



EAST AFRICAN COMMUNITY

BUDGET SPEECH

***Theme: Accelerating Economic Recovery and Enhancing
Productive Sectors for Improved Livelihoods***

**PRESENTATION OF THE BUDGET OF THE
EAST AFRICAN COMMUNITY FOR THE FINANCIAL YEAR
2022/2023 TO THE
EAST AFRICAN LEGISLATIVE ASSEMBLY**

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THE EAST AFRICAN COMMUNITY**

JUNE 2022

LIST OF ACRONYMS AND ABBREVIATIONS

AFCAC	African Civil Aviation Commission
AfCFTA	African Continental Free Trade area
AFD	French Development Agency
AfDB	African Development Bank
AGOA	African Growth and Opportunity Act
AGRA	Alliance for a Green Revolution in Africa
AIP	Agricultural Investment Plan
AU	African Union
AWF	African Wildlife Foundation
BEA-BEA	Buy-East Africa-Build East Africa
BIOPAMA	Biodiversity for Protected Areas Management
BMGF	Bill and Melinda Gates Foundation
BMS	Budget Management System
CAADP	Comprehensive African Agricultural Development Programme
CASSOA	Civil Aviation Safety and Security Oversight Agency
CDD	Community Driven Development
CEDAT	College of Engineering, Design, Art and Technology
CENIT	Centre of Excellence for ICT
CET	Customs External Tariff
CMA	Customs Management Act
CMI	Capital Markets Infrastructure
CMP	Common Market Protocol

CODESRIA	Council for the Development of Social Sciences in Africa
COMESA	Common Market for Eastern and Southern Africa
COVID-19	Coronavirus Disease 2019
CTC	Counsel to the Community
DANIDA	Danish International Development Agency
DRDM	Disaster Risk Reduction and Disaster Management Bill
DRRM	Disaster Risk Reduction and Management
EABIN	EAC Ballistic Information Network
EABC	East African Business Council
EAC	East African Community
EACDF	EAC Development Fund
EAC-EU-EPAs	East African Community – European Union-Economic Partnership Agreements
EACJ	East African Court of Justice
EACREEE	East African Centre for Renewable Energy and Energy Efficiency
EACWARN	EAC Early Warning System
EADB	East African Development Bank
EAHRC	East African Health and Research Commission
EAKC	East African Kiswahili Commission
EALA	East African Legislative Assembly
EAMI	East African Monetary Institute
EAMU	East African Monetary Union

EAPCE	East African Petroleum Conference and Exhibition
EAPP	Eastern Africa Power Pool
EAPPCCO AGM	East African Police Chiefs Cooperation Organization – Annual General Meeting
EASTECCO	East African Science and Technology Commission
EASTRIP	East Africa Skills for Transformation Project
EATUC	East African Trade Union Confederation
ECOWAS-PF	Economic Community for Western Africa Parliamentary Forum
EGL	Energy for Great Lakes
EPA	Ecosystems Profile Assessment
EU	European Union
EUR	Euro
FDIs	Foreign Direct Investments
FN	Fast Jet
FSDRP	Financial Sector Development and Regionalization Project
FTA	Free Trade Area
FY	Financial Year
GAVI	Global Alliance for Vaccines
GBV	Gender Based Violence
GDP	Gross Development Product
GIZ	Deutsche Gesellschaft für International Zusammenarbeit
GMP	Good Manufacturing Practice

HIV/AIDs	Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome
IEC	Information, Education and Communication
ICT	Information and Communication Technology
IMO	International Monetary Organization
IPU	Inter-Parliamentary Union
ITC	International Trade Centre
IUCEA	Inter-University Council for East Africa
IUCN	International Union for Conservation of Nature
IWRM	Integrated Water Resources Management Programme
JAMAFEST	Jumuiya ya Afrika Mashariki Utamaduni Festival
KfW	German Development Bank
KQ	Kenya Airways
LVBC	Lake Victoria Basin Commission
LVEMP	Lake Victoria Environmental Management Project
LVFO	Lake Victoria Fisheries Organization
LWATSAN	Lake Victoria Water Supply and Sanitation Project
MECCA	Mental Models of Climate Change Risks to facilitate Climate Action
MOU	Memorandum of Understanding
MRAS	Mutual Recognition Agreements
MTEF	Medium Term Expenditure Framework
NELSAP	Nile Equatorial Lakes Subsidiary Action Programme

NBI	Nile Basin Initiative
NCCR	Nile Cooperation for Climate Resilience
NIRTO	Network of Industrial Research and Technology Organization
NMRAs	National Medicines Regulatory Authorities
NPCA	NEPAD Planning and Coordinating Agency
NPFMP/II	Nile Perch Fishery Management Plan
NTBs	Non-Tariff Barriers
OSBPs	One Stop Border Posts
OSNP	Operation Save Nile Perch
PAP	Pan-African Parliament
PHE	Population Health and Environment
PPS	Public Private Sector Partnerships
PREPARED	Policy, Adaptation, Research and Economic Development
RECs	Regional Economic Communities
RMNCA	Reproduction Maternal New-born, Child and Adolescent Health
RRIS	Regional Reference Information system
RSS	Republic of South Sudan
RTOS	Research and Technology Organization in Africa
SAATM	Single African Air Transport Market
SADC	Southern African Development Community
SADC-PF	Southern African Development Community – Parliamentary Forum

SALW	Small Arms and Light Weapons
SCT	Single Customs Territory
SCTIFI	Sectoral Council on Trade, Industry, Finance and Investment
SDGs	Sustainable Development Goals
SEZs	Special Economic Zones
SIDA	Swedish International Development Agency
SMEs	Small and Medium Enterprises
SOLAS	Safety of Life at Sea
SoPs	Standard Operating Procedures
SPS	Sanitary and Phyto-sanitary
STEM	Science, Technology, Engineering and Mathematics
SQMT	Standardization, Quality Assurance, Metrology, Testing
TBP	Time Bound Programme
TBT	Technical Barriers to Trade
TCM	Sectoral Council on Transport, Communication and Meteorology
TMEA	Trade Mark East Africa
TORs	Terms of Reference
TTPF	Tax Treaty Policy Framework
UHC	Universal Health Coverage
UN	United Nations
UNFPA	United Nations Population Fund
UNIDO	United Nations Industrial Development Organization

USA	United States of America
USD	United States Dollar
VAT	Value Added Tax
VC	Video Conferencing
VETGOV	Reinforcing Veterinary Governance in Africa
VIA	Vulnerability Impacts Assessment
WASH	Water, Sanitation and Hygiene
WHO	World Health Organization
WMO	World Meteorological Organization
WTM	World Travel Market

I. INTRODUCTION

1. **Mr. Speaker Sir,** I beg to move that this Assembly resolves into a House Committee to debate and approve the proposals by the Council of Ministers for the Budget of the East African Community for the Financial Year 2022/2023.

The theme of this year's budget is: ***Accelerating Economic Recovery and Enhancing Productive Sectors for Improved Livelihoods.***

2. **Mr. Speaker Sir,** a key milestone the Community has achieved in the recent past is the admission of the Democratic Republic of the Congo into the EAC. We salute their Excellencies, the Summit of the EAC Heads of State, for their visionary leadership in expanding our Community from six (6) to seven (7) Partner States. It is also a tribute to their leadership that the EAC is ranked as the fastest integration regional economic community in Africa.

II. ECONOMIC PERFORMANCE AND OUTLOOK

3. **Mr. Speaker,** The budget estimates for the Financial Year 2022/2023 are being presented at a time when the speedy economic recovery experienced in the region and beyond in the wake of the COVID-19 pandemic is being threatened by rising prices of fuel and other commodities, occasioned by the Russian - Ukrainian conflict. Economic growth in the EAC region averaged 5.9 percent in 2021, compared to an average of 2.3 percent in 2020. The strong regional economic growth in 2021 was largely supported by increased removal of COVID-19 related

restrictions, public investments and strong performance in the productive sectors. The rising commodity prices, especially fuel and food prices, are impacting negatively on the welfare of our people in the EAC region, just like in many parts of the world. Global economic growth is expected to slow down from 6.1 percent in 2021 to 3.6 percent in 2022. Economic growth in the EAC region is projected to decline from an average of 5.9 percent in 2021 to 5.3 percent in 2022 and 5.7 percent in 2023.

III. REVIEW OF EAC PROGRAMME PERFORMANCE FOR THE FINANCIAL 2021/2022 AND PRIORITIES FOR FY 2022/2023

4. Mr. Speaker, as you may recall, this August House approved a Budget of USD 91,784,295 for the Community for the Financial Year 2021/2022. Similarly, the council of ministers tabled before the House a supplementary amounting USD 9,031,311 for approval. The performance on implementation of the above priorities by the EAC Organs and Institutions as well as the plans for the next financial year, is as follows:

3.1. EAC SECRETARIAT

3.1.1. CUSTOMS UNION

3.1.1.1. CUSTOMS MATTERS

a) Implementation of the Single Customs Territory

5. **Mr. Speaker**, the region is continuing with the implementation of the Single Customs Territory following resumption of global economic activities with the easing of containment of COVID-19 measures. The region has rolled out all intra trade goods, exports and currently piloting transit under the Single Customs Territory, totaling 90% of the regimes implemented under the Single Customs Territory. This lead to decreasing processing time from 1.79 hours in 2020 to 1.66 hours in 2021. Enhancement and interconnectivity of Customs Systems has been at the forefront to facilitate seamless exchange of trade information.
6. To reposition EAC as a major player in international trade and strengthen intra-EAC trade, during the period, the region has finalized the review of the Common External Tariff (CET) by adopting the 4-band nomenclature of 0%, 10%, 25% and of 35%. The four-band structure will not only promote product capacity, industrialization and value chain development but also consumer welfare, Revenue protection and expansion of regional trade, while creating employment opportunities through product diversification and value addition. It is also believed to create new opportunities in the informal sector as well as promoting of regional food security and rural development.
7. **Mr. Speaker**, to safeguard the supply-chain, the region has created a pool of 147 compliant traders contributing over 12% of revenue collected in the region. With this arrangement the EAC has signed mutual recognition arrangements with South Korea and India to enhance partnership with EAC trading community. The mutual recognition arrangements are intended to benefit the Compliant

Traders to easily conduct business in India and South Korea. The programme aims at saving trading costs, fostering sustainable inter-trade, eliminating non-tariff barriers and enhancing cooperation between the Customs administrations.

8. Trade facilitation remains critical to our economic activities in the region and to this end we have continued to facilitate operations at the One Stop Border Posts (OSBPs). So far, out of the initially targeted 15 OSBP for construction, 12 are fully operational and an additional 10 have been earmarked for construction as OSBPs, making a total of 25. To ensure trade flows, the region has further operationalized OSBPs between EAC and non EAC Countries including Kenya and Ethiopia, Tanzania and Zambia, Tanzania and Malawi and Rwanda and DRC.
9. **Mr. Speaker**, we are all aware that the Africa Continental Free Trade Area (AfCFTA) Agreement was signed and we are now in the implementation phase. To prepare the EAC region for roll-out of the AfCFTA, the region has so far created awareness for over 1700 stakeholders across the Partner States on matters relating to AfCFTA Rules of Origin, AfCFTA agreements, and potential business opportunities for East Africans.

b) Priorities for 2022/ 2023

10. **Mr. Speaker**, in the next financial year, the Directorate of Customs will, among other things, focus on the following key areas:
 - i. Consolidation and updating of the regulatory framework for the Single Customs Territory to ensure sustainability of the gains so far achieved;

- ii. Integrating the Electronic Cargo Tracking Systems along the Transit Corridors,
- iii. Enhancement of Interconnectivity of systems in key sectors to facilitate information exchange;
- iv. Implementation of the reviewed EAC instruments – the CET, reviewed EAC Customs Management Act 2004, Rules of Origin and Customs procedures;
- v. Enhancement of Customs institutional framework for efficient revenue collection and trade facilitation;
- vi. Capacity building for trade particularly small scale women traders, and;
- vii. Integration of the Democratic Republic of the Congo and the Republic of South Sudan into the Customs Union.

3.1.1.2. TRADE MATTERS

- 11. Mr. Speaker Sir,** in accordance with the provisions of the EAC Treaty and its Protocols, EAC has continued to put in place mechanisms to enhance intra-EAC trade and at the same time actively participating in the negotiations at the Tripartite (COMESA, EAC and SADC) and at the Africa Continental Free Trade area (AfCFTA).

12. The key milestones achieved in 2021/2022:

- i. elimination of twenty-five (25) NTBs which were reported during the period. And the outstanding NTBs are also at different stages of resolution. The elimination of NTBs in the Community will significantly increase Intra-EAC Trade.
- ii. EAC held the 21st EAC Micro, Small and Medium-sized Enterprises (MSMEs) Trade Fair in December 2021 in Mwanza, Tanzania and was attended by 1,089 exhibitors (majority were mainly women & youth) from Partner States. The Trade Fair showcased products originating from EAC and drawn from few sectors namely; arts, crafts and woodwork; textile, apparels and leather; metal products; herbal, medicinal and beauty products; agricultural, food and beverage products.
- iii. the development of an EAC Strategy for implementation of the African Continental Free Trade Area (AfCFTA); harmonization of over 145 standards for the commonly traded goods in over 16 sectors in the financial year 2020/2021; implementation of a Regional Standardization Plan (RSP) and the SQMT Strategic Plan; finalising the review of the SQMT Act 2006, and; development of the frameworks and guidelines to facilitate cross border trade through mutual recognition of the product quality marks and test certificates especially in areas such as food and cosmetic products where there have been persistent NTBs.

13. **Mr. Speaker**, awareness creation, capacity building in negotiations skills, standardization and conformity assessment, and Small and Medium Enterprises Development will be the key priorities in the FY 2022/2023.

3.1.2. COMMON MARKET

3.1.2.1. PLANNING MATTERS

(a) Tracking the implementation of the EAC Common Market Protocol

14. **Mr. Speaker**, during the current Financial Year, the EAC adopted the third EAC Common Market Scorecard, 2020 tracking the progress made since the publication of the Scorecard 2016 towards the implementation of the EAC Common Market on the free movement of goods, services, and capital. It is anticipated that the Council, Partner States and other stakeholders while designing new implementation and programmatic strategies and approaches for full implementation of the Common Market Protocol, will use the Scorecard findings and recommendations.

(c) Monitoring and Evaluation of Projects and Programmes

15. **Mr. Speaker**, the Secretariat has enhanced the online system used to monitor the progress of the key integration pillars of the Community- the East African Monitoring System (EAMS) to include

a Projects and Programmes module. EAMS has also been instrumental in tracking the implementation of the Decisions and Directives of the Sectoral Councils/ Council and Summit providing a deep analysis of the status of implementation of Directives/decisions of Policy Organs.

3.1.2.2. INFRASTRUCTURE DEVELOPMENT MATTERS

(a)Roads Sub-sector

16. Mr. Speaker, the Secretariat has continued to coordinate the development of multinational roads linking the Partner States as updated below:

- i. The construction of the 400 km long Multinational Kenya/Tanzania road: Malindi-Lunga Lunga and Tanga-Bagamoyo road has commenced and the road sections are in different stages following the two Governments securing a financing package of EUR 375 million from the African Development Bank (AfDB) and European Union.
- ii. Construction of the Multinational Tanzania/Burundi road: Kabingo-Kasulu-Manyovu (260 km) in Tanzania and Gitaza-Rumonge (45 km) in Burundi is ongoing following Burundi and Tanzania securing financing amounting to USD 322.35 million in the form of grants and loans from the AfDB. Furthermore, detailed design of the Mugina-

- Manyovu One Stop Border Post (OSBP) has been completed through a grant secured by the EAC from the AfDB amounting to USD 480,000.
- iii. The Government of The United Republic of Tanzania secured funding from the World Bank for construction of the 92 km Lusahunga-Rusumo road in Tanzania linking to the 70 km Kayonza-Kigali road in Rwanda. Procurement of Contractors is ongoing for the Tanzania section while resource mobilization is ongoing for the Rwanda section.
 - iv. Resource mobilization for the construction of the Multinational Tanzania/Uganda road project, Masaka-Mutukula (90 km) in Uganda linking Mutukula-Kyaka and Bugene-Kasulo-Kumunazi Road (163 km) in Tanzania is ongoing following the completion in December 2020 of the feasibility studies and detailed engineering designs that were funded by a grant from the AfDB.

17. Mr. Speaker, in the FY 2022/2023, the Secretariat will continue implementing successor multinational road projects linking Partner States and the Phase II OSBP programme including the design, construction and operationalization of 12 new prioritized OSBPs within the EAC region. The Secretariat has further secured funding amounting to USD 1,748,565 from the AfDB for undertaking design of the multinational Burundi/Tanzania Road: Mpanda (Vikonge) - Uvinza and Uvinza-Kanyani/Gisuru-Rusengo and Makebuko-Bugarama sections.

18. Mr. Speaker, the Secretariat has also secured funding amounting to USD. 1,400,000 from the AfDB for carrying out feasibility studies for the Multinational Kenya-Uganda Road Project: Kisumu-Kisian-Busia and Kakira-Malaba (including Busitema-Busia spur) roads.

(b) Railways

19. Mr. Speaker, the implementation of the Northern Corridor and Central Corridor Standard Gauge Railways in Kenya and Tanzania respectively is ongoing. To support seamless railways operations across the region, the Secretariat is developing principles of harmonized EAC Railways legal and regulatory framework.

(c) Civil Aviation and Airports

20. Mr. Speaker, during the year under review, the EAC Secretariat continued coordinating the implementation of EAC Upper Airspace Seamless Operations Project. This included the harmonization of regulations, Manuals of Air Navigation Services operations, development of common Secondary Surveillance Radar (SSR) codes and development of technical specifications that will facilitate acquisition of the EAC Upper Airspace Seamless Operations Platform (System). EAC Partner States have committed to fully implement the Yamoussoukro Decision as part of the Common Market Protocol and in line with the ongoing efforts by the African Union Commission (AUC)

and the African Civil Aviation Commission (AFCAC) to establish and operationalize the Single African Air Transport Market (SAATM).

21. Mr. Speaker, in the FY 2022/23, the Civil Aviation and Airports Sub-Sector priorities will focus on implementation of the EAC Upper Airspace Seamless Operations project, and on implementing strategies to reduce the current high cost of intra-EAC Air tickets and air operations including the harmonization of charges and taxes.

(d) Meteorology

22. Mr. Speaker, in the current Financial Year, the EAC Partner States continued to expand the meteorological infrastructure with three (3) additional Meteorological Radar Stations installed and operationalized, two (2) of these installed by the United Republic of Tanzania and one (1) by the Republic of Uganda. Additional Radar Stations and other meteorological infrastructure including automatic weather stations will be installed after completion of the ongoing procurement process. This is expected to improve the Early Warning Systems for severe weather incidents such as thunderstorms and strong winds in order to improve safety of air transport, and minimise loss of life and property including road infrastructure.

23. Mr. Speaker, in the Financial Year 2022/23, the Secretariat will develop strategies aimed at improving the Meteorological Services to produce more accurate and timely weather forecasts to support the air transport, energy production, agriculture and livestock sectors among others.

(e) Communications

24. Mr. Speaker, under the Communications Sector, the Secretariat will continue to prioritize the harmonization of policies and the full implementation of the EAC Roaming Framework to support the Common Market Protocol provisions on free movement of persons. The Sector will also develop the broadcast content regulations and cross border interconnection regulations to support the youth in local content productions and cross border trade.

3.1.2.3. PRODUCTIVE SECTORS

(a) Agriculture and Food Security

25. Mr. Speaker, the 39th Meeting of the Council of Ministers adopted harmonized procedures for conducting Pest Risk Analysis (PRAs) for maize, beans and rice. Subsequently, the harmonized Standard Operating Procedures (SOPs) for inspection of grain (maize, beans and rice) required for operationalization of the PRAs were developed. In line with the Council directive, a series of capacity building workshops for plant health inspectors deployed at One Stop Border Posts (OSBPs) at Namanga, Malaba, Kabanga/Kobero, Rusumo and Mutukula were conducted by Secretariat between November 2021 and February 2022. The workshops were aimed at creating awareness amongst plant health inspectors on the harmonized SOPs, facilitate their implementation at all the EAC border posts; and identify any challenges that might hinder their

implementation. The Secretariat is in the process of mobilizing additional resources to extend this activity to other OSBPs.

26. Mr. Speaker, Transboundary Animal Diseases (TADs) remain a major constraint to livestock development in the region. During the period under review and following a Council directive, the Secretariat facilitated the Republic of Kenya and the United Republic of Tanzania in drafting the MOU on joint cross-border cooperation in the prevention and control of transboundary animal diseases and zoonoses. The MOU was signed on 10th October 2021. An implementation framework and roadmap to support implementation of the MOU was also developed.

27. Mr. Speaker, the focus under the agriculture sector during the FY 2022/23 will be on the following key sector priorities: (i) increase sustainable and inclusive agricultural production, productivity, food safety, food and nutrition security and intra-regional agricultural trade; (ii) promoting livestock and fisheries value chains for sustainable economic growth and livelihoods, and; (iii) promoting value addition and agro-processing to strengthen capacities for reduction of post-harvest losses in priority strategic value chains.

(b) Industrialization and SMEs Development

- 28. Mr. Speaker,** to build on the gains made in the fruits, vegetables and pharmaceutical sectors the region adopted the EAC Post-Harvest Loss Management Strategy and Action Plan and Diagnostic Study on the Application of Herbal and Traditional Medicine in the Prevention and Therapy of COVID-19 and other Diseases in the East African Community. Also developed were the EAC integrated Fruits & Vegetables Market Information System and the integrated Pharmaceutical Market Information System (iPMIS) to support in the capture of market information and evidence based policy-making.
- 29.** To support human capacity building to enhance trade and value addition the region adopted the EAC Simplified Guidelines for MSMEs on Cross-Border Trade of Perishable Agricultural Goods in five (5) languages (English, Kiswahili, Luganda, Kirundi, Kinyarwanda) and undertook the EAC Online Capacity Building in EAC Authorized Economic Operators (AEO) Program; Good Manufacturing Practices (GMP) for Veterinary Medicine Manufacturers and Leather industries and 'Training of Trainers on EAC Harmonized Customs and Standards Procedures (F&V).
- 30.** To consolidate these efforts, the region has validated a five-year EAC Industrial Policy Implementation Action Plan for (2022-2027) to be finalized in the new financial year. With the support from GIZ, Members

of EALA undertook technical briefing and public consultations on the EAC Pharmaceutical Bill, 2020.

(c) Energy Sector

31. Mr. Speaker, EAC continued the implementation of priority energy generation and transmission projects from the Regional Power System Master Plan and the Heads of State Infrastructure Priority Projects. EAC in collaboration with the Eastern African Power Pool (EAPP) secured funding from the World Bank to undertake the feasibility study for Masaka (Uganda)-Mwanza (Tanzania) 400kV power transmission line and update the Regional Power System Master Plan. The Construction of the 14 MW Kikagati/Murongo hydropower project has been completed. Also, EAC Secretariat secured funding under NEPAD-IPPF to undertake the feasibility study for Nsongezi hydro Power project (54 MW) where Rwanda, Tanzania and Uganda will participate in its development. Construction of Rusumo hydro-power project is progressing well and is expected to be commissioned by June 2022.

32. Mr. Speaker, the EAC Secretariat together with the Centre of Excellence for East African Centre for Renewable Energy and Energy Efficiency (EACREEE) has continued to implement the project on Energy Efficient Lighting and Appliances for Eastern and Southern Africa (EELA). Minimum Energy Performance Standards (MEPS) for refrigerators and air conditioners have been prepared and are awaiting adoption. EACREEE has continued with capacity building in solar and micro hydro. Fourteen (14) training sessions in hydro conducted and

over 400 trainees trained to date and Four (4) training sessions in hydro conducted and 175 people were trained.

- 33. Mr. Speaker,** in the FY 2022/2023, EAC will continue to coordinate the implementation of priority energy generation and transmission projects from the Regional Power System Master Plan and the Heads of State Infrastructure Priority Projects, preparation of the East African Petroleum Conference and Exhibition 2023 (EAPCE'2023) and implementation of a project on 'Energy Efficient Lighting and Appliances for Eastern and Southern Africa (EELA) as well as other renewable energy projects.

(d) Environment and Natural Resources

- 34. Mr. Speaker,** during the current financial year, the following instruments were adopted by the Council of Ministers: the Protocol on Environment and Natural Resources Management; the EAC Forestry Policy and EAC Forestry Strategy; the EAC Climate Finance Access and Mobilization Strategy and the EAC Water Policy and Integrated Water Resources Management Strategy. EAC also developed a Regional Biodiversity Strategy and Action Plan and Regional initial implementation project of the Regional Biodiversity Strategy and Action Plan (RBSAP). EAC coordinated the construction of 31 hand-washing facilities at selected areas in all six Partner States. EAC also initiated the establishment of an EAC Carbon Credit Exchange Mechanism and the development of the regional climate change adaptation project to Adaptation Fund. EAC implemented the EAC Environmental Week to

showcase the achievements of EAC and Partner States in addressing environmental challenges and natural resources.

35. Mr. Speaker, in the financial year 2022/2023, the Community will focus on the following: final adoption of the Protocol on Environment and Natural Resources Management by the Council; implementation of the EAC Environmental Week to showcase the achievements of EAC and Partner States in addressing environmental challenges and natural resources, participation in Multilateral Environmental Agreements; finalization of a Regional Biodiversity Strategy and Action Plan; capacity building of EAC to implement the AU Declaration on Land; establishment of an EAC Carbon Credit Exchange Mechanism; and development of regional climate change adaptation project to Adaptation Fund.

(e) Tourism and Wildlife Development

36. Mr Speaker, the tourism marketing strategy was reviewed to reflect the impact of COVID-19 pandemic on the sector and was adopted by the 41st Meeting of the Council of Ministers. Implementation of the Strategy has commenced and this includes execution of Regional and Domestic Tourism Campaigns aimed at encouraging EAC citizens to travel within the region; organization of Regional Tourism Expos; development of regional minimum standards for tourism service providers including tour operators, travel agents and tour guides; and review of classification of hotels and restaurants in Partner States continued.

37. Mr. Speaker, the priorities for the next financial year include: finalization of the Protocol on Tourism and Wildlife Management; continued implementation of the tourism recovery interventions; organization of the 2nd Regional Tourism EXPO; finalization of the review of the classification criteria for Tourism accommodation establishments; finalization of the regional wildlife policy; development of a regional wildlife conservation and management strategy and action plan; and establishment of trans-boundary wildlife conservation areas network.

3.1.2.4. SOCIAL SECTORS

(a) Culture and Sports

38. Mr. Speaker, the 17th Sectoral Council on Education, Science, and Technology, Culture and Sports approved the dates for the 5th Edition of JAMAFEST as 4th to 12th September, 2022 in the Republic of Burundi. The EAC Secretariat has started coordinating the meetings of the regional steering committee in liaison with the host government for undertaking the Festival.

39. Mr. Speaker, the 21st Ordinary Meeting of the Summit of the EAC Heads of State held on 27th February 2021 adopted French as an official language of the Community in addition to Kiswahili and English. The Sectoral Council on Education, Science, Technology, Culture, and Sports has approved the draft Roadmap of modalities for implementing French and Kiswahili as the official languages of the community. The

EAC Secretariat is mobilizing resources to start the implementation of the roadmaps this financial year

(b) Immigration Sub-sector

40. To implement the EAC Common Market provisions for the coordination of social security benefits and to facilitate the movement of workers, in the community, the EAC Secretariat has finalized national consultations on the draft Council directive on the coordination of social security benefits. The EAC Secretariat in collaboration with development partners such as International Labour Organization and International Organization for Migration has provided technical and financial support to complete the process, and by July 2022, the directive will be ready for adoption by the Council.

***(c) Gender, Community Development and Civil Society
Mobilization Sector***

41. **Mr. Speaker**, the Secretariat, working together with the Ministries responsible for EAC and Gender affairs formed a Regional Working Group on ending Gender-Based Violence (GBV) especially given the sudden increase of violence against women and men, mostly due to the stresses of the COVID-19 situation.

42. The EAC continues to prioritize the affairs of youth and children and has to that effect developed a COVID-19 response, mitigation, and adaptation plan for children and young people in the EAC. East Africa

region has one of the youngest populations in the world, which needs to be protected from harm, supported to live, and empowered to thrive and secure the future of the region.

(d)Health

43. Mr. Speaker, the Community established the *Ad Hoc* Regional Coordination Committee on COVID-19 (EARCC) in 2020, which has been instrumental in driving the COVID-19 response in the region and served to resolve hindrances by COVID-19 on the free movement of people and goods. EAC Secretariat has conducted an assessment of the laboratories offering testing for Covid 19 and has made strikes in the implementation of the EAC Pass as a measure to ensure ban frauds in Covid testing among travelers.

44. The EAC Secretariat in collaboration with Partner States' Ministries of Health have publicly launched the Great Lakes Malaria Initiative (GLMI) at Rusumo border between Republic of Rwanda and Republic of Tanzania and Busia border between Republic of Kenya and Republic of Uganda. This initiative will foster the elimination of Malaria in the EAC region.

45. Mr. Speaker, in the financial year 2022/2023, EAC will focus on strengthening the Network of National Reference laboratories between the EAC Partner States and disease surveillance mechanisms; the support to medicine harmonization, the implementation of the pooled procurement mechanisms, as well as vaccine and medical product

manufacturing. We will accelerate the control and elimination of HIV - AIDS, the improvement of maternal and child health by implementing the newly approved EAC Comprehensive Reproductive, Maternal, New born and Child Health, HIV and Tuberculosis Programme. Furthermore, the EAC will mobilize resources to accelerate implementation of the Malaria Great lakes initiative and the reinforce the coordination of the Multi-National East African Regional Centres of Excellence (RCoEs) For Skills and Tertiary Education In Higher Medical And Health Sciences Education Programme.

(e) Education and Training

- 46. Mr. Speaker,** in Education and Training, meetings of the Technical Committees on Technical and Vocational Education and Training (TVET) were held in all Partner States to update the EAC TVET Harmonization Strategy. The EAC Secretariat mobilized USD 400,000 from the Swiss Agency for Development Cooperation for the finalization of the TVET harmonization process.
- 47.** Despite the challenges posed by the COVID-19 pandemic, the 2020 EAC Secondary School Students Essay Writing Competition was conducted successfully. The national and regional adjudications were successfully undertaken and winners at both national and regional levels were determined. The national awards for the winners are currently ongoing while the regional awards will be held during the next Ordinary Meeting of the Summit of the EAC Heads of State.

3.1.3. MONETARY UNION

(a) Cooperation in Statistics Harmonization and Development

48. Mr. Speaker, during the current Financial Year, the Secretariat revamped the EAC Open Data Portal, which will be the main dissemination tool for regional statistics, by including priority sectoral datasets of Merchandise Trade Statistics and Harmonised Consumer Price Indices. In 2022/2023, the Secretariat will consolidate this achievement by bringing on board other harmonised Sectoral datasets. The immediate focus will be on Government Finance Statistics and Monetary and Financial Statistics. The overall objective is to make available regionally comparable data for monitoring the progress towards achieving the macroeconomic convergence criteria as set out in the East African Monetary Union (EAMU) Protocol.

(d) Establishment of Institutions to support the East African Monetary Union

49. The process of establishing the East African Monetary Institute (EAMI) was initiated in March 2022 with a verification mission to Partner States who had declared interest in hosting the EAMI. The 42nd meeting of the Council is expected to consider the report of the Verification Committee and determine the Headquarters of the EAMI, as per Article 7 of the East African Monetary Institute Act, 2019. Other administrative procedures, including the development of the Organizational Structure for the EAMI, have also been

initiated. The EAMI is expected to carry out much of the preparatory work for the creation of the East African Monetary Union.

3.1.4. POLITICAL FEDERATION

(a) EAC Political Affairs

50. Mr. Speaker, with regard to the drafting of the Constitution for the EAC Political Confederation, consultations have been completed for Burundi and Uganda. The Consultations in the United Republic of Tanzania and the Republic of Rwanda are scheduled towards the end of this financial year. For Kenya and RSS the consultations will be undertaken in Financial Year 2022/2023. Once all Partner States are covered, the report will be submitted to the Summit of Heads of State.

Further, I am happy to inform this House that the Community, in promoting democratization, will deploy an EAC Election Observer Mission in the scheduled elections in the Republic of Kenya.

51. The Community's Youth Ambassadors collaborated with the African Union Youth Envoy and other partners to map out the impact of COVID-19 and prepare plans to mitigate the challenges. The Youth Ambassadors also reached out to the border communities to engage them on the pandemic and its control measures. The EAC Youth Ambassadors platform will continue to be supported as a key strategy and driver for the integration process.

(b) Peace and Security

- 52. Mr. Speaker Sir,** security and stability remain pillars of our integration process. Towards consolidating the gains that have accrued over time, the focus of investment on peace and security will be on strengthening regional conflict prevention and management capacities, through operationalization of national early warning centres, structured engagement of women and youth in peace and security initiatives in line with EAC Youth and Gender Policies and providing space for civil society to participate in Peace building efforts.
- 53. Mr. Speaker,** other critical peace and security imperatives that will be enhanced in the next year include regional counter terrorism measures and combatting supportive transnational organized crimes. Harmonization of operational structures of the Police and the Correctional services will also receive due attention being critical to the movement of East Africans as they come in contact or in conflict with the law. Operationalization of a Rapid Decision Making Mechanism for EAC on Peace and Security will ensure timely attention to evolving challenges as they arise. The Community in this endeavor will strive to promote partnership and complementarity with other sister regional organizations, specialized organizations and international organizations with security mandate on the basis of comparative strengths and advantages.

54. Mr. Speaker Sir, forced displacement of persons through conflicts manifested through protracted prima facie refugee situations in the region remains an area of concern. Harmonization of refugee management practices and facilitation of safe return of refugees will be accorded priority while regional efforts towards deterring trafficking in persons and smuggling of immigrants, trafficking in narcotics, firearms and contraband goods through capacity building, timely information exchange and joint operations.

(d) International Relations

55. Mr. Speaker Sir, I am happy to inform this August House that based on a Verification Report, the 19th Extra Ordinary Meeting of Summit held on 29th March, 2022 admitted the DRC into the Community. DRC signed the Treaty of Accession to the Treaty for the establishment of the East African Community on the 8th of April, 2022. DRC is looking forward to increased trade and investment, strengthened relations with EAC Partner States. DRC further committed to deposit her instruments of ratification with the Secretary General of the EAC by 29th of September 2022.

(e) Defence Sector

56. Mr. Speaker, the Defence Sector is promoting peace, security and stability in the Community mainly focusing on key activities aimed at achieving objectives of the areas of Defence cooperation among the EAC Partner States in Military training, Joint operations, Technical cooperation and Visits and exchange of information as provided in the Protocol on Cooperation in Defence Affairs. A major EAC Armed

Forces Integrated Field Training Exercise was conducted with the aim of enhancing Partner States' Defence Forces' capabilities in jointly combatting complex security challenges faced in the region.

- 57.** Mr. Speaker, the region has been and is still facing conflicts, peace and security challenges that include terrorism and violent extremism that will require collective resolve to settle. In this regard, continuous capacity building during the Financial Year 2022-2023 will be sustained and structures already in place will be enhanced to ensure that the required capacities are ready to support timely interventions. To strengthen our efforts to protect our borders against terrorism, piracy and other trans-national crimes, our EAC Partner States Armed Forces have a well-drawn calendar of events for annual, and periodic joint activities in the next Financial Year. These include joint exercises, sporting and cultural exchange, student exchange programmes in each other's military schools, colleges, and academies, cross border disaster response, high-level visits and free assisted passage through each other's territory.

3.1.5. CROSS-CUTTING ISSUES

3.1.5.1. Corporate Communications and Public Affairs

58. Mr. Speaker, the Corporate Communications and Public Affairs Department focused on programmes taking the integration message to various stakeholders and EAC Citizens at the grassroots to ensure inclusivity and participation in the integration process. In the financial year 2022/2023, the priorities will be fourfold, namely to: to launch and implement the 2nd EAC Communication Policy and 2nd EAC Communication Strategy; improve Media Relations and enhance Social Media engagement; launch and embark on the popularization of the EAC New Brand Identity, and; produce and distribute Infomercials and Public Education Programmes on the integration process.

3.1.5.2. Cooperation in Legal and Judicial Affairs

59. Mr. Speaker, as you may be aware, a number of laws have been enacted by this Assembly including ongoing amendments to the Customs Management Act to make the implementation of the Customs Union more seamless. The Council in the coming months and consistent with its legislative calendar will initiate a Bill on matters of Metrology in the EAC among others already mentioned elsewhere in this Speech. Initiatives are also on course in respect of judicial training and harmonization championed by the East African Judicial Education Committee headed by our judicial officers in the Partner States.

3.1.5.3. Resource Mobilization

60. As mandated by Article 71 (i) of the Treaty, the Secretariat continued to seek support from Development Partners for the implementation of EAC Projects and Programmes. During the next fiscal year 2022/2023, the Secretariat plans to undertake activities aimed at mobilizing resources for the implementation of the EAC 6th Development Strategy and the Regional Covid-19 Recovery Plan. The Secretariat will also seek to secure funds to support the EAC Institutional Strengthening and Capacity Building from Development Partners.

3.2. EAST AFRICAN LEGISLATIVE ASSEMBLY

61. Mr. Speaker, let me start by appreciating your dedicated leadership and service to this Community. Let me also register my appreciation to the Members for their service. As Council, you have been our greatest partner when it comes to furthering the objectives of the Community. This Financial Year, the Assembly undertook the following significant activities:

- i. On the legislative front, this August House passed the EAC Integrity and Anti-Corruption Bill, 2021. The process of enacting of nine (9) other Bills has also reached an advanced stage despite the challenges that slowed down the process. Among these were, the COVID-19 related travel and meeting restrictions as well as liquidity constraints, which made it so difficult to organize public hearings on

Bills to solicit views from various stakeholders to ensure that the legislative function benefits from effective participation of the people across the EAC region. The Assembly also adopted a number of resolutions in order to further its legislative work, the notable one being, the resolution to enhance utilization and access to affordable, reliable, sustainable and modern renewable energy in the Community.

- ii. In furtherance of its oversight function, the Assembly adopted a number of recommendations to the Council of Ministers, the EAC Secretariat and the Partner States, aimed at improving the overall performance of the Community in the implementation of its integration agenda.
- iii. The Assembly's representative role was undertaken through the respective EALA Chapters in the Partner States. The Chapters undertook sensitization of the people of EAC on the regional integration process, on the theme titled: "People – centered and market –driven integration: Enhancing the role of stakeholders in the implementation of the Protocol on the establishment of the East African Community Common Market."
- iv. In order to strengthen the human resource capacity of the various Organs and Institutions, the Council prioritized recruitment of key staff including those of the Assembly. I am happy to inform you that some of the staff have already reported.

62. Mr. Speaker, in the FY' 2022/2023, the Assembly will prioritize enactment of Executive/Council Bills which are under consideration by its Standing Committees. These Bills are critical for the smooth functioning of the EAC Customs Union such as the EAC Customs Management (Amendment) Bill, 2022 and the EAC Standardization, Accreditation and Conformity Assessment Bill, 2022); for enhancing social and health services to the people of East Africa like the EAC Pharmaceuticals Bill, 2020 and the EAC Sexual Reproductive Health Rights Bill, 2021); the preservation of our culture such as the EAC Cultural Heritage, Bill, 2022; While others are for progressively operationalizing the Monetary Union, which include the EAC Financial Services Commission Bill, 2022 and the EAC Surveillance Compliance and Enforcement Bill, 2022. As Council, we are optimistic that the Assembly will enact these Bills before December, 2022.

63. Mr. Speaker, the term of the 4th Assembly will end on 17th December, 2022. As expected, the commencement term of the 5th Assembly is planned to take effect soon thereafter. As Council, we shall give the Assembly all the necessary support to inaugurate the new Assembly.

3.3. EAST AFRICAN COURT OF JUSTICE

64. Mr. Speaker, in November 2021, the East African Court of Justice celebrated its 20th Anniversary in Bujumbura, Burundi, marking the Court's several achievements since its inception, such as the development of jurisprudence through the increased number of cases that it has handled. Following the anniversary, the Court has in an effort to increase its visibility and bring its services closer to the people, decided to hold its November Sessions in the Partner States on a rotational basis. The November sessions shall be preceded by the Annual East African Court of Justice Judicial Symposium.

65. The Court has during the current financial year seen, a marked increase in the number of cases filed with 77 cases filed in FY2021/2022 as compared to 68 cases filed in FY2020/2021. The Court continues to conduct its sessions both online and in-person, enabling litigants from all parts of the EAC who are unable to travel to Arusha to appear before the Court from wherever they are. The Court's major challenges remain: outdated equipment for the case management and recording system; the ad hoc nature of the services of the Judges; the systematic annual reduction of budgetary allocation to the Court despite an increase in the number of cases filed; and an outdated archiving system.

66. The Court's priority interventions in the FY 2022/2023 will be to: increase the number of cases concluded at the earliest possible time; increase Court's visibility in the Partner States; enhance the skills of the

Judges and staff of the Court, for efficient delivery of justice; and enhance collaboration with other Regional and International Courts.

3.4. LAKE VICTORIA BASIN COMMISSION

67. Mr. Speaker, in ensuring improved water quality and availability, the Commission concluded three Feasibility Studies and related bilateral Project Funding Agreements for implementation in Kenya, Rwanda, and URT, and completed the project identification study for the High Priority Investment (HPI) in Kampala. The four HPis worth USD 26.2 million will provide access to improved sanitation services to 8,800 people in Kisumu; 7,360 people in Mwanza (Tanzania), more than 1.8 million in Kigali, Rwanda and approximately 27,600 people in Kampala, Uganda.

68. Mr. Speaker, reducing vulnerability and negative effects of climate change in the Lake Victoria Basin continued to be given priority. Through the Adapting to Climate Change project, the Commission supplied and installed 149 beehives, drilled four (4) new boreholes, two (2) valley dams to promote water conservation practices; three energy-saving stoves in 3 public schools which reduced the cost of fire wood by 70%; 500 households energy saving stoves which contributed to the reduction of time spent by women in fetching firewood. Additionally, the Commission provided 160 plastic water tanks for rainwater harvesting and rehabilitated a total of 500 hectares of land in the five partner states. The Commission built the capacity of 523 community members and extension officers (54% women and 46%male) in five

Partner States on climate change adaptation technologies including water conservation practices, Climate Smart Agriculture, Community-based-Adaptation and Ecosystem-based Adaptation.

69. Mr. Speaker, the Commission continued with efforts to mobilize resources which led to the signing of financing agreements of Euros 28 million with the Government of Germany through KfW to fund initiatives related to trans-boundary water management. Mr. Speaker, the Commission is about to complete the construction of phase one of its Headquarters. The Council of Ministers further granted additional funding amounting to USD 2.19 million from the EAC General Reserve to continue with the subsequent phases of the Headquarters construction.

3.5. *INTER-UNIVERSITY COUNCIL OF EAST AFRICA (IUCEA)*

70. Mr. Speaker, through contributions from EAC Partner States and support from Development Partners, the Inter-University Council of East Africa (IUCEA) made significant achievements in the FY 2021/2022, namely:

- i. Through the East Africa Skills for Transformation and Regional Integration Project (EASTRIP), a World Bank funded project, IUCEA developed a harmonized Regional TVET Qualifications Framework (RTQF) and occupational standards.

- ii. During this reporting period, IUCEA managed to negotiate an extension of the EASTRIP project for the next two years and the ACE II additional funding from the World Bank.
- iii. Phase 2 of the IUCEA Headquarters: IUCEA continued with the procurement processes and finalized the recruitment of the consultancy services to design and supervise the construction.
- iv. EAC-KFW Scholarship Programme: a total of 117 Master's Students have been so far enrolled in 36 eligible master's academic programs hosted in 11 participating universities.
- v. Kyungdong University scholarship scheme (university based in South Korea), 56 students have been fully facilitated to undertake undergraduate degrees in smart computing, business administration and hotel management. 25 students with full paid scholarships were facilitated to undertake an MSc degree in Embedded and Mobile Systems.
- vi. IUCEA established a student mobility sponsorship scheme that will implement the integration agenda through higher education in Universities in the EAC region.
- vii. East Africa Skills for Transformation and Regional Integration Project (EASTRIP), 100 fully paid postgraduate scholarships were secured in the Republic of China to undertake Masters and PhDs degrees in Technical and Vocational Programmes. 40 scholars have already embarked on their postgraduate studies in China;
- viii. IUCEA through the East and Southern Africa Higher Education Centers of Excellence Project (ACEII) funded by the World Bank has fully sponsored 40 female students to undertake quality post-graduate in the regional priority areas of (i) STEM (Science,

Technology, Engineering and Mathematics) or Industry, (ii) Agriculture, (iii) Health, (iv) Education and (v) Applied Statistics.

Mr. Speaker, in the FY 2022/2023, IUCEA will focus on: Strengthening the capacities of universities to cope with the impact of the after - COVID-19; enhancement of EAC Quality Assurance, qualifications framework, staff and students' mobility in the EAC and beyond, including a regional hub for integrated higher education, strengthening of capacities of universities in the management and use of technology for education and development in the region;

71. Mr. Speaker, the EAC, through its project "Digital Skills for an Innovative East African Industry" (dSkills@EA), has launched an online matchmaking platform for skills. Skillsmatch links young professionals with businesses for jobs, internships and applied master theses and aims to bridge the skills gap, especially regarding digital skills for the application and development of digital products and services that are needed in the region's industry.

3.6. LAKE VICTORIA FISHERIES ORGANIZATION (LVFO)

72. Mr. Speaker, the Lake Victoria Fisheries Organization continued with implementation of three (3) major projects (GIZ, €COFISH & TRUEFISH), significantly contributing to the delivery of the organization's mandate. LVFO also continued collaborating with international universities, FAO and other international and regional institutions in capacity building and research.

LVFO has developed a new Strategic Plan; a new Fisheries Management Plan; a new Nile Perch Fisheries Management Plan; an LVFO Data and Information Sharing Policy; revised Fisheries Co-operative Management Guidelines, and a Cage Fish Farming Policy for the EAC.

Further, LVFO carried out a lake-wide fish stock assessment in Lake Victoria through hydro-acoustic survey in October 2021 to update on the status of fish stocks in the lake, for rational management of the fisheries resources.

73. Mr. Speaker, the priority areas for the FY 2022/2023 shall include conducting regionally synchronized Monitoring, Control and Surveillance operations on Lake Victoria; carrying out strategic zoning for cage fish farming to enhance blue economy growth; and to undertake rigorous training programmes for fish farmers in the EAC.

3.7. EAST AFRICAN KISWAHILI COMMISSION

74. Mr. Speaker, following the adoption of Kiswahili as an official language of the EAC by the 21st Summit of the EAC Heads of State, as was directed by the Summit, a Roadmap for implementation of Kiswahili as an official language of the Community has been developed and adopted by the Sectoral Council on Education, Science and Technology, Culture and Sports. It will guide the implementation of Kiswahili as an official language of the EAC. Part of the main focus of

the Commission will now be on the implementation of this Roadmap for implementing Kiswahili as an Official Language of the Community as was directed by the Summit.

UNESCO declared 7th July as World Kiswahili Language Day to be celebrated annually. This is in recognition of the global relevance of Kiswahili as a language of global communication, expression of African cultures and identities and as the most widely used African language. The Commission has commenced preparations for celebrations of the inaugural World Kiswahili Language Day on 7th July, 2022 in Zanzibar.

75. Mr. Speaker, the Government of Zanzibar has offered to allocate the Commission land for the construction of the Permanent Headquarters of the Commission. The Commission is working towards finalizing this process with the Government of Zanzibar.

76. Mr. Speaker, the Commission concluded the development of Kiswahili Training Programmes for the EAC Partner States targeting key stakeholders. It also undertook training of trainers in all Partner States for the implementation of these programs. The Commission will now proceed to implement these programmes in liaison with the Partner States.

3.8. EAST AFRICAN SCIENCE AND TECHNOLOGY COMMISSION (EASTEKO)

77. Mr. Speaker, EASTECO developed the EAC regional Strategy for indigenous knowledge and technology Systems (IKTS); held the second science technology and innovation Conference and exhibition, which was attended by 500 participants, had 20 innovation exhibitions and published 15 scientific papers in peer-reviewed journal; Convened the 3rd EAC Regional e-Health and Telemedicine Workshop, Ministerial Conference and International Trade Exhibition; Developed the East African Science technology and innovation (STI) Indicators and web-based electronic database for knowledge management, monitoring and evaluation.

During this period, EASTECO trained 700 scientists on scientific writing and grant proposal development; Developed Research Technological Organizations database for enhanced access, adaptation, transfer and diffusion of manufacturing and industrial technologies; Published and disseminated the EAC Regional Research Agenda and Management Framework that provides research direction in line with the EAC development priorities and shared social-economic aspirations of the region; Identified technology tools and solutions for agricultural value addition to aid in processing, conservation, and distribution of agricultural products in the region; and established collaborative linkages with Public Library of Science (PLOS), and the Training Centre

in Communication (TCC Africa) to implement Open Science and Open Access principles for EAC through signing an MOU.

78. Mr. Speaker, in the FY 2022/2023, EASTECO's priorities will include the development of a roadmap for e-health and telemedicine programs with monitoring and evaluation framework; online dissemination of EAC Regional STI Policies and Strategies; implementation of the Regional Bio-economy Strategy; support to commercialization of innovations and technology transfer; promotion of patent application and use of available patents; promotion of access and adoption of technological solutions for energy and environment; development of space systems and technology programme; enhanced publication of the East African Journal on Science, Technology, and Innovation;. Strengthening of regional networks of ICT Hubs; implementation of the EAC Regional STEM program; development of EAC regional Digital Agenda; Operationalization of the STI Indicators and web-based database for monitoring STI in the region; and operationalization of the East African Research and Technological Development Fund.

EAST AFRICAN HEALTH RESEARCH COMMISSION (EAHRC)

79. Mr. Speaker, the EAHRC implemented the following activities in the Financial Year 2021/2022: Held the hybrid 8th East African Health and scientific conference in Nairobi, Kenya from 17th - 19th November, 2021, where around 2,000 participants attended; organised the 5th session of the Young East African Research Scientists (YEARS) forum on strengthening research ecosystem skills and coordinated the 1st

YEARS' Baraza; published two regular issues and one supplementary issue of the East African Health Research Journal and one regular issue of the East Africa Science.

80. **Mr. Speaker**, during the Financial Year 2022/2023, EAHRC will focus on the following key priorities: strengthen Young East African Research Scientists in research ecosystem skills; resource mobilization for the implementation of the Digital Regional East African Community Health (REACH) initiative; hold the 9th East African Health and Scientific Conference and publication of the EAHRC journal issues.

3.9. EAST AFRICAN COMPETITION AUTHORITY (EACA)

81. **Mr. Speaker**, the Authority developed relevant enabling subsidiary legislations which include Merger and Acquisition Regulations, prescribing Merger and Acquisition thresholds and fees, Rules of conduct of Authority affairs and among other processes to facilitate enforcement of the EAC Competition Act, 2006.
82. In addition, the Authority developed a Commissioners Charter and a code of conduct to enhance efficiency and effectiveness of the Authority by providing for ethical values of responsibility, accountability, fairness and transparency in the operations of the Authority. The Charter incorporates principles of corporate governance as essential values of the Authority in discharging its mandate, while, the code of conduct prescribes the conduct, standards of practice and

acceptable behavior for Commissioners as they discharge their duties and responsibilities.

83. Mr. Speaker, in the FY 2022/2023, the Authority will focus on the following key priorities: Finalize the development of the regulations and guidelines to operationalize the EAC Competition Act; implement the Outreach and Advocacy Strategy; finalize MOUs with regional and EAC national competition agencies; and Commence enforcement of competition cases.

3.10. AUDIT FOR THE FINANCIAL YEAR 2020/2021

84. Mr. Speaker, I am happy to report that, as result of enhanced internal controls and accountability across the Organs and Institutions, the EAC Audit Commission issued an unqualified (clean) audit opinion to all Organs and Institutions of the Community, as well as projects and programmes implemented, for the financial year ended 30th June, 2021. The Audit Commission is expected to present the Audit reports to the Council for onwards transmission to the East Africa Legislative Assembly for debate.

IV. SUPPLEMENTARY BUDGET FOR FINANCIAL YEAR 2021/2022

85. Mr. Speaker, in this part of the Budget Speech, the Council is seeking the approval by the Assembly of a Supplementary Budget totaling **USD 9,031,311** in order to accommodate additional activities being

implemented by the Assembly, EAC-Secretariat, Lake Victoria Basin Commission, Inter- University Council for East Africa, Lake Victoria Fisheries Organization, East African Science and Technology Commission and East African Health Research Commission. The activities are as follows:

- 1) Public relations and publicity programmes and finalization of the EAC Brand Architecture Strategy for USD 99,600;
- 2) Maintenance of the EAC headquarters office machinery for USD 35,000;
- 3) Preparation for The High Level Retreat of the Summit of EAC Heads of State on the Common Market Protocol for USD 144,700;
- 4) Counterpart Funding for the Multinational Tanzania / Burundi road project for USD 35,900;
- 5) Verification mission to Partner States in respect of the applications to host the East African Monetary Institute for USD184,050;
- 6) Negotiation with DRC Congo to join East African Community for USD 282,300;
- 7) Consolidation of compendium areas for implementation of sectoral council decision that Partner States determine areas in which to take common foreign policy and conduct the Extra Ordinary meeting of sectoral council on foreign policy coordination for USD 47,000;
- 8) Legal and judicial activities and conduct meeting of the East African Judicial Education Committee for USD116,500;
- 9) Evaluation of the 1st EASTECO and developing the new 5 years' strategic plan 2022-2027 for USD 89,880;

- 10) Holding the 8th East African Health & Scientific Conference and develop the 2nd EAHRC 5-year Strategic Plan 2021-26 for USD149,170;
- 11) Organization and holding of Annual Inter Parliamentary games for USD 519,350;
- 12) Payment of Court awards to Hon. (Dr.) Margaret Nantongo Zziwa for USD586,262 and Senior Procurement Officer, Mr. Pornvetra S. Anjimbi, for USD 10,000;
- 13) EAC recruitment process for USD 310,200;
- 14) Reviewing of EAC staff Rules and Regulations (2006) for USD 65,250;
- 15) Induction retreat for the Procurement Committee for USD 8,850;
- 16) Construction of the Lake Victoria Basin Commission (LVBC) Headquarters in Kisumu, Kenya for USD 950,000;
- 17) WASH Project, health promotion sensitization and awareness on COVID-19 and other communicable disease in EAC region, and joint covid-19 response plan on monitoring and evaluation on hand washing facilities construction, with support from IOM for USD 85,881;
- 18) COVID-19 Regional response activities under EAC Health Services funded by AfDB for USD 533,723;
- 19) Consultancy services for Media Relations support, project coordination and Conclusion of EAC-I-Deserve Short Film Competition awards at national and regional levels, funded by GIZ for USD 76,000;
- 20) Rebranding the EAC photo gallery funded by the Government of the Peoples Republic of China for USD 10,000;

- 21) Strengthening Laboratory capacity for covid-19 responses and utilization of phase 1 contingency fund, funding from KFW-Government of Germany for USD 2,269,306;
- 22) EAC joint Response to Regional and cross border security threat project to procure interceptor motor bikes for border security, ballistic comparison microscope and extension and operationalization of EAC Ballistic Information Network (EABIN), funding from EU-Transnational Organized Crime for USD 1,299,500 funded by the European Union;
- 23) Development Objectives Grant Agreement (RDOAG)-LVBC to improve the conservation and management of trans-boundary natural resources in East African Region with USAID funding for USD 116,440;
- 24) Nile Cooperation for Climate and Resilient (NCCR), collaboration with Nile Basin Initiative (NBI) to improve mechanisms for cooperation on water resources management and development in the Nile Basin funded by World Bank for USD 161,870;
- 25) The enhancement of research management capacities for improved performance of higher education systems in East Africa funded by Swedish International Development Agency (SIDA) for USD 88,042;
- 26) Implementation of the Digital Skills for an Innovative East African Industry (dSkills@EA) funded by GIZ USD 127,850;
- 27) Short term Consultancy to develop a data and information sharing policy in LVFO and Operation Save Nile Perch (OSNP)-activities funded by General Reserve fund and OSNP fund held by LVFO USD 82,680;

- 28) Ecofish project – high level policy dialogue on illegal unregulated and unrecorded fishing and sensitize and multi stake holders consultative and TRUE FISH administrative activities funded by EU, Indian Ocean Commission and FAO USD191,578;
- 29) GIZ project on the evaluation of the implementation status of the Nile perch Fisheries management plan – NPFMP-2 and develop NPFMP- for USD192,720;
- 30) Collaboration with University of St. Andrews, Scotland UK for workshop on food security and health by reducing human Schistosomiasis and Lake Victoria Basin Communities tenure and User rights- based community management project preparation facility for USD 120,519;
- 31) Co-creating methods of assessing climate change perception in fishing communities funded by Mental Models of Climate Change Risks to facilitate Climate Action (MECCA) for USD 41,190;

V. EAC BUDGET FOR THE FINANCIAL YEAR 2022/2023

86. Mr. Speaker, the MTEF for the FY 2022/23-2024/25 has been prepared in line with the 6th EAC Development Strategy and global and sector-specific priority areas as adopted by the 41st Ordinary Meeting of the Council of Ministers held in November 2021, and various Summit and Council Directives, and Sectoral/Departmental projections.

(a) *Priority Interventions for the FY 2022/2023 Budget*

87. Mr. Speaker, during the FY 2022/23, the Community will focus on the following global priority areas:

- i. **Peace and Security** - Strengthening of regional governance, political commitment, accountability, and inclusivity to improve peace and security in the build-up to an EAC Political Confederation and with the expanded Community;
- ii. **Private Sector Development and Participation** - Increased visibility, knowledge, awareness and participation of the Private Sector, citizens and other stakeholders in the EAC integration process;
- iii. **Economic Integration** - Effective implementation of the EAC Customs Union and Common Market Protocols to increase EAC intra-trade and enhance freedoms and rights under the Common Market Protocol;
- iv. Improvement of productivity, value addition, promotion of regional supply chains, local content, and domestication of regional commitments to improve the socio-economic welfare of East Africans;
- v. **EAC Digitalization Agenda** - Leveraging on new technologies to support the migration of production and service delivery to digital platforms and enhance e-business opportunities;
- vi. **Health** - Strengthening of the Global Health Agenda for the EAC Region;
- vii. Implementation of the Road Map for the attainment of the EAC Monetary Union;

- viii. **Infrastructure Development** - Improvement of quality multi-sectoral strategic infrastructure and related services to support and accelerate sustainable regional integration and competitiveness; and
- ix. **Institutional Strengthening and Transformation** - Strengthening of the capacity of all EAC Organs and Institutions to effectively execute their mandates.

(b) *Expected Outcomes during Financial Year 2022/2023*

88. Mr. Speaker, It is expected that implementation of the above priority programmes will result into the following outcomes:

- a) Improved peace and security in the build-up to an EAC Political Confederation;
- b) Increased awareness and active participation of the Private Sector, citizens and other stakeholders in the EAC integration process;
- c) Increased EAC intra-trade and enjoyment of freedoms and rights under the Common Market Protocol;
- d) Improved productivity, value addition, promotion of regional supply chains, local content leading to improvement of the socio-economic welfare of East Africans;
- e) Increased level of e-business opportunities resulting from the migration of production and service delivery to digital platforms;
- f) Strengthened Global Health Agenda for the EAC Region;

- g) Enhanced implementation of the Road Map for the attainment of the EAC Monetary Union;
- h) Improved quality multi-sectoral strategic infrastructure and related services to support and accelerate sustainable regional integration and competitiveness; and
- i) Strengthened capacity of all EAC Organs and Institutions to effectively execute their mandates.

(c) *Budget Proposal and Allocation to Organs and Institutions for FY 2022/2023*

89. Mr. Speaker, the Council submits a budget amounting to USD 91,579,215 for the next Financial Year. Out of this amount, USD 54,079,871 (59%) will be contributed equally by Partner States or raised as other internal revenues and USD 37,499,344 (41%) is expected to be sourced from the Development Partners.

90. The Budget is allocated to the Organs and Institutions of the EAC as follows:

- (i) EAC-Secretariat: USD 45,137,041;
- (ii) East African Legislative Assembly: USD 15,086,640;
- (iii) East African Court of Justice: USD 3,803,836;
- (iv) Lake Victoria Basin Commission: USD 8,289,474;
- (v) The Inter University Council for East Africa: USD 10,566,869;
- (vi) Lake Victoria Fisheries Organization: USD 2,807,083

- (vii) East African Science & Technology Commission: USD 1,725,256;
- (viii) East African Kiswahili Commission: USD 1,284,219;
- (ix) East African Health Research Commission: USD 1,867,665;
and
- (x) East African Competition Authority (EACA): USD 1,011,132.

(d) *Budget Assumptions*

91. Mr. Speaker, the budget for the financial year 2022/2023 has been developed taking into consideration the following key assumptions:

- a) Continued and consolidated political support for the EAC integration;
- b) Availability of adequate financial resources and timely remittances;
- c) Continued financial support from Development Partners;
- d) Political stability and good governance;
- e) Safe and stable security across the region;
- f) Conducive macro-economic and business environment in the region;
- g) Global economic stability; and
- h) A sustained recovery from the effects of the Covid-19.

VI. ACKNOWLEDGEMENTS

92. Mr. Speaker, please join me in recognizing and appreciating the continued cooperation and support from both Partner States and the following key Development Partners:

- (i) African Development Bank (AfDB);
- (ii) World Bank;
- (iii) United States of America and its Agency (USAID);
- (iv) European Union (EU)
- (v) United Nations Environment Programme (UNEP)
- (vi) The Federal Republic of Germany through its agencies, GIZ and KfW;
- (vii) Swedish International Development Agency (SIDA);
- (viii) Bill and Melinda Gates Foundation
- (ix) Swiss Federal Department of Foreign affairs
- (x) International Institute for Applied Systems Analysis; and
- (xi) St Andrews University

The EAC looks forward to strengthening and expanding cooperation and collaboration with all these Development Partners.

Mr. Speaker Sir, I beg to move.

**East African Community
Arusha, Tanzania
June 2022**