20TH AUGUST, 2024

# EAST AFRICAN COMMUNITY

# WEEKLY HIGHLIGHTS

*DEEPENING INTEGRATION, WIDENING COOPERATION*

## ON THE SPOTLIGHT

- ***KEPSA hosts East African Community Secretary General Roundtable***
- ***Inaugural EAC Education Conference calls for joint regional efforts to transform the sector in the digital age***
- **EAC Sectoral Council on Cooperation in Defence Affairs meeting takes place**

## KEPSA HOSTS EAST AFRICAN COMMUNITY SECRETARY GENERAL ROUNDTABLE

The Kenya Private Sector Alliance (KEPSA) hosted the East African Community (EAC) Secretary General Roundtable in Nairobi.
The engagement between KEPSA and the EAC Secretariat is a pivotal mechanism for driving regional economic integration, improving the business climate and ensuring that the private sector's voice is heard in the policymaking process.

It underscores the importance of collaboration between the public and private sectors in achieving a more integrated and prosperous East African region; ultimately, enhancing the ease of doing business and fostering Kenya's competitiveness in the region and globally.

The Community has recorded several achievements in implementing the different stages of integration including the use of an electronic EAC Passport as a common travel document, removal of visa requirements for the EAC citizens from one Partner State to another, issuance of gratis student passes among others, implementation of the Single Customs Territory, and the adoption of a four-band structure. The region is projected to grow by 5.1% this year and 5.7% in 2025, outpacing the global and Sub-Saharan African averages.

Speaking at the Roundtable, the EAC Secretary General, H.E. Veronica Nduva, CBS, noted that to forge forward, the regional private sector needs to find a common ground where safeguarding national interests aligns with promoting regional benefits. “To reduce protectionism by EAC Partner States, the private sector needs to embrace product diversification, specialisation and value addition in manufacturing and take advantage of the over 300 million EAC market,” she noted.

Ms. Nduva provided an overview of the intra - EAC Trade value noting that it had increased by 14% to USD 12.2 Billion in 2023 compared to 9.2% at USD 10.7 Billion in 2022 with a percentage share of 13% of total EAC trade with the Rest of the World. “The EAC total trade grew by 2.3 percent to US$80.6 billion in 2023 from US$78.7 billion in 2022,” she added.

The Secretary General called on the private sector to invest in sectors that have the potential to drive economic growth such as manufacturing, agriculture and services and to promote regional integration, trade and investment to maximize the potential benefit of economic growth. Ms. Nduva noted that the EAC Secretariat has made great strides, but more still needs to be done.

“The EAC Customs Union has successfully eliminated tariffs on intra-regional trade since 2005, resulting in a remarkable over 60% increase in intra-EAC trade. The introduction of the Non-Tariff Barriers (NTB) reporting platform has been transformative for trade facilitation within the EAC. With over 1,000 standards harmonized, intra-EAC trade has been significantly streamlined, ensuring consistent quality and safety of products and services,” she noted, further reiterating EAC’s commitment to pushing for fast tracking of laws and policies across various Partner States to comply with the Common Market Protocol commitments.

Intra-EAC and inter-regional trade increasingly reflects more manufactured products such as textiles, chemicals, edible oil, cement, iron and steel, cosmetics, plastics and pharmaceuticals; and KEPSA has made instrumental contributions towards the significant strides made by EAC in enhancing economic growth, trade, and investment among its member states.

Particularly, the apex body of the private sector in Kenya has supported regional integration initiative, including championing the elimination of non-tariff barriers (NTBs). Furthermore, KEPSA has also actively advocated the revision of stringent rules through robust policy dialogue and stakeholder engagement. This advocacy is essential for creating a more conducive business environment for the private sector in Kenya and the region, enhancing their competitiveness and facilitating better market access.

On his part, the KEPSA Chair, Dr. Jas Bedi (left), acknowledged that as the largest economy in the EAC, Kenya has greatly benefited from regional integration. The service sector, particularly travel and other services, has been a key driver of growth, accounting for over two-thirds of total trade in services. However, he said, the EAC still faces challenges in industrialization. The region remains under-industrialized due to factors like low electricity access, high costs, poor infrastructure, and protectionist policies.

“Addressing these issues is crucial for boosting competitiveness and reducing trade deficits, and one of the things we propose is the establishment of a regional task force to identify and address these bottlenecks, with input from the private sector. KEPSA stands ready to collaborate with the EAC Secretariat and Partner States to address the private sector's concerns and unlock the region's economic potential,” said Dr. Bedi.

The roundtable outlined these and other critical issues impacting intra-EAC trade and investment, alongside proposed actionable steps for the EAC Secretariat and Member States, as well as for the private sector to address them.

“One of the critical areas that need urgent attention is the alignment and integration of the revenue collection processes among EAC Member States. Currently, importers face varying requirements and levies despite sourcing from the same jurisdiction and dealing with similar products under the same Harmonized System (HS) codes,” noted Ms Carole Kariuki, the KEPSA CEO. She gave the example of importers in Rwanda and Uganda who often encounter discrepancies in levies for identical goods, leading to inconsistencies that hinder trade efficiency.

The roundtable emphasized robust collaboration among businesses within the region, as an essential strategy for growth and competitive advantage in the contemporary business landscape. Additional recommendations from KEPSA included aggressive civic education campaigns to inform traders and the public about the rules, tariffs, and processes involved in cross-border trade; eliminating paper-based processes in favor of fully digital transactions, managed by a centralized EAC platform; addressing corruption at border posts; and increasing the value addition in exports and differentiating products to enhance competitiveness. Moreover, the integration efforts should be continuously refined to respond to the dynamic needs of the market and the aspirations of its member states.

# INAUGURAL EAC EDUCATION CONFERENCE CALLS FOR JOINT REGIONAL EFFORTS TO TRANSFORM THE SECTOR

The Vice President of the United Republic of Tanzania, H.E. Philip Mpango, has called for joint and concerted regional efforts to tackle challenges in the bloc's education sector. H.E. Mpango made this call today during the opening ceremony of the Inaugural EAC Regional Education Conference held in Arusha, Tanzania.

The conference themed, *'Educate an African Fit for the 21st Century: Collective Action for Quality, Inclusive, and Life-long Learning in East Africa,'* focused on improving education in the region.

H.E. Mpango urged EAC Partner States to enhance their education systems to meet the demands of the 21st century. He emphasized the need to embrace global education reforms that focus on flexibility and technology integration.

"It's upon us to invest in education, adopt innovative approaches and ensure quality learning opportunities for every child. Together, we can create an education system that not only addresses today's challenges but also ensures a prosperous future for the region," he stated.

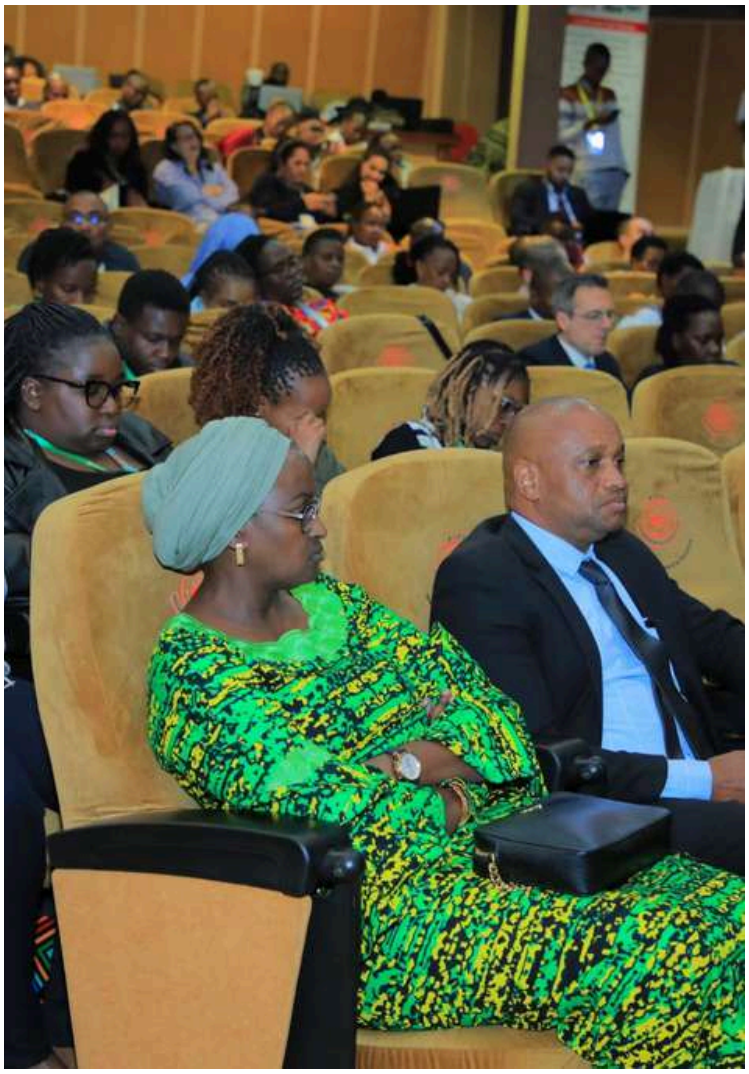
The Vice President acknowledged the region's significant challenges in the education sector, stating that increasing teacher capacity, improving funding, and embracing digitization are essential. He highlighted the region's youthful population and high fertility rates as both opportunities and responsibilities for building a better future.

H.E. Mpango noted that Tanzania is already updating its curriculum to better prepare students for the modern world. "Within the education system, we have divided secondary education into two streams, one focusing on general education and the other on vocational education". To this end, we will have some students who will graduate with both a secondary school certificate and also a Vocational Training Certificate, added Vice President.

The conference aimed at facilitating discussions on building resilient education systems that address the diverse needs of learners and improve quality education across the EAC. Regional education stakeholders will develop and share best practices for implementing evidence-based, innovative, and sustainable education solutions.

The conference also aimed at establishing a regional network and forum to strengthen multi-sectoral partnerships for advancing education in the EAC. Additionally, the conference will amplify the need for enhancing quality education for disadvantaged children and outline concrete actions for sustainability.

On her part, EAC Secretary General, H.E Veronica Nduva, highlighted the importance of the regional education conference, stating, “Today marks a milestone as we launch our first regional conference on education. It shows our collective commitment to education as a key to our children’s futures.”



***Tanzania's Minister of Education, Science and Technology, Hon.Prof. Adolf Mkenda, speaking at the conference.***

She acknowledged progress made in the region's education and stressed the need to address ongoing challenges.
"While we've made strides in education, many children are still out of school, and dropout rates are rising. Foundational learning remains a critical focus." The Secretary General further called for unified efforts to make a significant impact on education and encouraged all stakeholders to contribute to creating a shared future for everyone.

Addressing the conference, Tanzania's Minister of Education, Science and Technology, Hon.Prof. Adolf Mkenda, noted that improving the quality and accessibility of primary and secondary education has been a top priority for the government.

"We are committed to continue investing in infrastructure development, teacher training and ensuring the availability of quality learning materials," he stated.
Prof.Mkenda noted that investing in regional educational infrastructures is critical to facilitate the implementation of productive educational reforms.

Also present at the event was Tanzania's Deputy Minister for Foreign Affairs and East African Cooperation, Hon. Dennis Londo; African Union Commissioner for Education, Science and Technology, H.E. Prof. Mohamed Belhocine; Head of the EU Delegation, H.E. Christine Gau; EAC Deputy Secretary General Hon. Andrea Aguer Ariik Malueth; and various heads of delegations and institutions.

# EAC Sectoral Council on Cooperation in Defence Affairs

Among the items on the agenda were; considerations of the report of Commandants of Military Academies of the EAC Partner States Armed Forces & Draft Defence Sector Calendar of Activities for the Period July to December 2024

# EAC flags off cyclists participating in the 2024 Edition of the annual Great African Cycling Safari

The EAC Deputy Secretary General, Infrastructure, Productive, Social and Political sectors, Hon. Andrea Ariik, flagged off 20 cyclists participating in the 2024 Edition of the annual Great African Cycling Safari at the EAC Headquarters in Arusha, Tanzania. The purpose of the safari is to create awareness on the benefits of the integration by sensitizing local communities as they interact with them. The tour's focus is promoting food security, peace and climate change mitigation.

# PICTORIAL

***Tanzania's Deputy Minister for Foreign Affairs & East Africa Cooperation, Hon. Dennis Londo paid a courtesy call on EAC Secretary General H.E Veronica Nduva on the margins of the Education conference. Also present were; EAC Deputy Secretary General (IPS &PS), Hon. Andrea Ariik and Tanzania's Permananent Secretary, EAC Affairs, Amb. Stephen Mbundi***.

# UPCOMING EVENTS

- The East African Business Council (EABC) CEOs - EAC Secretary General Round Table, Arusha , Tanzania - 21st August, 2024

- 19th Meeting of the Directors General of Civil Aviation Authorities, Arusha, Tanzania- 22nd -23rd August, 2024

- Mission to Assess the Impact and Training on One Stop Border Performance Management Tool and EAC Non-Tariff Barriers App, Namanga-Sirali/Isibania borders 19th -24th August, 2024

# TOP REGIONAL NEWS

- **Bypass to boost Kenya-Tanzania cross border trade**

  Cross border trade between Kenya and Tanzania at Lunga-Lunga One Stop Border Post (OSBP) will increase, after connection with the port of Mombasa was opened after completion of Dongo Kundu bypass.
  MORE

- **Regional peace is a priority for Rwanda, Kagame says**

  President Paul Kagame, on Sunday, August 11, emphasised that the prevalence of peace in the region is Rwanda's priority, noting that it is not a matter of 'ditched-out favours', but everyone's obligation. Kagame said that despite being a priority, peace has been lacking, particularly in eastern DR Congo, emphasizing that it cannot be delivered by anyone from anywhere no matter how powerful if the party most directly concerned does not do what is needed. MORE

- **EAC, UNESCO renew commitment to enhance collaboration**

  THE East African Community (EAC) and UNESCO are set to strengthen their collaboration with a new Memorandum of Understanding, emphasising joint efforts in education, culture and the promotion of Kiswahili.According to a statement posted on the EAC Secretariat website, both the EAC and UNESCO have committed to negotiate and sign a new Memorandum of Understanding to replace the one that was signed by both organisations in 2006. MORE

- **Rwanda overtakes Tanzania, Kenya in cheap broadband internet race**

  Rwanda now offers the most affordable broadband internet compared to its counterparts in the East African Community (EAC) bloc. This is according to a new report published by the British technology research firm Cable. The firm reports that Rwanda has overtaken Tanzania and Kenya to offer the cheapest rates in the region comprising eight member states. MORE

- **Afreximbank to double intra-African trade financing to $40bn by 2026**

  The African Export-Import Bank (Afreximbank) has said that it plans to double its financing of intra-African trade from $20 billion in 2021 to $40 billion by 2026.The announcement was made by Haytham ElMaayergi, Afreximbank's Executive Vice President for Global Trade Bank, while addressing participants and guests in Abuja, Nigeria at the African Caucus Meeting of the World Bank Group, and the International Monetary Fund (IMF). MORE

# GLOBAL NEWS HIGHLIGHTS

- **America's slowing job market**

  America's lucrative job market of recent years is now long gone, with the unemployment rate recently rising to its highest level since October 2021. But there's still some serious momentum in one industry.These workers have plentiful jobs available to them across the country and are raking in higher wage gains than the broader private sector. MORE

- **UK riots show how social media can fuel real-life harm.**

  The widespread anti-immigrant riots in the United Kingdom of the past week, and the false viral claims that fueled them, may be the clearest, most direct example yet of the way unchecked misinformation on social media can produce violence and harm in the real world.For nearly a decade, governments and civil rights groups have increasingly argued that online platforms have created enormous societal costs. MORE

- **Google has illegal monopoly over internet search, US judge rules**

  A judge in the United States has ruled that Google spent billions of dollars to create an illegal monopoly for its search engine, exploiting its dominance to squash competition and stifle innovation.Monday's landmark decision that Google broke antitrust law marks the first major success for US authorities taking on the dominance of Big Tech, which has come under fire from across the political spectrum. MORE

- **Mali cuts diplomatic ties with Ukraine over Wagner attack controversy**

  Mali has announced it is severing diplomatic ties with Ukraine, accusing a senior official of having admitted Kyiv's role in a heavy defeat in July that killed dozens of mercenaries from Russia's Wagner group as well as Malian soldiers.Ukraine's actions violated Malian sovereignty and constituted unacceptable foreign interference and support for international terrorism, according to Maiga.MORE

- **Kamala Harris to announce vice president pick before battleground states tour**

  USA Vice President Kamala Harris is expected to announce her running mate by Tuesday after conducting interviews with top contenders at her Washington, D.C., residence over the weekend, two sources with knowledge of the matter said.
  Harris' decision could be announced at any time ahead of her first public appearance with the vice presidential nominee on Tuesday in Philadelphia, before they start a cross-country tour across several battleground states likely to decide the election, the sources said. MORE

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