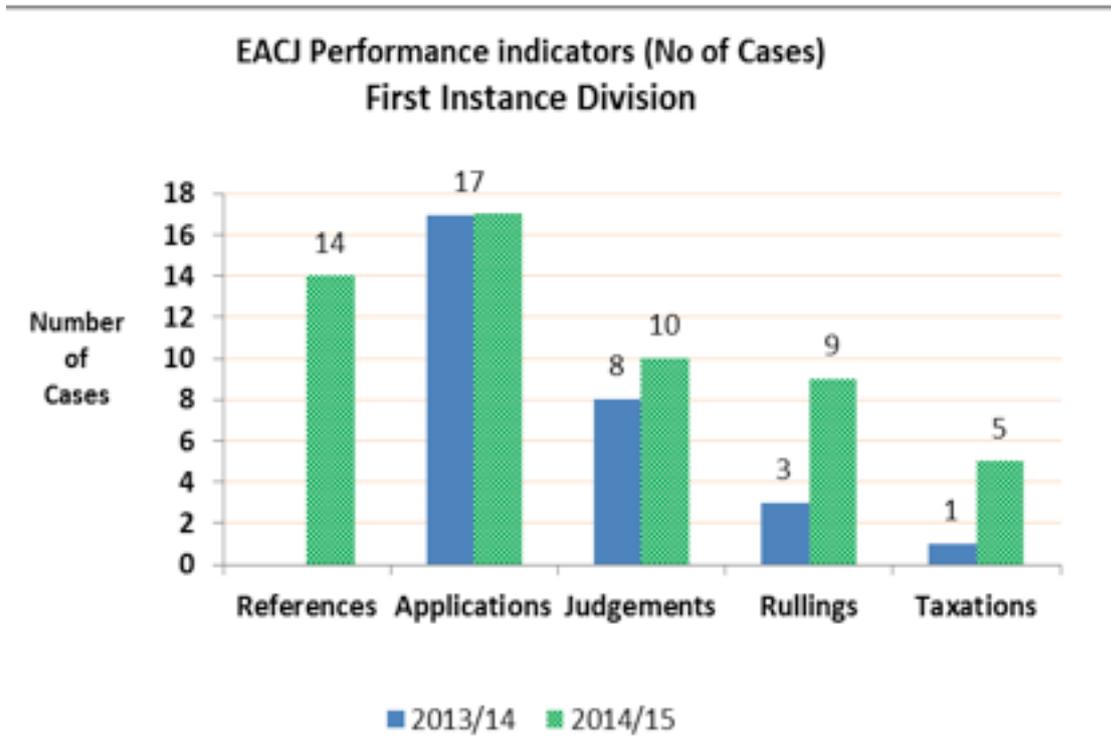
# Chapter 10



## East African Court of Justice (EACJ)

# East African Court of Justice (EACJ)

The East African Court of Justice (EACJ) is a judicial body, which ensures the adherence to law in the interpretation and application of and compliance with this Treaty. The Court has jurisdiction over interpretation and application of the Treaty. In 2014/15, the Court registered a number of achievements. Cases filed in 2014-2015 in both Appellate and First Instance Division, include References, Claims, Appeals, Case Stated, Advisory Opinion and Applications are as shown in the graphics below;



Overall a total of 41 matters were handled in 2014/2015 and those included matters that were filed in the previous financial year as compared to a total of 65 matters handled in the 2013/2014.

Compared to 2013/2014, the First Instance division received 17 applications, 1 taxation reference and delivered 3 rulings and 8 judgments that had been filed in 2012/2013.

According to the statistics above, in 2014, there was an increase in cases filed in the First Instance Division which also led to an increase of Appeals in the Appellate Division in 2015. This can be attributed to increased sensitization activities leading to awareness of the provisions of the Treaty and the citizens need to enforce their rights under the Treaty.

Court also received the 2nd Advisory Opinion No.1 of 2015 (a Request by the Council of Ministers of the East African Community for an Advisory Opinion). This is a jurisdiction that is still underutilized, as well as Arbitration.

It is in 2015 that the Court witnessed the integration of gender in its leadership with the appointment of Lady Justice Monica Mugenyi as the Principal Judge of the Court's First Division replacing Hon. Mr. Justice Jean Bosco Butasi from the Republic of Burundi who retired in June 2015. Justice Mugenyi has accomplished a lot in the legal sector, having served in the High Court of the Republic of Uganda and the Attorney General's Office. The Court has largely benefited from her experience in its pursuit of becoming a world class court dispensing quality justice for a united prosperous Community. The Principal Judge directs the work of the First Instance Division, represent it, regulate the disposition of the matters

brought before the Court and preside over its sessions as provided by the Treaty.

The President of the Court and the Principal Judge are residents at the seat of the Court while other Judges participate in the ad-hoc sessions. The fact that the President and the Principal Judge are permanently present in Arusha, has enhanced the visibility of the Court, as certain decisions can be made within a short time.

It is in 2015, the jurisdiction of the Court started to handle trade and investment matters, extended when the Summit approved and signed the Protocol to operationalize the extended jurisdiction of the East African Court of Justice covering trade and investment, as well as matters associated with the implementation of the Protocol on the Establishment of the East African Monetary Union. Traders who are the drivers of integration can now refer trade related cases to the Court. This was a great achievement, both for the Court and the Private Sector as the Community continues the process of implementing the Common Market and Customs Union Protocols. It thus led to the need of more knowledge and capacity building of the judicial officers through training on trade laws as the Court anticipates several cases on trade related.

The Court also received two new Judges appointed by the Summit in 2015, one for the Appellate Division and one for the First Instance Division from the Republic of Uganda and the Republic of Burundi respectively. The two Judges brought to the Court great deal of knowledge and experienced from their previous engagements in the legal field. Also in 2014-15 the Council appointed seven (7) Professional Staff for the Court and these include; the Court Administrator, Research

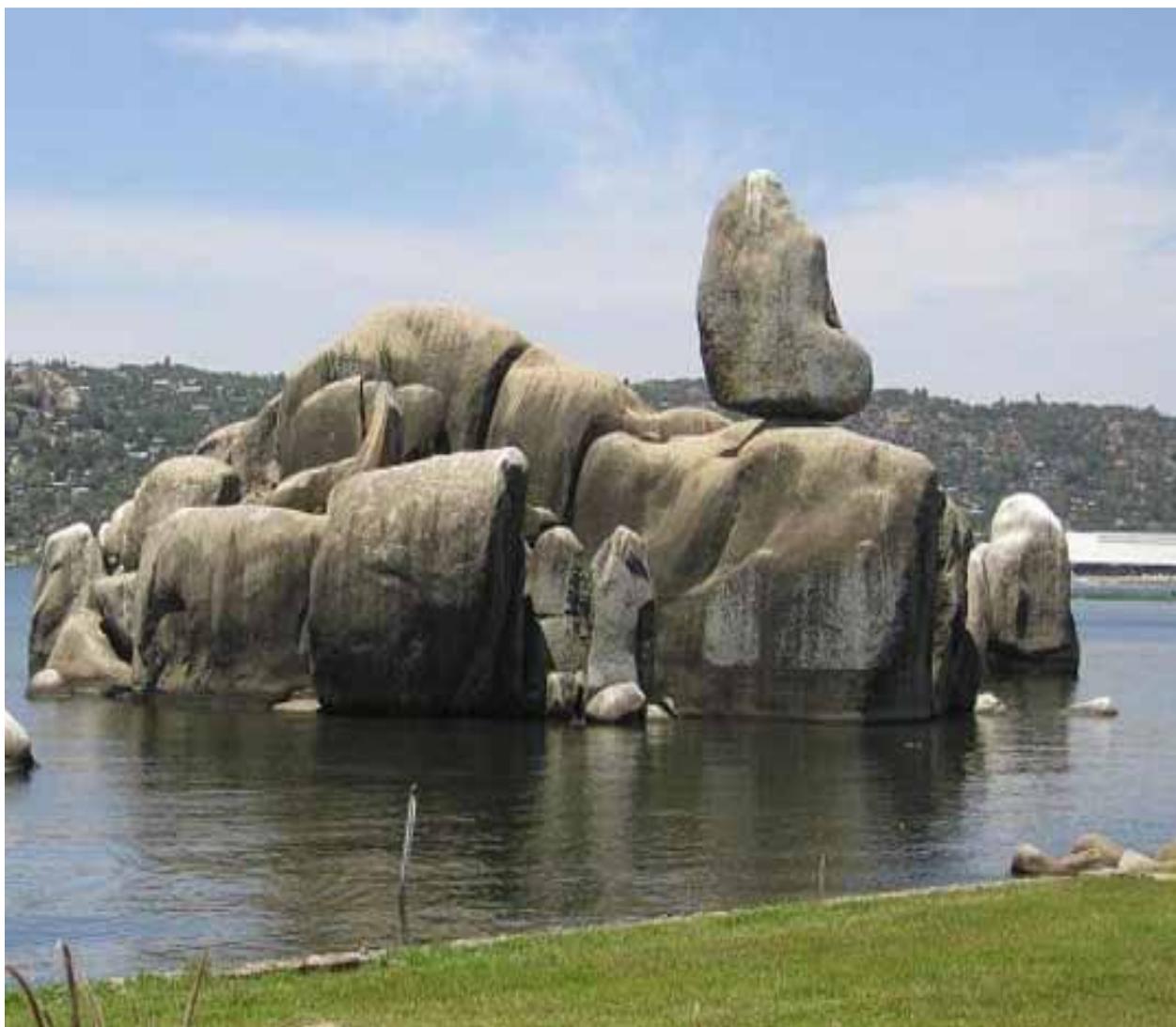
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Officer, Librarian, Network Administrator, Personal Assistant to President and a Security Officer; hence increasing the capacity and efficiency of the Court through support staff and reduced understaffing challenges of the Court.

The Court also conducted capacity building activities that included training the Judges and some Judicial Officers in Arbitration and Judicial Procedure and Decisions of the Court of Justice of the European Union. With the assistance of the Development Partners, the staffs of the Court were also trained in the field of legal research and judgments drafting. These trainings have enabled the staff to participate more in their role of assisting the Judges in legal research and arrive at a well-informed decisions that can be emulated in the region.

Sensitization workshops for the Judges of the National Courts and Civil Society Stakeholders in all Partner States were conducted with the support of Development Partners to create awareness to the Courts in the national judiciaries, as well as reaching the Civil Society organization on the role of the Court in the EAC regional integration agenda.

# Chapter 11



## Lake Victoria Basin Commission (LVBC)

# Lake Victoria Basin Commission (LVBC)

Lake Victoria Basin Commission (LVBC) is a specialized institution of the East African Community (EAC) responsible for coordinating the sustainable development agenda of the Lake Victoria Basin. Its establishment is provided for under Article 114 of the EAC Treaty, which was operationalized by the Protocol for Sustainable Development of Lake Victoria Basin. The broad function of LVBC as espoused in Article 33 of the Protocol is to promote, facilitate and coordinate activities of different actors towards sustainable development and poverty eradication in Lake Victoria Basin. During the period under review, LVBC implemented various interventions under seven Key Results Areas (KRA) as follows.

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(a) **Co-ordination and Management Capacity of LVBC:** The notable achievements under this KRA during the reporting period include: (i) Revamping the LVBC resource centre; (ii) Resource mobilization among Development Partners towards the support of interventions in Lake Victoria Basin; (iii) Implementation of robust communication and knowledge management initiatives; (iv) Gradual operationalization of a Results Based Management Strategy for LVBC; and (v) Revamping the LVBC website and introducing social media features to disseminate information and get instant feedback.

(b) **Harmonized policies, laws and standards and strengthened institutional development and governance in natural resources management promoted:**

Under this Key Results Area, the Commission, among others: (i) Facilitated the implementation of the regional guidelines for the water hyacinth surveillance and control strategy for Lake Victoria Basin; (ii) Finalized the development of a state of the art Water Resources Information System for Lake Victoria Basin; (iii) Prepared draft Water Resources Management Bill; and (iv) Agreed on the option and prepared roadmap for the operationalization of a Lake Victoria Environment Trust Fund as a sustainable financing mechanism for intervention in the Basin.

(c) **Improved Public health services with emphasis on HIV/AIDS, Gender, Reproductive health and Water Supply and Sanitation:** Under this Key Results Area, LVBC implemented the following activities:

- Integrated Population Health and Environment: Development of the EAC Strategic Plan for PHE in collaboration with the EAC Secretariat; Development of the LVBC Operational Plan and M&E Framework for Integrated Population, Health

and Environment in Lake Victoria Basin; Strengthened PHE Advocacy and Technical guidance; and conducted PHE training for PHE networks from all the Five EAC Partner States; Also achieved include undertaking of a PHE baseline survey to guide PHE integration initiatives; Integrated PHE into regional environmental conservation projects and programmes coordinated by LVBC; and promotion and distribution of Family Planning (FP) and Maternal, Neonatal and Child Health (MNCH) kits and services through the CCHWs and local level service providers. As a result, 8,113 community members in Mt. Elgon Kenya and 6,488 in Mt. Elgon Uganda have so far received the integrated FP/MNCH services. Other achievements under PHE include; established PHE Networks in Rwanda, Burundi and Tanzania and revived and strengthened the existing PHE networks in Kenya and Uganda; and lastly established two Community-based PHE Resource Centres in Kenya and Uganda.

- **Water Supply and Sanitation:** During the period under Review, the following achievements were recorded under the LWATSAN program: construction of a total of 163.2 kms of water supply and distribution network accompanied with construction of 15 public water fountains , 476 new water connections, rehabilitation and construction of 5 water treatment plants and drilled eleven (11) boreholes . These water supply related interventions have together benefitted a total of 49,208 people in the basin. In

respect to hygiene and environmental sanitation, 61 public toilets were constructed, 17 exhausters were purchased, distributed and commissioned; and further, 8 Ugotougs, 305 skips and 22 tractors and trailers were procured, distributed and commissioned; thereby benefiting a total of 611,916 people in the targeted towns. Lastly 5.25 kms of storm water drainage system was constructed to improve urban drainage in the targeted secondary towns; hence benefitting a total of 75,504 people.

- (d) **Improved Safety of Navigation and Security on Lake Victoria.** The Commission continued with resource mobilization initiatives for the Maritime Communication and Safety on Lake Victoria (MCSLV) project. Subsequently, African Development Bank (AfDB) fielded an appraisal mission for the new project on Multinational Maritime Safety, Communication and Transport on Lake Victoria to be funded to the tune of over USD 25 million. LVBC is also being considered under the World Bank led negotiations for the Multilateral Integrated Lake Victoria Transport Corridor Project aimed at reviving and linking Lake Transport to roads and railways.

The commission thus facilitated the implementation of the oil spills and toxic chemicals contingency plan for Lake Victoria; and procured and Installed Aids to Navigation on 37 locations on Lake Victoria, which have enhance navigation safety, reduced maritime accidents and boosted the Lake Victoria transport and trade on Africa's largest fresh



*LVBC's Maritime Safety Officer, Eng. Fumbuka Inspects one of the Navigation Aids Installed by LVBC on Lake Victoria*

- (e) **Enhanced Management of ecosystems, natural resources including climate change adaptation and mitigation strategies.** Under this Key Results Area (KRA), activities implemented include: promotion of adoption of cleaner production technologies by 141 industries thereby reducing pollution of rivers, lakes and other water bodies in Lake Victoria Basin; facilitation and rehabilitation / construction of four (4) wastewater treatment facilities of Kisumu, Homa bay, Bomet and Bukoba sludge disposal; and placing a total of 11, 439 hectares in the basin under Sustainable Land Management practices. Also achieved include establishment of a total of thirty four (34) active water hyacinth monitoring and removal sites around Lake Victoria using biological, manual and mechanical control measures in Kenya that have reduced the proliferation of the noxious water hyacinth on Lake Victoria. Furthermore, 573 hectares of ecologically vital but degraded wetlands in Lake Victoria Basin were restored and/or rehabilitated. A draft Memorandum of Understanding (MOU) to manage Mount Elgon was prepared as a transboundary ecosystem by Kenya and Uganda and prepared a draft dossier to nominate Mount Elgon to UNESCO as a Transboundary Biosphere Reserve (TBR). Moreover a Tripartite meeting of the Mount Elgon Regional Ecosystem Conservation Programme, Livelihood Fund/Brookside Dairy and Norwegian Embassy was convened, during which, the Livelihood Fund indicated interest to invest 3.1 Million Euros in the ecosystem over the next 10 years. Lastly, facilitated and coordinated the implementation of the Planning for Resilience in East Africa through Policy, Adaptation, Research and Economic Development (PREPARED) Programme.

- (f) **Investments and sustainable livelihood promoted:** During the period under review, LVBC through LVEMP II project coordinated the implementation of Community Driven Development sub-projects for Livelihood improvement in Lake Victoria Basin in the EAC Partner States of Burundi, Kenya, Rwanda, Tanzania and Uganda. As at the end of the period under review, a total of 589 Community Driven Development (CDD) sub-projects valued at over USD 16 million and directly benefitting over 716,963 needy community members in Lake Victoria Basin were under implementation.

# Chapter 12



## The EAC Civil Aviation Safety and Security Oversight Agency (CASSOA)

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**(a) Harmonisation and Implementation of Civil Aviation Regulations and Technical Guidance Materials:** The Agency continued to revise and formulate harmonised operating civil aviation regulations and their technical guidance materials in order to meet the requirements of ICAO Annexes to the 1944 Chicago Convention. The Board approved the draft regulations, which were subsequently submitted to the Partner States for approval and promulgation. So far the Agency has revised and formulated harmonised civil aviation regulations in the areas of:- flight safety standards (Personnel Licensing, Flight Operations and Airworthiness), Aerodromes, Air Navigation Services, Rules of the Air and Aviation Security.

The Agency also completed the development and amendment of technical guidance materials necessary for certification of organisations and personnel in the flight safety standards, implementation of safety management systems, search and rescue, and aviation security. The technical guidance materials were approved by the Board and

transmitted to the Partner States for domestication and use by the Regulatory Authorities and operators.

**(b) Co-operation with International Civil Aviation Organisations:** CASSOA continues to enjoy the co-operation of International Civil Aviation Organization, (ICAO), Federal Administration of Aviation (FAA), European Aviation Safety Agency (EASA), African Civil Aviation Commission (AFCAC), and others. The Africa-Indian Ocean (AFI) Aviation Week activities in Maputo, Mozambique, which included an Aviation Security and Facilitation (SECFAL) meeting was held in May 2015. The ICAO Secretary General appointed EAC CASSOA as a member of the Steering Committee of SECFAL.

The Loss of Control in flight (LOC-I) is one of the latest aviation threat phenomena in the world today. Therefore, reducing LOC-I is a global aviation safety priority of ICAO and other aviation professional organizations. For this purpose, the ICAO Eastern and Southern Africa regional office organized a dedicated symposium on LOC-I in June in Nairobi, Kenya. CASSOA made a presentation on LOC-I during this important symposium.

CASSOA has coordinated aviation experts' training and workshop sessions for the Partner States' safety and security oversight in-

spectors by ICAO, FAA and EASA. The sessions include:- Inspector Surveillance and Air Traffic Services oversight by FAA; Approved Training Organisations certification; Technology Evolution and its impact on airworthiness; Air Navigation Service Providers' oversight awareness by EASA; and preparations to ICAO USAP CMA audits by the ICAO Regional Office for Eastern and Southern Africa.

- (c) **Center for Aviation Medicine:** During the period under review the Center for Aviation Medicine (CAM) recorded the following achievements; Technical missions to Partner States to evaluate their aviation medicine oversight capabilities and implementation of Regulations and Technical Guidance Materials (TGMs) related to Aviation Medicine; Input to ICAO proposed amendments to the FSS Regulations (aviation medicine matters) during the revision of FSS Regulations and approved by the Board; and approval of the revised TGMs related to aviation medicine by the Board. Other achievements include approval of the amended Form: O-PEL070 Medical Certificate Form by the Board; Identification and prioritization of activities for Centre for Aviation Medicine for the planning period FY 2015-2020; and coordination of refresher training workshop in October 2015 for the region's Designated Medical Examiners (DME). Also achieved is the development of a Framework for development of an EAC CASSOA CAM Handbook for Civil Aviation Medical Examiners to supplement Chapter 6 of Annex 1 Medical Provisions for Licensing; and effective participation in a workshop that developed the draft EAC HIV and AIDS Policy (2015) in the workplaces.

Furthermore, the Center recorded the following deliverables; Revision of Form 46 - Aviation Medical Report or Medical Confidence, which assists the Designated Medical Examiners during analysis of Cardiovascular (Heart), Diabetes mellitus, and Bronchopulmonary diseases, which are known to cause progressive and sudden incapacitation of air crew; and development of an EAC CASSOA CAM Handbook for Civil Aviation Medical Examiners to supplement Chapter 6 of Annex 1 - Medical Provisions for Licensing.



# Chapter 13



## Lake Victoria Fisheries Organization (LVFO)

# Lake Victoria Fisheries Organization (LVFO)

The Lake Victoria Fisheries Organization (LVFO) as mandated by the Convention establishing it in 1994; and recognized as a technical arm of the EAC under Article 9.3 of the EAC Treaty continued to execute the coordination role in matters of fisheries and aquaculture for sustainable development and utilization of the resources. The programs and activities of the Organization for FY 2014/2015 were guided by the approved work-plan and budget and key achievements are as summarized below:

The Lake Victoria Fisheries Organization (LVFO) as mandated by the Convention establishing it in 1994; and recognized as a technical arm of the EAC under Article 9.3 of the EAC Treaty continued to execute the coordination role in matters of fisheries and aquaculture for sustainable development and utilization of the resources. The programs and activities of the Organization for FY 2014/2015 were guided by the approved work-plan and budget and key achievements are as summarized below:

(a) **Organizing Statutory Meetings:** During the FY 2014/2015, one Special Council of Ministers Meeting was convened on 15<sup>th</sup> October 2014. The LVFO Council of Ministers deliberated on the following, among others:

- Partner States to form National Consultation Forum to collaborate to ensure the sustainability of fisheries resources and the health of the ecosystem as they noted with concern the threats of pollution and fishing illegalities in Lake Victoria;
- The urgent need to guide the development of cage culture and directed the LVFO Secretariat to work with the EAC Secretariat to mobilize resources for mapping the critical areas where cages should not be allowed and develop standard operating procedures and guidelines for cage farming;

- The Scientific Committee to convene and consider National Cage Culture Reports and advise on limits of cages on the Lake; considering environmental and biological limits in view of the sustainability of the wild capture;
- Partner States to intensify Monitoring, Control and Surveillance (MCS) at National level to rescue further decline of Nile perch fishery;
- Partner States to include a budget line for security and MCS coordination at the Central Government; and
- Partner States to work with the National Revenue Agencies to curb the importation of monofilament nets and other illegal fishing gear used in Lake Victoria.

(b) **Amendment of the LVFO Convention:**

The process to amend the Convention establishing the organization as provided under Article XXI of that Convention started during the period under review. This was a follow-up of the directive by the 8<sup>th</sup> Session of the LVFO Council of Ministers held on 13<sup>th</sup> November 2013 (LVFO/CoM13/RS8/D6.2I) and as taken note by the Council at its 28<sup>th</sup> Meeting held on 22<sup>nd</sup> to 29<sup>th</sup> November 2013. The Republic of Kenya who was the Chair of LVFO Council of Ministers wrote to the Depository of the Convention, the

Director General, FAO, Rome on 16<sup>th</sup> January, 2015, proposing the amendment. The proposal was considered by the FAO Legal Department before the Director General of FAO wrote to the three Contracting Parties informing them about the proposed amendments on 15<sup>th</sup> May 2015. The amended Convention was submitted to the LVFO Council during the FY 2015/16 for approval.

(c) **LVFO Strategic Plan 2016 - 2020:** The Strategic Vision of LVFO (1999 - 2015), which guided the programs of the Organization embraced a healthy ecosystem approach. As the Strategy document was expiring last year, with support from EAC-Partnership Fund a new Strategic Plan to guide the programs of the Organization has been developed through stakeholders' participation. The new Strategic Plan focuses on "A Competitive and Sustainable Fisheries and Aquaculture Industry in the East African Community" with a mission "To promote Sustainable Management and Development of Fisheries and Aquaculture in the East African Community for Food Security and Wealth creation". The Strategic Plan for the period 2016 - 2020, is expected to strengthen the organization; increase its visibility; fully mainstream it into EAC structures; build its capacity to mobilize resources; enhance its coordination role for sustainable management of fisheries; and the development of aquaculture to contribute to food security and economic growth in the region.

(d) **LVFO Resource Mobilization Strategy:** The Resource Mobilization Strategy address-

es LVFO funding needs in the context of the new mandate the Organization is planning to pursue in line with its new Strategic Plan 2016 - 2020. It was developed with funding from the EAC Partnership Fund. The overall objective of the Strategy is to have in place a clear, systematic, predictable and well-coordinated approach for soliciting, acquiring, utilizing, managing, reporting, monitoring, and evaluating resources mobilized from Partner States, regional and international partners. This Strategy proposes a number of approaches to raise sustainable resources for better planning and execution of LVFO core functions. It includes a resource mobilization planning template that will be used as a guiding tool in LVFO's resource mobilization planning process.

(e) **Harmonization of the Regional Policies and Management Plans:**

- i. Draft Fisheries and Aquaculture Policy for EAC: LVFO initiated a process to prepare a draft Fisheries and Aquaculture Policy for East African Community by involving the Regional Working Group on Policy, Legislations and Standards in July and September 2014, with funding from Lake Victoria Environmental Management Program (LVEMP) II. The draft Policy was presented to the Directors of Fisheries from the five Partner States, at a regional meeting held in Entebbe, Uganda in February 2015. The Draft Fisheries and Aquaculture Policy for EAC was considered by technical meetings at national level and regional level in November 2015, with funding support from African Union- Inter- African Bureau for

Animal Resource (AU-IBAR). LVFO is intending to engage a consultant to finalize the document before it is validated at a Regional Stakeholders meeting. The Policy aims at unlocking the full potential of the fisheries and aquaculture for food security, livelihoods and wealth creation in the EAC region. The policy provides a negotiated position to guide the management and development of fisheries and aquaculture in contributing to economic growth and development. The trade in fish and fishery products form a significant portion in the intra and inter regional trade, and the policy addresses building capacity for inspection, traceability and monitoring trade on fish and fishery products for better understanding of their contribution in the EAC region.

- ii. Revised Lake Victoria Fisheries Management Plan III (2016 - 2020): LVFO used the lessons learnt from the Lake Victoria had Fisheries Management Plan (FMP) I (2003 - 2008) and FMPII (2009 - 2014) to develop the Lake Victoria FMP III for 2016 - 2020. The Plan focuses to empower and support primary fishers and aqua producers to invest and own assets and enterprises. The FMP III has the objectives to manage the fishery to increase export earnings, promote national and regional trade; contribute to increased per capita fish consumption; food security; improved livelihoods and well-being of communities; as well as addressing other emerging issues in Lake Victoria.

The strategies include: introduction of user rights; domestication of Fishing Craft Management System (FCMS); market driven reforms; development and value addition of products; and increasing financing to the sector. Other strategic interventions include; introduction of fisheries and aquaculture incubation enterprises; installation of beach seine deterrent devices in tilapia breeding areas and Nile perch nursery grounds. The Plan will be publicized during the coming financial year and mobilize resources for its implementation.

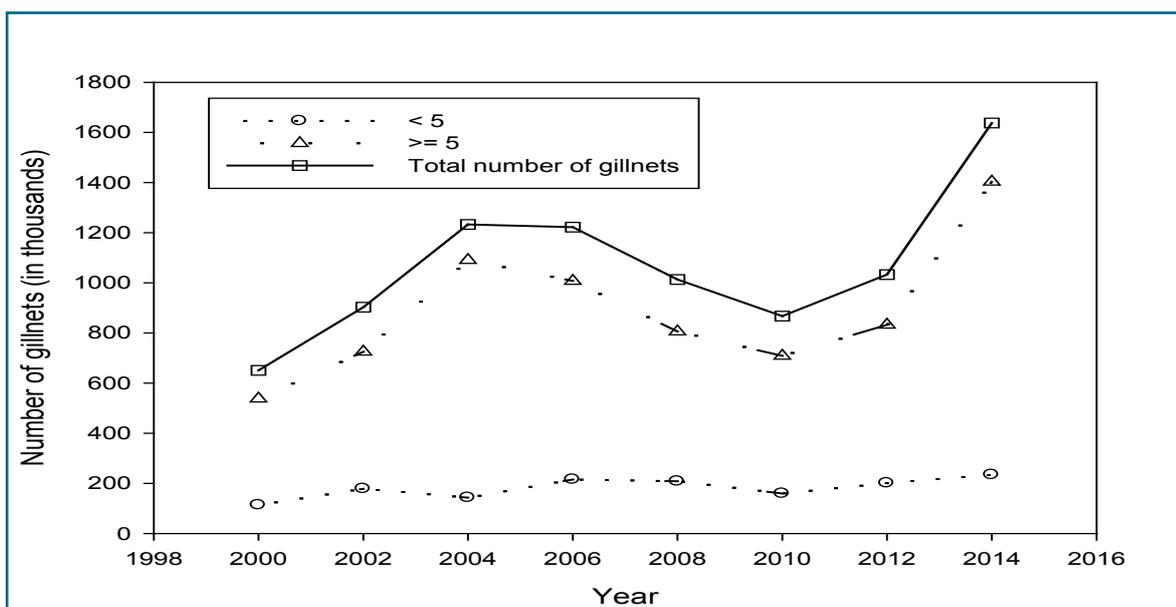
- iii. Revised Nile perch Fisheries Management Plan II (2015-2019) –(NPFMPII):- The Fisheries Management Plans (FMP) and the Regional Plan of Action for the Management of Fishing Capacity (RPOA-Capacity) for Lake Victoria provides for species specific management plans. The NPFMP II was teased out of the FMPIII to address the declining stocks of Nile perch and was finalized during the period of current review. The Specific Objectives of NPFMP II are to rebuild the biomass of the Nile perch stocks, increase wealth generated by Nile perch and improve wealth sharing to the benefit of the local communities. The strategy to achieve the objectives includes ending open access to the fishery, ensuring compliance of all actors involved in the fishing and post-harvest activities with existing regulations with priority given to prevent the most harmful fishing practices.

iv. Draft Guidelines for Cage Culture: The 6<sup>th</sup> Special Session of LVFO Council of Ministers held at LVFO Secretariat on 15<sup>th</sup> October 2014, noted the pressures of investors to start cage farming in Lake Victoria and directed for the development of Standard Operating Procedures (SOP) and Guidelines for the development of cage culture on the lake. LVFO Secretariat coordinated production of draft regional guidelines for the development of cage culture on Lake Victoria during the period under review. The Regional guidelines provide guidance on requirements for establishment of cage culture, suitable sites for placement of cages, production practices and institutions responsible for approval and relevant policies and regulations to abide to. Partner States are at different levels of identification and mapping the suitable sites and the preparation of the SOPs is still work in progress. The remaining processes include national consultations and regional validation before taking to LVFO Organs for adoption and approval.

(f) **The Status of the Fish stocks - Resource Monitoring:** During the period under review LVFO coordinated key monitoring surveys to provide the trends in fishing effort, the catch rates and the fish quantities and their distribution patterns in the waters of Lake Victoria.

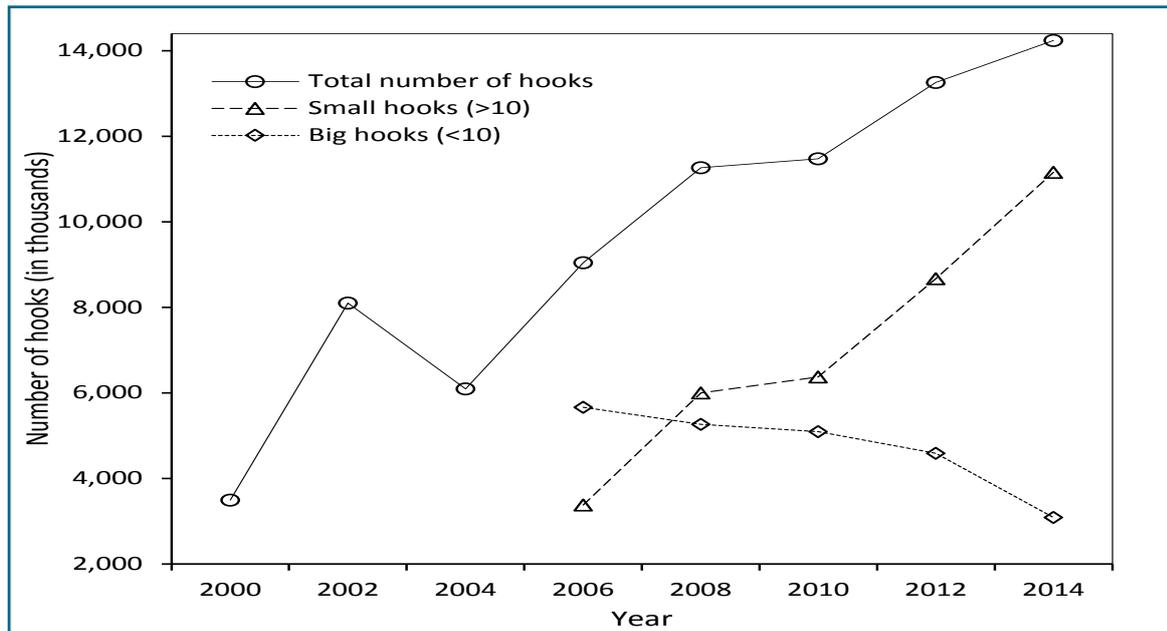
Frame survey was conducted with support from LVEMP-II and Trade and Agricultural Support Program (TASP)-II and indicated a notable increase in all major effort groups. Between 2012 and 2014, the illegal undersized nets (<5 inches) increased from 200,689 in 2012 to 209,529, a 4% increase, small illegal hooks (>10) constitute 78% of all the hooks (11,154,412) in 2014 Frame Survey.

**Number of gillnets in Lake Victoria from 2000 to 2014**



Source: LVFO

### Number of hooks in Lake Victoria from 2000 to 2014

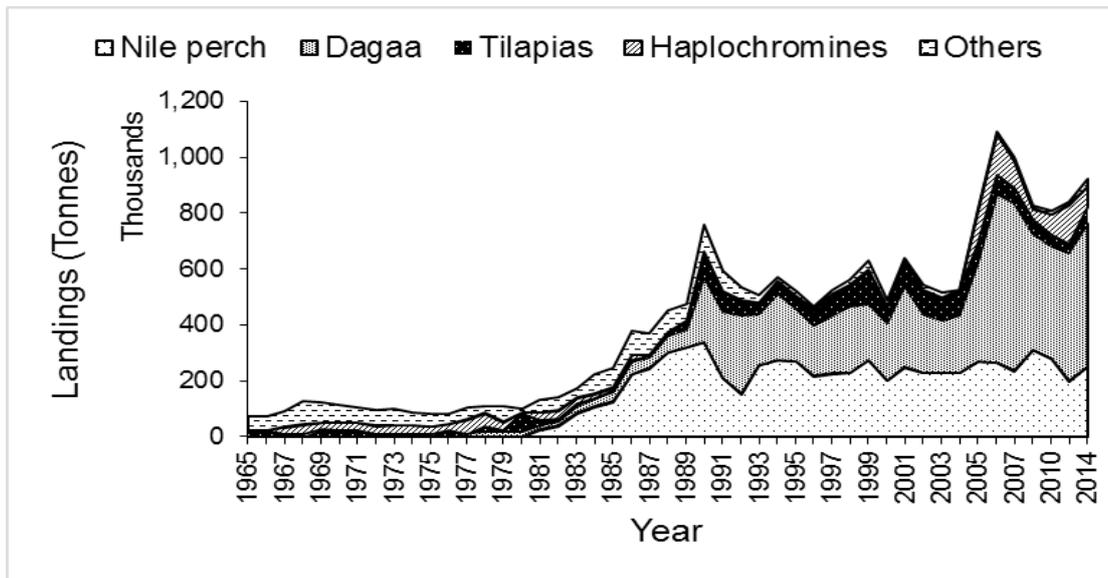


Source: LVFO

The Effort groups are used to estimate total catches on annual based and the trend in 2014 was updated as per the figure below. The estimated annual fish production in Lake Victoria has been ranging from 0.8 to about 0.9 million tons. There has been a steady increase in total landings over the years as effort in terms of number of gillnets and longline hooks have been increasing.

The Nile perch reduced from the highest catch of 309,099.5 tons in 2008 to 198,624 tons in September 2011, but due to the current efforts put by the three governments, in 2014, the catches increased to 251,063.3 tons. Dagaa is now the most important catch from the lake in terms of weight. The catches increased by 11.6% from 456,721 tons in 2011 to 509,598 tons in 2014. Tilapis however had reduced to 32,976 tons in September 2011, but indicated an increase to 59,598 tons in 2014. The total beach value of fish landed increased from USD 550,million in 2011 to USD 840.9 million in 2014.

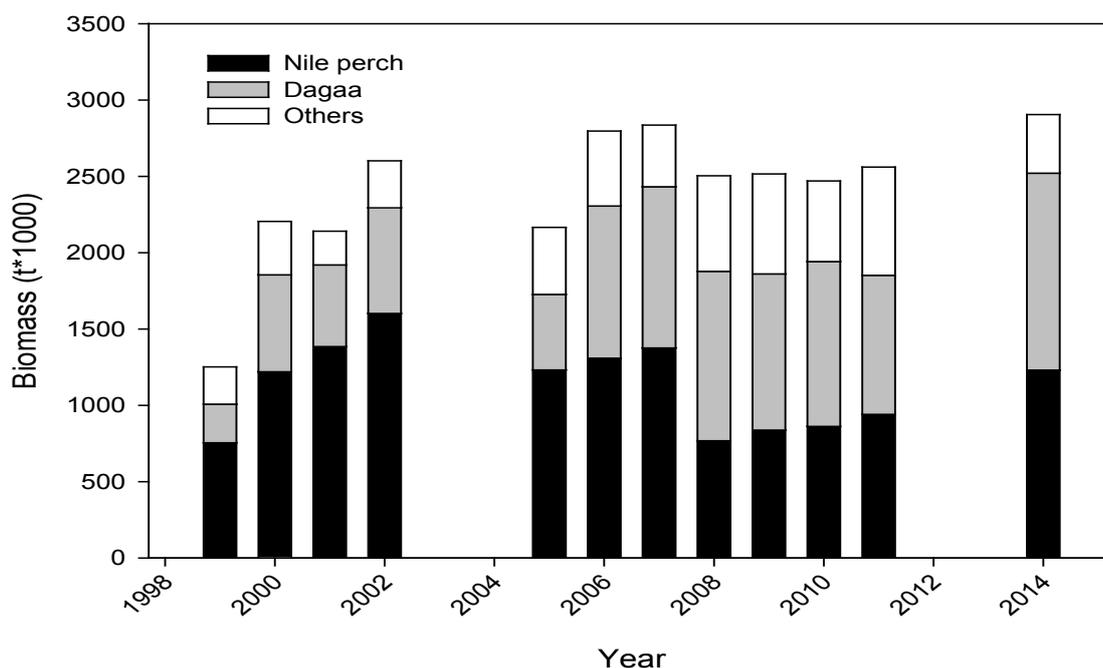
**The changes in fish landing by species from 1965-2014) surveys**



Source: LVFO

Hydro-acoustic Survey was conducted in September 2014, by the Regional Working Group with funding from EAC Partnership Fund. The biomass of Nile perch from Hydro-acoustic surveys indicated an increase by about 30% from 940,000 tons in 2011 to 1.2 million tons in 2014. The increment is seen mainly in the South West areas of the lake; dominated largely by juveniles by about 94% by number. Dagaa biomass increased from 911,000 tons in 2011 to 1,289,700 tons in 2014. The trend of fish biomass as updated during the period under review was as presented in the figure below.

**The relative biomass of fish in Lake Victoria based on acoustic surveys (1999-2014).**



Source: LVFO

- (g) **Development of the LVFO Communications, Advocacy and Information Packaging Strategies and Plans:** The LVFO coordinated the development of Communications, Advocacy and Information Packing Strategies and Plans to improve on the organization's initiatives on Knowledge Management and Information Sharing. From the EAC Partnership Fund ,a consultancy was engaged and the draft documents were submitted to LVFO Secretariat for review towards the end of the financial year 2014/2015.
- (h) **Improvement of the LVFO Secretariat Data Center:** The EAC Secretariat allocated some of the Inter Regional Coordination Committee(IRCC ) funds to purchase an uninterruptible Power Supply Unit to reduce on power outage at the data center. By the end of the financial year under review the process was still on going.
- (i) **Coordination of Specific studies and workshops:** The Food and Agriculture Organization (FAO) of the United Nations engaged LVFO through a Letter of Agreement in December 2014, to organize a regional workshop in Entebbe on 4<sup>th</sup> to 7<sup>th</sup> May 2015, on the Status of Aquatic Genetic Resources for food and agriculture. The workshop was intended to enhance the capacity of National Focal Points on Aquatic Genetic Resources (AqGR) and Fisheries/Aquaculture Officers within the Africa Region regarding the preparation of Country Reports on the current status of aquatic genetic resources for food and agriculture.

LVFO also received funding from FAO to coordinate a study to provide information on the ecosystem services from three production systems in the Lake Victoria Ecosystem as part of a broader study by FAO and UNEP. Overall the project aim was to measure both the capacity of an ecosystem to provide a service (e.g., cultural value of a wetland, how much fish can a lake provide on a sustainable basis, how much water could sustainably be diverted for irrigated agriculture), and also measure the actual use of that service in three different ecosystems/habitats (Mekong river, Lake Victoria and Columbia river). A report detailing an assessment of the value of ecosystem services in a set of production systems and main water management practices in Lake Victoria has been compiled by FAO.

# Chapter 14



## Inter-University Council for East Africa (IUCEA)

# Inter-University Council for East Africa (IUCEA)

The Inter-University Council for East Africa (IUCEA) coordinates harmonisation of higher education and training systems in East Africa, facilitates their strategic development and promotes internationally comparable standards and systems. During the period under review, IUCEA undertook the following activities;-

(a) **Selection of IUCEA as a Regional Facilitation Unit (RFU) of the Eastern and Southern Africa Centers of Excellence (ACE II) Project:**

The World Bank has developed regional higher education centres of excellence project in Eastern and Southern Africa (ACE II) to promote regional specialization among participating universities. The project aims at addressing particular common development challenges through capacity building to meet the demand for skills required for Africa's development in priority areas identified in consultation between the World Bank and participating countries. These priority areas are Science, Technology, Engineering and Mathematics (STEM), agriculture, health, quality education and applied statistics. Countries participating in the project include, Ethiopia, Kenya, Malawi, Mozambique, Rwanda, Tanzania, Uganda and Zambia.

A Regional Steering Committee (RSC) was put in place to oversee the implementation process of the project. IUCEA was selected as the Regional Facilitation Unit (RFU) for the ACE II Project in April 2015, through a competitive process. The mandate of RFU is to carry out the day-to-day activities for ACE II, facilitate and coordinate the project as the Secretariat of the Regional Steering Committee (RSC). IUCEA will also facilitate monitoring and evaluation and coordinates capacity building initiatives for the selected centres of

excellence. IUCEA has thus received a grant of USD 1,000,000 from the World Bank to finance the implementation of the project's regional preparatory activities. Furthermore, in order to fulfil its ACE II mandate, IUCEA started the recruitment process for three ACE II project staff, namely, a Project Coordinator, Information and Communication Officer and Project Accountant.

(b) **Promotion of Academia-Public-Private Partnership :**

In 2011 IUCEA established a partnership with the East African Business Council (EABC) in order to provide the point of connection between knowledge and human resources produced by higher education institutions in the region through IUCEA coordination on the one hand, and the dissemination of the same to the private sector through EABC for their eventual diffusion into the productive, social and service sectors on the other. One of the successful outcomes of this partnership is the joint organization of the Academia-Public-Private Partnership Forums and exhibitions that bring together the academia and the public and private sectors to dialogue on issues that are relevant to enhancement of higher education to be truly part of the socio-economic development set up of EAC. The first such forums and exhibitions was held in 2012 and since then the forums and exhibitions have become annual events attracting many participants across

East Africa. The 2014 Forum & Exhibition was held on 23rd and 24th October 2014, in Kigali Rwanda with the theme: "Harnessing East Africa's Innovation Potential". More than 300 participants attended. This Partnership has for a short span of its existence exhibited a great potential of playing a critical and catalytic role in spurring socio-economic development in the Community through various interventions involving the partner institutions and the East African Community Secretariat.

- (c) **Development of the staff mobility policy:** One of the main functions of IUCEA is to provide support to member universities and the main activity in this area is facilitation of students' mobility and staff exchange programmes. Thus, IUCEA supports and facilitates staff from one university to undertake teaching, research, or community service, or as external examiner in another university, through the IUCEA staff exchange programme. In that regard, IUCEA has developed a staff exchange policy to guide staff mobility between universities in the region. The Academic Staff Policy Framework was finalized and approved by the 17th Meeting of the Executive Committee on 16-17th October 2014, and published in January 2015.
  
- (d) **Selection of Institutions and Postgraduate Programmes Eligible for DAAD In-Country/In-Region Scholarships for Eastern Africa in the Academic Year 2015/16:** One of the strategic areas that the German Academic Exchange Services (DAAD) was providing support to Africa was on scholarships for postgraduate training at both masters and PhD levels, but with more emphasis on PhD training. The intervention was aimed at addressing the critical shortage of academic staff in universities in Africa amidst the rapid expansion of higher education in African countries. The intervention was also aimed at developing postgraduate training capacity in African universities, which was considered one of the sustainability mechanisms that would enable Africa's higher education to be globally competitive. As a pilot, DAAD decided to start the intervention in Eastern Africa in collaboration with IUCEA. In that regard, early 2015 DAAD in collaboration with IUCEA made a call for proposals from universities in Eastern Africa to apply for selection as centers for postgraduate training. Subsequently, in April 2015, a selection of the institutions that had applied was made. In total 71 study programmes in 24 university and 10 international institutions in four countries (Ethiopia, Kenya, Tanzania and Uganda) were selected.
  
- (e) **Development of an African Qualifications Framework for Higher Education :** IUCEA developed an East African Qualifications Framework for Higher Education (EAQFHE) as an important tool for harmonization of higher education and training systems. The EAQFHE is also the frame of reference for comparability of qualifications attained in EAC Partner States with other regional and international qualifications. It therefore facilitates mobility of learners between the Partner States, institutions and education levels. The EAQFHE will contribute towards transforming East

Africa into a common higher education area. Universities and the commissions/councils for university/higher education in all the EAC Partner States, as well as the governments, employer associations and the private sector were involved in the development of the EAQFHE. On 30th April 2015, the EAC Council of Ministers approved the framework for its operationalization and was thereafter published and distributed.

- (a) **Policy Guidelines for Mainstreaming Gender Issues in University Curriculum:** Gender issues are key aspects in the local and international human rights agenda and human-centered development. The mandate to mainstream gender into all development agenda is derived from the United Nations Human Rights Policies and programme activities, based on the Beijing declaration and Platform for Action. In the East African Community, gender issues are being addressed based on provisions in the legal and institutional frameworks. However, gender mainstreaming in university functions is not adequately coordinated and harmonised at institutional, national and regional levels. Considering that universities in the EAC are at different levels of advancement on the development or implementation of gender programmes, there is a need to find common ground. In July 2014, IUCEA finalised the development of Policy guidelines for mainstreaming gender issues in university Curriculum. The guidelines will facilitate in developing a course that equips students with knowledge and skills necessary to apply gender perspectives to all aspects of life and were published in January 2015.

# Chapter 15



## East African Development Bank (EADB)

# East African Development Bank (EADB)

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Significant headway has been made in improving the Bank's capital position, growing the Bank's income base, strengthening of governance and risk management policies, attaining a sharp decline in non-performing loans and decreasing the Bank's operational cost. Enhanced partnerships and an effective resource mobilization strategy have been instrumental in the transformation of the Bank under the current five-year program.

- (a) **International Rating:** As a result of a good performance, in June 2015, Moody's Investor Service upgraded the East African Development Bank to Baa3 with stable outlook, making the EADB the only financial institution in East Africa with an international investment grade rating and only one of five financial institutions in Africa. The Bank is also rated as the best performing financial institution in Africa by the Association of African Development Finance Institutions (AADFI). Going forward, the Bank will look to leverage the new rating to mobilize finance to fund its operations in the East African region.
  
- (b) **Financial Performance:** The Bank's portfolio increased by 27% from US\$ 111 million in December 2013 to US\$ 141 million in December 2014. The Bank posted a net income of US\$ 9.8 million in the year ending 31<sup>st</sup> December 2014, which was 15% higher than the net income of US\$ 8.5 million made in 2013.
  
- (c) **Resource Mobilization:** With strong support from its members and its improved international rating, the Bank mobilized resources from multilateral development banks including the African Development Bank (AfDB), European Investment Bank (EIB), The Arab Bank for Economic Development in Africa (BADEA), the Organisation of the Petroleum Exporting Countries (OPEC) Fund for International Development (OFID) and KfW. These multilaterals committed more than US\$ 107 million for on-lending to sectors critical for social economic development in East Africa.  
  
The Bank continues to enjoy strong shareholder's support over the years. To-date the EADB Members have contributed a total of US\$ 63.5 million under recapitalization program II, which commenced in 2010.
  
- (d) **Burundi's accession to the Bank:** In April 2015, the Governing Council resolved to admit the Republic of Burundi as a member country of the EADB. The authorized share capital has been increased from USD 1.08 billion to USD 2.16 billion.

- (e) **Strategic Partnership :** Through the United Nations Framework Convention on Climate Change (UNFCCC) -Regional Collaboration Centre (RCC), the Bank has broadened its extensive efforts to support a range of climate change activities from project to policy level across the region. Through these core activities, the Centre in 2015, rendered technical assistance at the grassroots level to more than 120 projects in over 18 countries in the East and Southern African region. RCC Kampala has supported the development of more than 15 standardized baselines in up to 12 countries in the power, waste, cook stove, forestry and rural electrification sectors. The Centre has indirectly supported access to Clean Development Mechanism (CDM) funding through both facilitating access to information for developers (more than 15 calls for funding shared this year including for the CDM Loan Scheme, World Bank Pilot Auction Facility, Nordic Environment Finance Corporation (NEFCO) Swedish Energy Agency and the Foundation “future of the carbon market” fund) and also on the ground access to projects for funding agencies.

The East African Development Bank continues to work with the Inter University Council for East Africa and the East African Business Council to develop a proposal on Research and Innovation growth in East Africa. This partnership culminated in hosting the Academia Public-Private Partnership Forum and Exhibition in Entebbe in October 2015. This year’s theme, ‘Developing an Ideal Graduate for East Africa’s Sustainable Socio-economic Development; Lesson’s from around the world’, fostered the partnership’s agenda to enhance the capacity of academia and generate linkages between the academia, private and public institutions, for sustainable socio economic development within the region.

The Bank has been working with the DLA Piper- a global law firm, to train public sector lawyers and law professors through workshops on structuring and negotiating international commercial contracts and agreements. The workshops were intended to build the capacity of public sector lawyers involved in negotiating transactions and drafting agreements for extractive and other industries. Three such workshops have been conducted since 2014, with the recent workshop that took place in June 2015 in Uganda.

The Bank is working with the African Development Bank, the EAC and other regional economic communities to design a platform to support financial inclusion for women- the “50 Million African Women Speak Platform”. The purpose of the Platform is to assist female entrepreneurs to develop their businesses through improved access to financial information. The Bank is currently working with the aforementioned stakeholders in designing the legal and technical framework for the platform.



# Chapter 16



## Conclusion

# Conclusion

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The EAC Annual Report 2014/15 has further demonstrated good progress towards the attainment of the EAC integration agenda as stipulated along the four stages of integration, namely Custom Union, Common Market, Monetary Union, and ultimately Political Federation. The implementation of the Single Custom Territory with a pilot phase along the Northern and Central corridors has shown substantial improvement in the turn-around of time for trucks from ports to land-locked Partner States, leading to significant reduction in transport costs. The region has further consolidated its foundation for a seamless East African Community single market following continued improvement in infrastructure development, especially with the establishment One-Stop-Border Posts for ease movement of goods and services cross-border. This good progress is being further enhanced in the wake of the ongoing negotiations of the COMESA-EAC-SADC Tripartite Free Trade Area (TFTA) that will see widened trade area for increased economies of scale.

In response to structural reforms along the EAC integration agenda, economies of the EAC Partner States have continued to maintain positive growth trajectory, as demonstrated with the robust GDP growth rate averaged at over 6 percent in 2014. Worth noting is that this robust growth is being driven by trade and service related sectors, boosted certainly by the momentum so far gained in the implementation of provisions of the Customs Union and Common Market protocols.

Through improved capacity building of the EAC Organs and Institutions for effective dispensing of their mandates, results are becoming imminent as demonstrated by the East African Court of Justice (EACJ). The Court, following recruitment of requisite professionals; performance of the Court improved substantially. This calls for continued improvement of institutional structures and delivery standards to suit to the needs of our clients (Partner States) in the integration agenda.

Social economic indicators of Partner States, though lower than the world average, are among the highest in Africa. This is especially in respect of literacy rate and life expectancy. Nonetheless, the level of poverty among the majority of the East African population is alarming, as poverty is as high as 48% (population living below US\$1.25 a day). This worrisome welfare situation does not conform to the aspirations of the EAC mission of improving the quality of life of the people of East Africa. It thus calls for the Partner States to step-up efforts to dent poverty, through among others measures, ensuring that benefits of the integration process are indeed inclusive to all segments of the population.







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