

Q&A

Hon. Beatrice Kiraso on political federation

EAC-MRH

A project to assure access to safer medicines

IN FOCUS

Harmonisation of national laws well on course

GOVERNANCE

Tackling corruption on the regional front



THE COMMUNITY

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NON TARIFF BARRIERS

EAC plots a lasting solution

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FROM THE SG

LET'S SAY NO TO NTBs



AMB. DR. RICHARD SEZIBERA
EAC SECRETARY GENERAL

In March this year, a dedicated Multi-Sectoral Ministerial Meeting on Elimination of Non Tariff Barriers in the Community was held in Mombasa, Kenya. It was the latest, but certainly not the last, of our endeavours to free the region from one of the most notable shackles to a meaningful and profitable integration.

As East Africans, we have much to delight about in the investment trajectory in the region, and in the continued expansion of intra-EAC trade, which has grown from about \$2 billion at the onset of the Customs Union in 2005 to \$4 billion in 2010.

While we take pride in these developments, we also recognise that any celebration of these achievements must be tempered by the fact that the advances we report today have largely come in spite of the existence of formidable yet avoidable obstacles—the pervasive NTBs.

In fact, there is some merit in arguing that a lot of progress registered to date owes in no small part to the resilience of our business community as opposed to the magnanimity of our business climate. This is not the way things should be.

It is encouraging to note, therefore, that across the bloc there exists a fervent desire to strike a fatal blow upon the long existing and the emerging NTBs, a desire often expressed in word and in deed at the highest level of authority in the EAC—the Summit of Heads of State.

The thrust to tackle NTBs is constantly being reaffirmed and renewed through a variety of initiatives which include establishment of National and Regional Monitoring Committees as well as through bilateral arrangements between/among Partner States to remove those barriers that are unique to them.

At the regional level, the EAC is in the process of actualising a harmonised vehicle load control system, which will go a long way in removing a range of obstacles on the region's transport corridors; while, starting last November, the Secretariat publishes a quarterly report on NTBs that allows us to keep track of developments in this area.

Similarly encouraging are the ongoing discussions on putting in place a robust legally binding mechanism that will empower the region to take bold and effective steps towards elimination of NTBs in the regional trading arena.

Ultimately, however, the overarching solution lies in the creation of a Single Customs Territory (SCT) within the fully fledged EAC Customs Union. The visionary leadership of the Summit is most committed to realising the SCT and that is great news for East Africans.

The SCT, by removing a multitude of bottlenecks businesspeople currently encounter, will help reduce costs of doing business with the savings that accrue being passed on to *wananchi* in form of lower commodity prices.

Integration must be felt in the pockets of the ordinary East African for it to be regarded as truly successful. Although the focus of the integration process has been trade and commerce, it is exciting to note that tangible benefits are starting to emerge in the social sector arena.

This year for example, we launched a project for harmonised medicines regulation. This project aims to ensure essential medicines sold in the region are safer, easier to access and more affordable. Such developments point to an EAC that is edging to a more central location in the economic, social and political aspects of East African life; the way our founding fathers envisaged it.



EACJ GETS FULL TIME JUDGES

From July this year the Judge President and the Principal Judge of the East African Court of Justice will take up permanent residence in Arusha, Tanzania in a bid to bolster the Court's dispensation of its mandate.

The 24th Ordinary Meeting of the Council of Ministers held in Burundi last November directed that the services of the two EACJ Judges be full time with effect from 1 July 2012 and their residence be in Arusha, where the Court is located.

Since the Court was inaugurated on 30 November 2001, the President of the Court and the Principal Judge have been performing their statutory functions as administrative heads of the EAC Organ off-site, a practice viewed as likely to undermine the institution's efficacy especially in light of the increasing volume of work in the regional court.

Handling urgent matters that require quick and prompt hearing has been a challenge because the Judge President (who directs the matters of the Appellate Division) and the Principal Judge (who directs the matters of the First Instance Division) are not based in Arusha.

Their absences also tend to have significant cost implications on the Court in terms of finances and time, which in turn contribute to delays in dispensation of justice.

It is further anticipated that with the opening of EACJ sub registries in the Partner States and the implementation of the Common Market Protocol, the Court's workload will inevitably grow bigger.

Currently, the Judge President of the EACJ is Hon. Mr. Justice Harold Nsekela while Hon. Mr. Justice Johnston Busingye is the Principal Judge. 



FAA, CASSOA PARTNER ON AVIATION SAFETY

The USA Federal Aviation Administration (FAA) and the EAC Civil Aviation Safety and Security Oversight Agency (CASSOA) have struck a deal in which the former will deputise two Aviation Safety Inspectors (for Flight Operations and Airworthiness respectively) to boost the capacity of the regional aviation safety oversight body.

The American experts will work with CASSOA for at least two years with a brief that includes helping the EAC institution build capacity in safety oversight functions, including recertification and surveillance, developing training programmes, training inspectors in the region as well as assisting in developing amendments to existing regulations and formulation of applicable Technical Guidance Materials.

On 5 December 2011, the first of the two assigned Aviation Safety Inspectors, Capt. Arnold Roholt, a Flight Operations Inspector, reported on duty. The second expert, an Airworthiness Inspector, is expected in the region within the first quarter of 2012.

Meanwhile the Entebbe-based EAC institution will have to wait until November this year to discover the fate of a proposal to levy a \$0.70 surcharge for every disembarking passenger at the region's various airports.

CASSOA has proposed the add-on fee as an alternative revenue raising mechanism to support its activities, which are currently funded by remittances from the Partner States and development partners.

A ministerial session of the 3rd Extraordinary Meeting of the Sectoral Council on Transport, Communications and Meteorology held in Arusha in February this year deferred a conclusive decision on the matter, after Kenya requested more time to consult. 



LEGISLATORS ASSESS LVBC PROGRAMMES

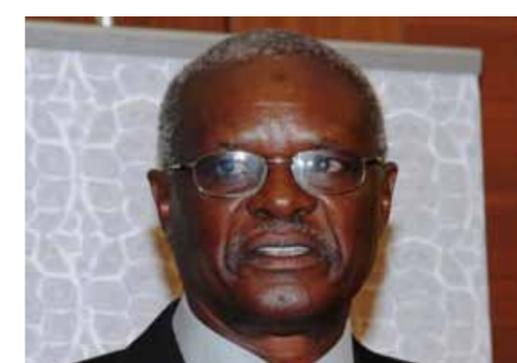
The Agriculture, Tourism and Natural Resources Committee of the East African Legislative Assembly (EALA) in February conducted an on-spot assessment of the second phase of the Lake Victoria Water and Sanitation (LVWATSAN) Programme to appraise Members on the opportunities and challenges of the Programme.

This visit by the legislators to the Lake Victoria basin region followed one that took place in 2009 to assess the Lake Victoria Environmental Management Project Phase II (LVEMP II), an EAC project currently under implementation in the five Partner States.

The 2012 visit also aimed to collate information on facilities and infrastructure that are necessary for achieving the project objectives and to establish the impact of the water and sanitation initiative on the communities around the region as a whole.

LVWATSAN II follows the implementation of the first phase, which focused on 10 towns within the original EAC Partner States of Uganda, Kenya and Tanzania, with the support of UN-HABITAT. The 10 secondary towns included: Kisii, Homa Bay and Bondo in Kenya, Nyendo/Ssenyange, Bugembe and Kyotera in Uganda, as well as Bukoba, Bunda and Muleba in Tanzania, and the border town of Mutukula.

When Burundi and Rwanda joined the EAC, the second phase was expanded to cover 15 towns (three from each Partner State). The activities of the Programme are being undertaken in the following focal towns: Burundi: Ngozi, Muyinga and Kayanza; Kenya: Keroka, Kericho and Isebani; Rwanda: Kayanza, Nyagatare and Nyanza; Tanzania: Geita, Sengerema and Nansio and; in Uganda: Mayuge, Buwama-Kayabwe-Bukakata and Ntungamo. 



NEW CHAIR FOR EAST AFRICAN BUSINESS COUNCIL

During its 13th Annual General Meeting held at the Protea Hotel in Kampala on 29 March 2012, the East African Business Council elected Hon. Gerald Ssendaula as the Chair of its Board of Directors. Hon. Ssendaula takes over from Mrs Consolata Ndayishimiye, who has been the Chair since February 2011.

The new EABC Chair indicated that during his tenure focus will be placed on bringing down the cost of doing business through advocating enabling policies that help businesses to take advantage of regional integration.

"East African businesses are mainly small and medium enterprises and the cost of doing business is currently prohibitive because of infrastructural impediments like high cost of energy, high transport costs, inefficient ports and other challenges," he said.

He added that the private sector must redouble their advocacy efforts and must also get involved in coming up with solutions.

Hon. Ssendaula upon assuming chairmanship of the regional business apex body led an EABC delegation to a meeting with Ugandan President Yoweri Museveni, where he presented a memorandum to the President requesting among others private sector representation in the East African Legislative Assembly (EALA) as well as a proposal to ensure a tariff-free air transport system among the EAC Partner States – with a view to lowering air fares.

Hon. Ssendaula brings a wealth of experience to the position of EABC Chair, having worked with both the public and private sector for several years, including previously serving as Uganda's Minister of Finance. 



TEN YEARS ON: EXAMINING POLICY, REVIEWING PRIOTITIES

After more than a decade engineering the integration, the East African Community deemed it fit to take stock of its undertakings thus far. The chosen platform for this discourse was a conference jointly organised by the EAC, the International Monetary Fund (IMF) and the Canadian International Development Agency (CIDA), held in February in Arusha, Tanzania.

Themed “The East African Community after 10 Years: Deepening EAC Integration”, the high-level conference offered at least 100 regional and international experts and policy makers a stage to discuss the EAC’s accomplishments to date, the benefits of regional integration, relevant international experience, and the macroeconomic policy challenges going forward.

Coming in the midst of the EAC’s ongoing negotiations for the Monetary Union Protocol, the subjects of monetary policy convergence and financial market integration naturally dominated the debates, especially also in light of the fact that the conference was happening as

the Eurozone continued to battle blows to its currency union. A good time to share and learn? You bet.

But discussions were not restricted to how to make the EAC’s Monetary Union work. There was a healthy allocation of time and effort toward examining processes and practices currently being employed to promote trade and investment; some downright provocative submissions even.

None, however, dared dispute that regional integration assures better sharing of opportunities as well as management of risks, as the EAC Secretary General, Amb. Richard Sezibera asserted. Since the onset of the EAC Customs Union, the Secretary General noted, the EAC has reaped benefits through the growth of intra-regional trade and business confidence, in turn leading to growth in intra-regional investments.

It’s hard to argue with the figures: expansion of intra-EAC trade from US\$1.6 billion to US\$3.8 billion in 2010. But no one was claiming all was rosy: the costs of doing

business in the region, the conference heard, are distorted by poor facilitation, resulting from cumbersome customs procedures, bureaucratic behavior and corruption.

Plus, specifically in the area of financial integration, the region still grapples with restrictions on capital flows, whose removal should serve as a catalyst for capital market development and the provision of long term and risk capital most needed to spur economic development.

PRIORITIES FOR TOMORROW

Going forward, the conference highlighted the need to establish regional supra-national institutions to support integration with policy priorities focused on infrastructure, common education curricula, common standards, harmonised standardisation, quality assurance, metrology and testing (SQMT) and harmonised monetary and fiscal policies.

Establishment of a Single Customs Territory and Authority were also noted as being of utmost importance, as would be supra-national regulatory authorities for the banking, finance, capital markets, pensions and insurance sectors, as well as establishment of One Stop Border Posts (OSBPs).

And not least, strengthening the East African Court of Justice. 



WE'VE COME TOO FAR TO TURN BACK, SAYS 'MAMA FEDERATION'

The outgoing Deputy Secretary General in charge of Political Federation, Hon. Beatrice Kiraso, over the last six years became the embodiment of the EAC's vision for a political federation, even picking up monikers such as 'Mama Federation' and 'Mama Shirikisho'. As her second and final three year term ends on 28 April 2012 she explains to THE COMMUNITY her stay at the EAC, the challenges for the Political Federation and what she sees as the way forward in the regional integration process.

Q: It's been six years of pushing for political integration. Are you satisfied with the progress?

A: Oh yes, what we have so far taken might not look like big strides, but there is certainly a lot of progress. I am confident that the region will not back track on some of these important processes because we have defined the content and highlighted their centrality in the integration process.

Q: What are the issues?

A: You know, political federation is provided for in the Treaty as the ultimate goal of this integration process. The way it is put is just like an item will drop (like manna) from above, and then we will open our eyes to find ourselves in a political federation. The pain of the process has not been envisaged.

Therefore, I have had the unenviable duty to bring to the fore those key aspects of political governance that need to be harmonised, those that Partner States may have to discard, best practices that they will inevitably have to adopt and more importantly the fact that they will have to give up some of their sovereignty and pool it at the centre.

Q: There is a general perception that you have done very well on your mandate, why do you call your duty unenviable?

A: Thank you for the compliment! I say unenviable maybe because I am looking at it through the lenses of my ambitions and what I think we have attained. Outsiders usually see changes better because they evaluate after a period.

My office handles sectors that would otherwise be a pro-

TECTED preserve of the sovereign countries. As such, sometimes the feeling I get when the policy organs are discussing the reports of my office is not that motivating. I guess this is where the "unenviable" comes from.

Q: What would you consider as your biggest strength in executing your mandate?

A: I do not want to take undue credit for work that we have done as a team. My biggest strength comes from the conviction about the overall benefits of integration and eventually the East African Federation. In executing the work related to this conviction, I had a lean but committed team [but it] has been a fabulous one and I will forever cherish their support and stamina.

Q: What do you see as the targets to be achieved in the coming years?

A: Plenty. We have come too far to turn back now. On the immediate agenda and near conclusion are protocols like the one on Peace and Security, the one on Good Governance, Combating and Preventive Corruption... Then there are some mechanisms like the Conflict Prevention Management Resolution (CPMR) and the Early Warning Mechanism (EWM) which are part of our Peace and Security Programme and Strategy.

Another important one provided for in the CPMR framework, as well as in the draft Good Governance Protocol, is the establishment of the EAC Panel of Eminent Persons. Directly specific to the establish-

ment of the Political Federation, you know that the Summit of Heads of State last November mandated the Secretariat to propose the model and structure of the Political Federation of East Africa and present it to them in November this year. I have attempted to put down some ideas in a working document around which more ideas can be generated to carry out this assignment. I am very glad this decision finally came from the Summit.

Q: Why?

A: Because we are talking about political federation in the abstract! We need to be clear on what kind of Federation we are talking about. Political federation will now cease to be looked at as a big monster that is coming to swallow us, but as a means to enhance sustainable socio-economic development, as a vehicle to push this region from low-income to middle income. I wish we could put a time-frame to such an aspiration.

Q: In light of the case before the EAC] challenging the Summit decision of last November on the way forward on the Political Federation, do you envisage that the process will continue to be on course?

A: Absolutely. I was taken aback, reading the petition from a concerned citizen, if I may refer to him as such. I will not speak about the merits and demerits of the case as [that would be] sub-judice. However, I will restate what I have already said, that hard decisions will have to be taken.

Q: What kind of decisions?

A: One is the Partner States to let go of their enormous powers over the integration process, allow some more authority of decision making at the centre. The other is to make the process indeed people-centred as is enshrined in the Treaty—but now we see resistance when we bring other stakeholders to be part of these decision-making processes.

The notion of consensus also seems to have served its purpose as we were re-building the Community following a violent collapse. Time has come for that consensus to be defined so that it is not 'Veto Power' over those who want to move.

The other decision will be to empower the other organs of the Community—the Court and the Assembly in particular—by giving them supremacy over national areas because finally they will form the nucleus as we move to the Political Federation.

Q: Any idea what you will do after EAC?

A: (Laughs...) Probably try some farming?

Q: How about going back to politics?

A: No, No! Actually I will go back to my profession which is economics.

Q: So, where would we find you to continue getting your counsel?

A: Oh, we should always remain in touch, not only with the immediate office colleagues but the entire EAC family. I am joining the UN to head the Economic Commission for Africa—Sub Regional Office for Southern Africa. My office will be in Lusaka, Zambia so I will still work with the EAC especially on issues related to the EAC-COMESA-SADC Tripartite.

Q: Honourable, what final message for EAC?

A: A simple one, keep the fire burning through the tunnel, don't wait to find it at the end of the tunnel as I see no one there who will put it on but yourselves. God bless you, God bless EAC, and God bless Africa. 🇰🇪



SUMMIT CHAIR TO THE REGION: DIVERSIFY, IMPLEMENT, BUILD

His Excellency Mwai Kibaki, President of Kenya and Chairperson of the EAC Summit of Heads of State is in no doubt the East African Community has, over the last decade, made tremendous achievements that have facilitated socio-economic development in the Partner States.

When delivering the State of the EAC Address to the East African Legislative Assembly at Parliament Buildings, Kampala, Uganda in January this year, the Summit Chairperson noted that since the launch of the Customs Union, and subsequently the Common Market, regional trade had improved with intra-EAC trade increasing from about \$2 billion in 2005 to \$4 billion in 2010.

But as benefits of regional integration begin to be felt in various sectors, the expectations of East Africans are increasing. President Kibaki observed that the ordinary citizens of East Africa “are keen to see tangible benefits in form of increased employment, rising household incomes and better infrastructure”, and to keep up with them, the EAC needs to hasten and deepen the pace of the integration process.

Here’s how.

DIVERSIFY, IMPLEMENT, BUILD

The Summit Chair said there was an urgent need to focus on the following three critical areas: diversify the econo-

mies of the region; fully implement the Common Market Protocol; and invest more in infrastructure development.

It is bad enough that the bulk of the region’s labour is concentrated in the agriculture sector. What complicates matters is that the agriculture practiced in the EAC region is generally not mechanised and there are few agricultural value addition industries.

This, President Kibaki remarked, calls for rapid development demands that focus on industrialisation and value addition. He observed that no country or region in the world had transformed without rapid industrialisation.

“Let us take advantage of the resources in our region, both natural and human to develop processing, manufacturing and basic industries as well as many forms of non-agricultural industrial activities,” the Summit Chair appealed.

The Kenyan President also highlighted the need to focus on growth sectors such as tourism and Information and Communication Technology, pointing out that while tourist arrivals had reached the 4 million marks, the figures still paled in comparison with countries like Egypt and South Africa.

H.E. Kibaki also reiterated the importance of the Partner States fully implementing the Common Market Protocol to

ensure free movement of people, goods, services, capital and rights of residence and establishment.

“The focus in this area should be on ensuring adherence to the agreed commitments in the Protocol... We should also fast track the transposition of national laws that contradict the Common Market spirit to enable its successful implementation,” President Kibaki said.

But without building modern infrastructure in the region, the foregoing would be impossible. Hence, the Summit Chair indicated that only well developed infrastructure could provide the critical foundation for industrialisation and free movement of people and goods.

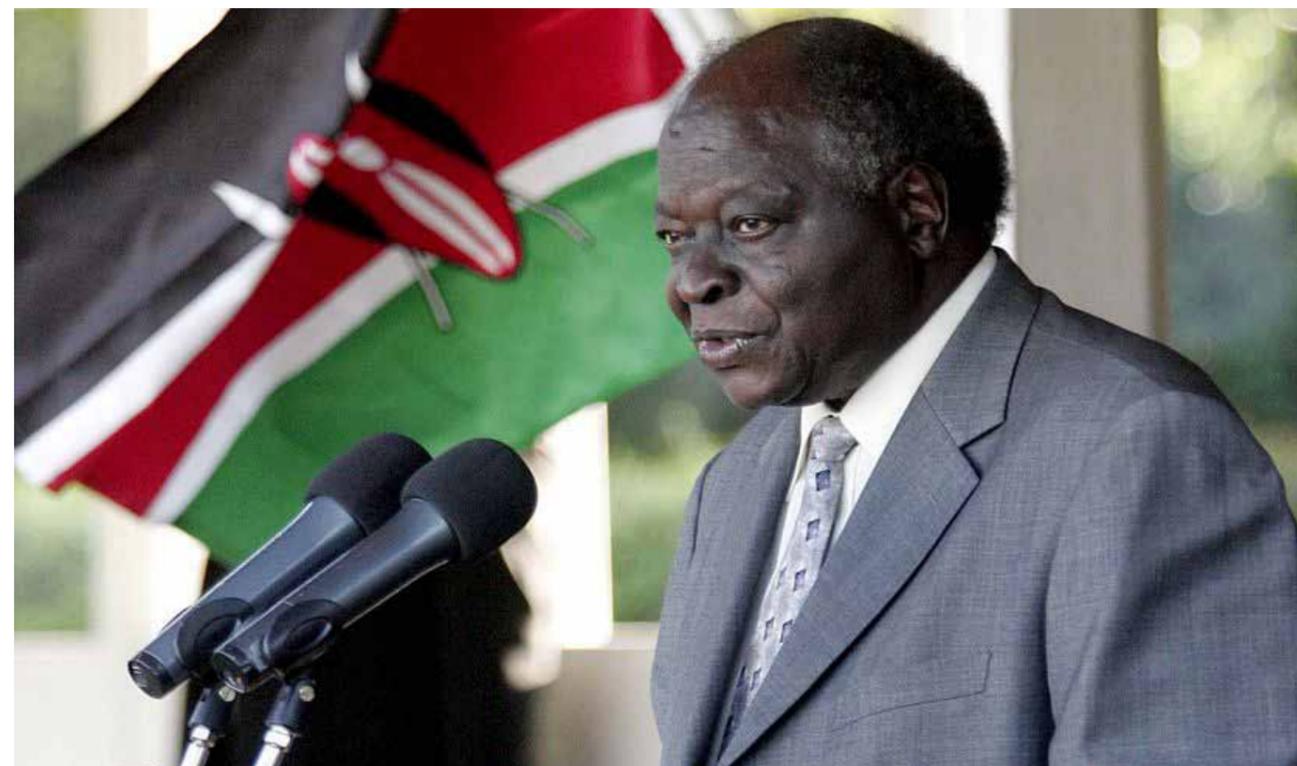
Poor infrastructure hampers any form of movement geared to development, H.E. Kibaki asserted, but the Kenyan President expressed delight that commendable work was being done in the implementation of the East African Road Network Project.

What remains to be done, according to the President, is upgrading and extending the current railway network to other parts of the Community, and building a reliable power supply capacity across the region.

The Summit Chair concluded by commending the EAC Partner States for their role in helping the Transitional Federal Government of Somalia gain full control of the country, whose stability he said was critical to that of the EAC. 🇰🇪

QUOTING THE SUMMIT CHAIR

- We must invest in tourism promotion in innovative ways including through projects that will, for example, offer tourists opportunities to visit circuits that will take them to different parts of East Africa.
- The massive penetration of mobile telephony in our region offers great opportunity for development of mobile applications and systems that will improve the lives of our people.
- Several projects aimed at building a reliable power supply capacity across the region are currently underway. These include the Bujagali Hydro Power Project in Uganda as well as the expansion of geothermal power generation at Olkaria in Kenya.
- The success of our Community is directly related to peace and stability in our neighboring states. Our engagement in bringing law and order in Somalia is driven by the desire to bring about peace, stability and development in this region.



NEW THRUST TO TACKLE NON TARIFF BARRIERS

The East African Community wants Non Tariff Barriers (NTBs) eliminated and eliminated fast. For the region to compare notes on this matter, a dedicated ministerial session on elimination of NTBs was held in Mombasa, Kenya, coming on the heels of visits to the ports of Dar es Salaam and Mombasa by EAC Ministers and the 6th Regional Forum on NTBs, both 12-13 March.

The working visits to the ports were premised on the fact that Dar es Salaam and Mombasa have been identified as one area where NTBs are most commonly manifest, occurring due to delays in clearing of goods and congestion, among other reasons.

NTBs, however, take more forms than just procedural, ranging from disparate axle load limits allowed for commercial vehicles, to the ubiquitous road blocks on the region's major transport corridors. And what's worse, these NTBs, according to EAC Secretary General Amb. Richard Sezibera, regularly "mutate", with negative effects on the cost of doing business.

Hence the urgency to tackle them. NTBs cut across industries and are the biggest restrictor to market access for companies. They blunt the EAC's competitive edge, limiting trade at the intra and inter-regional levels.

According to the Secretary General, non tariff barriers are an important contributory factor to the high cost of business transactions in the EAC region. This is because NTBs reduce the gains from trade by restricting domestic market access to regional exporters, in addition to denying consumers welfare-enhancing opportunities, which arise from access to reasonably priced regional imports.

At the ministerial meeting on NTBs, the Chairperson of the EAC Council of Ministers and Minister for East African Community (Kenya) Hon. Musa Sirma did, too, affirm the concern of the Summit of the EAC Heads of State over the presence of NTBs and their impact on trade and free movement.

This concern was best illustrated by the interest taken in the meeting by the Summit Chair, Kenyan President Mwai Kibaki, who met the Ministers after the conclusion of the Mombasa forum.

GAINS REGISTERED

And post-Mombasa, there were gains of note. Briefing the Summit Chair, Hon. Sirma highlighted some of the key decisions taken at the dedicated ministerial meeting that include; transit vehicles being weighed only twice between the port of entry and port of exit for Kenya, Rwanda, Uganda and Burundi, while Tanzania awaits a study on the establishment of weighbridges.

Partner States also agreed to identify borders and ports that would be put on 24-hour schedules while the Ministers also agreed on the mutual recognition of standards of each Partner State's testing authorities/agencies; and to recognise certificates of Rules of Origin issued by the other Partner States.

It was also agreed that the road blocks on the Northern and Central corridors will reduce from 36 to 5 in Kenya, 30 to 15 in Tanzania, while Uganda, Rwanda and Burundi will abolish them completely. Furthermore, the Partner States are to remove road blocks and replace them with electronic cargo tracking systems and police patrols by December 2012.

Equally importantly, the ministerial meeting directed that the study on development of a legally binding enforcement mechanism on elimination of identified NTBs is finalised by May 2012.

When meeting the Summit Chair, Amb. Sezibera had described this latest ministerial session on NTBs as a key milestone in scaling up the campaign to eliminate restrictions to trade. It isn't difficult to see why. 🇰🇪

THE COST OF NTBs

A recent survey conducted in nineteen countries in EAC, COMESA and SADC on the real impact of NTBs on intra-regional trade established that on average 20% of annual shipments faced some form of NTBs.

The average direct additional cost of NTBs per shipment was US\$3,500 – excluding bribes, while companies spent approximately US\$145,000 per month on employees time and accommodation costs due to NTBs and delays.





WE ARE FAMILY: Staff of the EAC Secretariat, EALA and the EACJ in a group photo after the customary year-opening staff meeting for 2012.



MY VIEW, HONOURABLE MINISTERS: CASSOA Executive Director Mr. Mtesigwa Maugo chats with Ministers from Kenya, Tanzania and Uganda ahead of a Transport, Communication and Meteorology Sectoral Council meeting.



KARIBU SANA: EALA Speaker Hon. Abdirahin Abdi receives Mr. Robert Scott, Deputy Chief of Mission at the US embassy in Tanzania during a March visit.



IMAGINE THAT GENTLEMEN: Kenyan businessman Mr. Vimal Shah makes a point to the EAC Secretary General Amb. Richard Sezibera and Kenyan Finance Minister Hon. Njeru Githae on the sidelines of the EAC-IMF Conference held in Arusha, Tanzania, in February.



WE WILL DELIVER THE MONETARY UNION: Rwanda Central Bank Governor Amb. Claver Gatete seems to assure Kenya's Minister of Finance Hon. Njeru Githae as Rwanda's Finance Minister Hon. John Rwangombwa (far left) and IMF Deputy MD Mr. Naoyuki Shinohara (2nd left) look on.



THE STATE OF THE COMMUNITY: H.E. Mwai Kibaki delivers the State of the EAC Address to the East African Legislative Assembly meeting in Kampala in February. The Summit Chair urged the region to expedite implementation of those protocols that have been agreed.



HAPPY TO SEE YOU: EACJ Judge President Hon. Mr. Justice Harold Nsekela welcomes a delegation of Konrad Adenauer Foundation representatives who visited the Court in March.



SOON, A PLACE TO CALL HOME: The EAC headquarters building, located in Arusha, is close to completion.



BUILT TO PLAN: Senior Estates Management Officer Mr. Phil Klerruu explains the features of the EAC headquarters project to Secretary General Amb. Sezibera as other EAC staff follow keenly.



USHERING IN 2012: EAC executives are joined by Mrs. Sezibera (2nd left) to cut the cake at the EAC Staff New Year party in January. Far left is Dr. Julius Rotich, center is the Secretary General Amb. Sezibera, flanked by Mr. Jean Claude Nsengiyumva and Hon. Beatrice Kiruso. Looking on (far right) is EAC Director General for Customs and Trade Mr. Peter Kiguta.



HARMONISATION OF LAWS: WHERE WE ARE

Harmonisation of the laws of the EAC Partner States is a Treaty requirement. In order to achieve one of the objectives of the Community, which is co-operation in legal and judicial affairs, Partner States committed themselves to harmonise all their national laws pertaining to the EAC.

The EAC Common Market Protocol, in Articles 32 and 47, more specifically obliges Partner States to align their national laws, rules and procedures in order to facilitate the effective functioning of the Common Market.

In this regard, the EAC established a Sub-Committee on the Approximation of Laws in the EAC Context whose role is to harmonise national laws, and this is spearheaded by the chairpersons of the Law Reform Commissions of the Partner States. The reports of the Sub-Committee are approved by the sessions of the Attorneys General, who also undertake to amend their national laws as per the recommendations made.

The Sub-Committee has so far registered substantial achievements. It has highlighted the gaps, differences and weaknesses of many laws of Partner States. In addition, the Law Reform Commissions of Partner States regularly share information while amending their national laws or

initiating Bills.

Thus far, the Sub-Committee has so far reviewed laws

governing: Companies; Insolvency; Partnerships; and Business Names Registration.

Recognising the importance free movement of labour, services and related aspects in the Common Market Protocol, the harmonisation of other commercial, labour and immigration laws were identified as other priority areas.

The laws therefore targeted for harmonisation include: immigration laws; labour and employment laws; and laws in the financial, tourism and environmental sectors.

Work to review national laws by experts from the Partner States governing immigration matters commenced in February 2011 and is expected to be finalised by June 2012.

Review of laws governing labour and employment commenced in September 2011 while the Sub-Committee is preparing to commence review of the laws in the financial, tourism and environmental sectors by June 2012.

Prioritisation of commercial laws

Increasingly, the EAC region is experiencing the emergence of a business environment supportive of cross-border in-

vestments, mergers and acquisitions. Capital Markets in the region are also becoming vibrant. Initial Public Offers (IPOs) are being opened to all East Africans. Such IPOs attract cross-border share investment, grow regional equity markets and improve business. It is clear from these commercial developments that the region is moving towards realising a common investment regime.

Against the foregoing background, the EAC observed the need to undertake a close examination and review of existing laws of the Partner States that have a direct bearing and impact on the EAC Common Market and Monetary Union requirements as well as those laws that have a bearing on forging a common investment regime. It was agreed that the review should be expeditious.

The EAC Secretariat has categorised the commercial laws to be harmonised within the following nine broad clusters:

1. Banking laws;
2. Business transactions laws;
3. Finance and Fiscal legislation;
4. Insurance and Re-Insurance legislation;
5. Investments;
6. Procurement and Disposal of Assets legislation;
7. Monetary legislation;
8. Standardization, Quality Assurance and Metrology legislation; and
9. Trading law

With the support of the Investment Climate Facility for Africa (ICF), the EAC Secretariat commissioned a study to harmonise the commercial laws of the Partner States. The first phase of the study entails an overall review and identification of commercial laws in the Partner States within the nine broad clusters.

The first phase of the assignment was completed in September 2011 and it focused on conducting a detailed review and diagnostic analysis of the convergences, gaps and differences in the laws in the EAC Partner States.

The second phase of the project will involve drafting EAC Legislation in the identified and agreed priority areas. The drafted laws will be debated in the East African Legislative Assembly (EALA) with a view to being enacted.

The study recommended the drafting of legislations in six areas of law which were considered to be of priority in the harmonisation of business and investment laws in the EAC, namely: intellectual property law; contract law; public private partnership law (PPP); the law of the recognition of judgements; business registration law; and the law related to enforcement measures and procedures for debt

recovery.

The report of this study is presently being considered by EAC policy making organs.

Challenges to harmonisation

There is a host of challenges in the harmonisation of national laws. The most noticeable being the significant scope of the work (there are over 45 Acts of Parliament that require harmonization); financial restraints; conflicting commitments (as Sub-Committee members have to divide their time between national and regional commitments); differences in Partner States' legal systems; and differences in official languages.

Proposed way forward

What the EAC should do now is to mobilise sufficient resources that would enable massive harmonisation of laws other than the piece-meal approach that is being undertaken.

With the current pace, it will take some time before the region is governed by uniform legal regime, which will not be good for the EAC integration agenda.

Furthermore, a greater emphasis should be placed on the use of laws passed by the regional legislative body, EALA, as its legislation has the force of law in all Partner States and supersedes national laws. 

HOW THE SUB-COMMITTEE WORKS

The Sub-Committee on the Approximation of Laws in the EAC Context works by studying and analysing laws of the Partner States to establish the gaps, differences, similarities and the weaknesses of various laws of the Partner States.

The Sub-Committee also compares the same laws with international best practice. After the thorough study of a particular law, it makes recommendations to Partner States to amend or align their national laws to EAC Law.

The author, Mr. Stephen Agaba, is a Principal Legal Officer at the EAC Secretariat. An unabridged version of this article is available online at <http://www.eac.int/legal>



A BILL TO RID EAC OF HARMFUL PLASTICS

Call it *mfuko wa plastiki, kaveera or isachet...* The different names for the polythene bag in East Africa matter little, because its indisputably devastating effect on the environment remains the same. The East African Legislative Assembly (EALA) possibly had that in mind when passing a Bill for plastics control during its Third Meeting of the Fifth Session in Kampala in February.

The EAC Polythene Materials Control Bill, 2011, moved by Hon. Patricia Hajabakiga (Rwanda), aims at providing a legal framework for the preservation of a clean and healthy environment through the prohibition of manufacturing, sale, importation and use of polythene materials.

It has since had its title changed with the replacement of the word “polythene” with plastic to read “The East African Community Plastic Control Bill”, which Members agreed has a wider scope and is consequential. Hon. Hajabakiga must have been grateful none of the Bill’s potential sting was tampered with even as the title was amended.

Justifying the move to have the regional law in place, the Rwandan EALA Member stated that the Bill is intended to control the use of polythenes while advocating the total ban of plastics. The mover noted several dangers of plastics and polythene materials notably soil degradation through burning of wastes, harmful emissions of toxics

and the endangering of human and animal lives. She further indicated that while plastics can be burned, they emit chemicals and the corresponding photo-degradation has consequential impact on human and infrastructure.

Countries such as Bangladesh, Botswana, Israel, Rwanda and France, among others, have since enacted a similar law, Hon Hajabakiga said.

Hon Emerence Bucumi, like several of his colleagues in the Assembly, threw his weight behind the Bill, remarking that the EAC “must protect the environment and share common interests in our desire to ensure a healthy environment.”

Hon. Christophe Bazivamo was reading from the same page when he remarked that plastic bags were not only a menace to the environment but also harmed livestock.

Kenyan Assistant Minister for EAC Hon. Peter Munya weighed in too, reiterating the Council of Ministers’ support for the Bill.

Hon. Munya observed that polythene waste is a major hindrance in urban and rural areas and attempts to ensure solid waste management is thus essential and welcome. He added that in the Council’s view, the envisaged

law would help control pollution and save both flora and fauna, before presenting mind boggling statistics of the use of plastic bags and noting that the continent was most affected.

“We must protect the environment and share common interests in our desire to ensure a healthy environment.”
- Hon. Emerence Bucumi

The Chairperson of the Agriculture, Tourism and Natural Resources Committee, Hon. Safina Kwekwe whose Committee the Assembly mandated to look through the Bill, remarked that the Committee had met various stakeholders in the Partner States during the public hearings. The meetings were called to create awareness of plastics and visit plastic manufacturers with a view to interfacing with them and suggesting improvements to the Bill.

The Committee reported that Rwanda which has an existing law in place supported the Bill while requesting the inclusion of a clause on alternatives to polythene materials as well as an incentive programme. Uganda

enacted a law for the control of polythene materials in 2009 although the law is yet to be fully implemented.

Stakeholders in Kenya were of the view that while polythenes are an environmental menace, a balance needs to be struck between eradicating them on the one side and the promotion and protection of investments on the other.

The stakeholders in Kenya suggested adjustment to specifications of polythene materials other than a total ban and the introduction of a levy to allow the National Environmental Management Authority (NEMA) to manage the waste.

Burundi and Tanzania also supported the Bill, but on the understanding that only plastic bags should be banned and not all polythene materials. In Zanzibar, the report noted - issues concerning the environment are non-Union and in 2008, the isle took the initiative to ban the use of plastics with a three year transitional period, expiring last year, provided for in the law.

The Bill will become an Act of the Community should all the EAC Heads of State assent to it. 🇰🇪





RAISING A REGIONAL STANDARD AGAINST CORRUPTION

Corruption is rampant in most developing countries and East Africa is not an exception. Corruption continues to undermine economic development by generating considerable distortions and inefficiencies.

Politically, corruption contributes to suppression of democracy and good governance by subverting formal process, reverses democratic gains, and entrenches lack of accountability in policy making and implementation.

Impacts of corruption on integration

With increased trade, movement of persons, goods, services and capital under the Customs Union and Common Market protocols, corruption has been identified as one of the Non Tariff Barriers (NTBs) as it impedes investments, trade, movement of capital and provision of services and in the end, enhances poverty levels in our region.

The realisation that negative impacts of corruption impede regional integration is a step forward. As such the EAC Partner States have engaged in various initiatives aimed at preventing and combating corruption at the national, regional and international levels. At the national level, establishment of national anti-corruption/ombudsman agencies is a move in the right direction.

However, the same agencies still experience challenges, hence the need for regional standards and benchmarks against which national agencies measure themselves. The EAC Council of Ministers decision to negotiate the Protocol on Preventing and Combating Corruption is a demonstration of the region's commitment to address the vice.

Tackling corruption on the regional front

In September 2009 the 18th Meeting of the EAC Council of Ministers established a Sectoral Committee on Prevent-

ing and Combating Corruption, comprised of heads of anti-corruption agencies; and representatives from the Ministries/agencies responsible for ethics and integrity prosecution and investigation of corruption cases.

The main roles of this Committee are to provide guidance, oversee and monitor the implementation of the Protocol on Preventing and Combating Corruption; to receive and consider periodic reports from the technical subcommittees and reporting to the Council on regular basis on the progress made by the Partner States in complying with the provisions of the Protocol.

The Committee also provides a platform to articulate and initiate development of regional policies to help prevent and combat corruption by the national anti-corruption agencies. This complements the national efforts and enhances synergies at regional level. Besides, the trans-boundary nature of effects of corruption calls for concerted and joint efforts among all EAC Partner States.

Additionally, all EAC Partner States have ratified the UN Convention against Corruption (UNCAC) and the African Union Convention on Preventing and Combating Corruption.

The two conventions require States Parties to co-operate for purposes of extradition, mutual legal assistance, transfer of criminal proceedings, law enforcement co-operation, joint investigations, and the use of special investigative techniques and to develop training programmes for personnel responsible for preventing and combating corruption.

These tenets are espoused by the draft EAC Protocol on Preventing and Combating Corruption that was endorsed by the Council and approved for signing by the EAC Heads of State in November 2011.

Once signed and ratified, the Protocol will promote and strengthen the development of mechanisms to prevent and combat corruption; promote, facilitate and regulate co-operation among the Partner States to ensure the efficiency and effectiveness of measures for preventing and combating corruption; develop and harmonise laws, policies and strategies relating to prevention and combating of corruption across borders.

The Protocol also provides for preventive measures, enforcement, acts of corruption, asset recovery and forfeiture, jurisdiction, fair trial and transfer of criminal proceedings, financial intelligence units and development and harmonisation of policies and national legislation. 

BUILDING A 'COMMUNITY'

If we're East African let's show, not tell.

At a Symposium last year, I told the participants that East African political federation was an idea that refuses to die, despite spirited attempts to kill it.

Many of the Political leaders that agitated for our independence pursued the twin aims of *Uhuru* and *Shirikisho*. Independence and Federation.

Decades later, despite the vicissitudes of its turbulent history, the East African Community has, as its expressed ultimate aim, the formation of a Political Federation. This vision requires that we build the Community.

A story is told of an artist who was painting a picture of his garden when he omitted a tree that spoiled the composition. Then, struck with remorse at his error, instead of changing the painting, he cut down the tree.

There are those whose political landscape ignores East Africa as a Community. They try to cut it out of their actions, out of their discourse, out of their calculations and out of their political consciousness. They do so at their own peril.

Consider the facts. Of all African Regional Economic Communities, the East African Community is the only one that has not felt the need to qualify the word "Community" in its name.

ECOWAS is the Economic Community of West African States, SADC is the South African Development Community, COMESA is the Common Market for Eastern and Southern Africa. Then there is the Community of Central African States. I could go on and on.

EAC simply is the East African Community. Not an Economic Community, not a Developmental Community, not a Community of States, just a Community.

Not merely a grouping of states aimed at creating a single market, although it is advanced indeed in that direction, not a constellation aimed at shared development, although it does that well. East Africa is, and aims at becoming, a Community.

There is beauty, complexity and strategy in that simplicity. The European Union, that other enduring grouping, despite its current problems, chose Beethoven's 9th Symphony as its anthem. Peter Watson has reminded us that Beethoven's music is a passage to human greatness, a musical achievement which stands unchallenged as a monument to the mind of man.

I imagine the Europeans have chosen to construct a Union that celebrates the mind of Western renaissance man, as the Ultimate definition of what it means to be European.

The East African Community Anthem opens with a plea for God to safeguard the Community. A Community of people, sharing cultural values and aims. The Anthem is a music of the gods, anchored in the ingenuity of man.

East Africa is a Community in the *Gemeinschaft* German sense of the word.

The East African leaders who revived the Community intended it to be a tight, cohesive social entity, with unity of purpose and will.

A deeper reading of the Treaty for the Establishment of the East African Community tells me that they did not intend it to be simply an association of States created purely for self interest. It affirms East Africa as a Community of *One People, One Destiny*.

Therein lies the beauty, the simplicity, as well as the complexity of being East African.

The Community is, and needs to be at the vanguard of a new African Social Movement. It challenges us to rethink the given contours of nationhood and Community.

To create one market yes, but more importantly to become a solid block on which an African renaissance can be built. That is why I believe it is critical that East Africa urgently demolishes the artificial barriers that prevent the development of the Community.

Barriers to trade and to the free movement of labor and capital defeat our Common Purpose.

We cannot, and should not have a Community in which there are groups of people called refugees within East Africa. We need to find it in ourselves to consider each other as East Africans, and show it in practice. At our border posts and airports, in our schools and workplaces, in our education, immigration and employment policies, in our trade, security and foreign policies.

We are, and we need to become a *Gemeinschaft*. A Community at the vanguard of the socio-economic emancipation of the African. I believe that is our historic duty and responsibility. 🇰🇪

Dr Richard Sezibera
Ambassador
Secretary General
East African Community

COMMON CURRENCY WILL DO US A WORLD OF GOOD

After the East African Community was revived at the beginning of the last decade, a customs union was instituted to encourage free trade in the region. At present a more ambitious move, that of a monetary union has been proposed. A monetary union is an economic bloc in which one currency with a fixed exchange rate is used.

Consultative conferences to implement the union by 2012 have been and are still taking place with advisors from the International Monetary Fund and earlier monetary unions for example those in Europe and the United States of America.

A monetary union in the EAC implies that a common currency will replace the individual national currencies: the Ugandan, Kenyan and Tanzanian shillings, and the Rwandan and Burundian Francs. This will have a myriad of benefits on the political and social life of the region, as well as its economy.

There will be stabilisation of prices in the whole region. This will reduce the fluctuation of commodity prices throughout East Africa since the measure of value of goods will be the same.

At the moment, foreign exchange rates for the individual national currencies are high and unstable. They keep appreciating and depreciating randomly, for example the dollar can cost a given amount of Uganda Shillings which increases or decreases unpredictably. A common currency in the region will stabilise these rates and the benefits of this move will be incredible. For example, exports will increase as imports decrease and domestic industries will be protected.

Inflation in the EAC is high with a rise in the general level of prices across the region. A common currency will reduce the inflation and prevent our money from losing value.

Every time one carries out financial transactions involving currency, one pays a cost which multiplies to a colossal sum given the huge number of transactions carried out each day. For example it is reckoned that before the Euro was introduced, the European Union lost thirty billion dollars annually from transaction costs. The launch of

a common currency in the EAC will eliminate the need to exchange currencies in internal trade. This will reduce the cost of doing business.

Having eliminated transaction costs, interest rates will spiral downward. Low interest rates will reduce the cost of national debt servicing in that states will find cheaper to pay their debts. In addition, they will attract more investors in the region; more businesses will be set up, the volume of trade will increase and the employment rates will rise.

The East African Community pays a tremendous cost for employment. Less revenue is generated since the unemployed can not pay taxes: the quality of education is low and the environment is degraded as the unemployed try to eke a living out of it. Increased investment and high employment rates will reduce the cost.

Government tax revenues vary directly with increased investment and employment in the region. A larger tax base, evidenced by high employment and investment, will provide the East African governments with the needed revenue to finance infrastructure developments in the form of transport, communication, energy and other sectors. Governments will also find it easier and cheaper to provide better amenities.

Central banks keep foreign exchange reserves to facilitate transactions and keep the currency stable by controlling the foreign currency in circulation. For example, the cost of a dollar can be reduced by increasing the dollars in circulation. A common currency will save the EAC Partner States from the burden of keeping foreign exchange reserves of each others currencies.

A large disparity exists between the developed and not-so-developed parts of the EAC. Some parts have well developed infrastructure and a big volume of trade taking place while others do not. The introduction of a common currency will enable the transfer of resources to the less developed parts of the region thus fostering more uniform development.

In the closing months of 2010, Greece was facing a debt

crisis while Germany had stable economic performance—both countries are members of the European Monetary Union. German money was used to reduce the effects of the Greek crisis. If a similar catastrophe occurred in the EAC with a functional common currency, the shock of the crisis would be cushioned by transferring money from parts that are stable to the affected regions.

Furthermore, East Africa will have greater bargaining power in that it will have greater say in negotiations and have enhanced capacity to influence economic relations between countries.

One of the major goals the EAC set out to achieve at its inception was political integration. A common currency will increase the bonds between the Partner States thus furthering this goal.

In fact, it will help create more social integration and cohesion among East Africans who will carry out their daily transactions in the same currency and have a unique identity before the world. Just like the Americans and Europeans are identified by the Dollar and the Euro respectively, East Africans will be identified by their common currency.

On the flip side...

Just like a knife, a common currency in East Africa will have a sharp edge to bring benefits and a blunt one to 'reap' disadvantages. Every state in the Community will lose autonomy over its domestic monetary policy. A regional central bank will be formed to control the money in circulation and inflation and foreign exchange rates stability. Control over monetary policy will shift from the individual national capitals to wherever that will be set up.

According to the 1970 Werner report one of the features of a monetary union is the irrevocable fixing of exchange rates. A monetary union will result into the individual countries being deprived of an important instrument for correcting economic imbalances.

These are fears that one East African country with a large economy will dominate the others in that it will benefit more from the monetary union.

A problem of one country with a larger and more stable economy paying more to keep the common currency stable may also arise. Money will have to be transferred from that country to cushion crisis in other countries.

A common currency may limit trade between the EAC Partner States and the non-members. The members may act like a 'fortress' and try to protect themselves from foreign competition. This may affect economic relations between members and non-members of the Community.

In order to change to a common currency, there will be a need to carry out mass sensitisation, create a regional central bank and to employ experts to keep the foreign currency stable. It will also be necessary to change technological systems and update all educational circular and all this may be too expensive for the EAC.

A monetary union also comes with over exaggeration of trade benefits such as price stability, reduction in transaction costs and stability of foreign exchange and interest rates. For example, there may be deflationary tendencies where prices go very low leading to low profit margins, unemployment and reduced investment.

Plans are underway to introduce a common currency for the whole of Africa by 2020. This could make the East African common currency obsolete and redundant within less than a decade of its existence.

Considering all the demerits and merits discussed, a common currency will do the EAC better than harm. It will be imperative to lay down concrete and evolutionary steps for its achievement.

Since it's not the first of its kind, we can learn from the successes and failures of earlier monetary unions such as those in Europe and the USA. A lot of effort will be needed to make the East African common currency functional, but the benefits that will accrue from it will place the region on a path for greater economic development. 🇰🇪

This article is an edited version of the winning entry for the 2011 EAC Secondary School Essay Writing Competition, submitted by 16-year-old Mr. Victor Okoth of St. Mary College Kisubi. The original essay is available online at <http://www.eac.int/education>

THE WORLD IS COMING TO EAST AFRICA, AND THEY WANT YOUR HEARTS AND MINDS

Any forward-looking strategist will have come across the African Development Bank's "Africa in 50 Years' Time" report published in late 2011.

Its analysis and projections on the future of the five East African Community countries and their eight neighbours (Comoros, Djibouti, Eritrea, Ethiopia, Seychelles, Somalia, Sudan and South Sudan) are striking.

The Bank shows that these 13 economies have grown faster than the African average since 2000. That growth was outpaced by West Africa in 2010 (6.7 per cent against 6.2 per cent) and it will be again in 2020 (8.8 per cent against 7.9 per cent).

However, in all other future years and scenarios, the pace of East Africa's economic growth will be faster than every other region in the continent.

As a result, its share of Africa's total GDP is projected to expand from 11 per cent (of \$1.71 trillion) in 2010 to a very large 39 per cent (of between \$12 and \$16 trillion) in 2060.

East Africa's share of the continent's population will have expanded from 27 per cent in 2010 to 32 per cent in 2060. Per capita GDP is also anticipated to increase from the current \$657 to between \$6,000 and \$7,000 in the next 50 years.

No surprise then that almost out of the blue, East Africa has become the go-to place on the continent, to which the whole world is paying attention. In late February 2012, the EAC Secretary General Richard Sezibera made a statement that was both hopeful and profoundly challenging, "This is Africa's century, whether Africans own it or not." Nowhere else is this statement more applicable than in East Africa.

Foreign direct investment (FDI) inflows to the region have more than doubled in the past ten years. Total FDI inflows increased from \$688 million in 2000 to \$1.7 billion in 2010 with the highest recipients of these inflows being Tanzania

and Uganda. On a regional level, the \$500 million injection that the EAC received from China in the last quarter of 2011, earmarked for infrastructure investment, is a major boost for the region.

Global powers are paying attention and the fact that China is striking regional investment deals in addition to the already substantial bilateral ties it has with member states goes to show they view the EAC as an important partner in future. China's trade and investment in Africa in general grew by 1,000 per cent between 2000 and 2010. It overtook the United States as Africa's main trading partner in 2009.

Between 2005 and 2010, intra-EAC trade expanded from \$2.2 billion to \$4.1 billion and in a sign of a rapidly globalising region, total trade with the world doubled from \$17.5 billion in 2005 to \$37 billion in 2010. Multilateral actors such as the African Development Bank Group have expanded funding to the region from \$267 million in 2005 to \$863 million in 2010, with over 80 per cent of these funds earmarked for infrastructure.

However, the sense of a region that is becoming increasingly militarised is hard to shake off following Kenya's in-

ursion into Somalia, President Barack Obama's dispatch of 100 military advisers to Uganda, unmanned drones flying throughout the region, and the subtle but growing role of the United States Africa Command (Africom).

Africom had 13 joint major exercises planned for 2011, with three of these exercises performed in Uganda, Tanzania and on the Indian Ocean. In October 2009, an operation in Uganda involved all five members of the EAC totalling 650 soldiers.

Furthermore, the US expanded its drone operations in the region by establishing a base in Seychelles in 2011. The approximate range of these drones, according to the Washington Post, is over 1,800 kilometres, enough to cover Tanzania, Kenya, Somalia and southern Ethiopia. Drones are reportedly also launched from Ethiopia. In its 2012 posture statement, Africom clearly states, "Our highest priority is the East Africa region which is the nexus for transnational threats to our nation's national security."

THE MEDIA SURGE

Al-Jazeera, the media network based in Qatar, will soon launch Al-Jazeera Kiswahili, serving as a "new regional

news and current affairs media network in East Africa."

The network will be headquartered in Nairobi and has already begun a vigorous process of recruiting journalists and reporters from across the region. If the programme Africa Investigates is any indication of the type of coverage Al-Jazeera Kiswahili will provide, the region's establishment can expect to be rocked. Al Jazeera is not alone in committing to the media surge; China's CCTV also launched its Africa head office in Nairobi in November 2010. With economic ties between Africa and China continuing to deepen, will military ties follow suit?

In a sign of a growing rivalry between India and China for maritime eminence, a senior Chinese navy officer has been quoted as suggesting that China will not allow the Indian Ocean to be India's ocean.

It seems that the leadership and people of East Africa have two distinct options of how they respond to the intensifying glare of the global financial, military and media establishment and the ensuing battle for their hearts and minds. Doing nothing is one option. This could result in the different powers pulling the countries apart in conflicting directions, weakening and de-legitimising regional integration.

The second option is to collectively respond to the intensifying interest in East Africa. Regional integration is not easy; in fact it will be painful at times.

However, a strong, integrated East African Community will be better able to manage the intense interest in the region to its own advantage. 🇰🇪

The author, Ahmed Salim, is a programme officer with the Society for International Development and a principal author of the forthcoming "State of East Africa Report 2012: Deepening Integration, Intensifying Challenges." This article was first published in The East African newspaper.

INVESTMENT-READY, INVESTMENT-FRIENDLY

The East African Community Partner States are intensifying their efforts to widen and deepen their cooperation, more so after the coming into force of the EAC Common Market Protocol. This can be seen as a reflection of the political will to create one strong economic bloc, and make the EAC a single investment area.

Both public and private sector development in the region are driven by domestic and foreign investments with high priority accorded to promoting the participation of Small and Medium Enterprises (SMEs) in cross-border investments and trade, while Foreign Development Investment will play a catalytic and complementary role in terms of bringing in capital, technology and new management approaches and techniques.

The region's Private Sector Development Strategy ranks increasing competitiveness as pivotal to the EAC considering its centrality in raising the underlying rate of growth of the economy and raising the standards of living.

Achieving competitiveness will require taking those actions which increase productivity by innovatively deploying human, financial and natural resources in the region. Priority will be given to actions which contribute to, removing the impediments to investment and trade in the region, promoting investment in people, skills and new ideas, improving the efficiency with which resources are deployed in the region.

The strategy focuses on creating conditions that enable enterprises use their existing capacities more effectively and foster new private investment. Attention is accorded to improving the business environment in which firms operate, evolve an institutional framework and good governance that is consistent with efficient workings and development of markets and competitiveness

and diversification of the economy of the region.

To make this possible, action is taken on four fronts, namely; improving governance and resolving conflicts; investing in people; increasing competitiveness and diversifying the economies and reducing aid dependence and strengthening partnerships.

The private sector development strategy boasts two sets of actions. The first set of actions revolves around facilitating enterprises to respond to existing and new opportunities and achieve greater efficiency in the allocation of resources. These include improving the policy environment and the efficiency of markets.

The second set relates to actions that have direct bearing on the competitiveness of the private sector enterprises and creating conditions that reduce the cost of doing business, spur efficiency through capacity building, competition and ensure a level playing field. The key to the second set of actions is enhancing the capacity to deliver infrastructure and business support services more efficiently.

The strategy recognises the diversity of the private sector in the region. Dimensions such as large, small, gender, rural-urban, male-female, indigenous-alien deserve appropriate attention. It is in this context that the strategy of empowerment is addressed.

Challenges still remain in the areas of poor infrastructure including roads, ports, rail, information and communication technology (ICT) and energy among others. The greatest challenge however, presents itself in the form of inadequate financial resources. Since local resources from governments have decreased, there is need for private sector support for infrastructure development. 

EAC-MRH; ACCESS TO SAFER MEDICINES

Essential medicines save lives and improve health, but only when they are readily available, affordable, of assured quality and are used rationally. In March 2012 the East African Community launched a project that seeks to make all the foregoing possible in the region.

The EAC Medicines Registration Harmonisation Project (EAC-MRH) is an off-shoot of the African Medicines Regulatory Harmonisation (AMRH) Programme, whose overall aim is to improve public health by increasing rapid access to good quality, safe and effective medicines by reducing the time taken to register essential medicines for the treatment of priority diseases (such as tuberculosis and malaria).

The EAC-MRH Project is part of a wider initiative created to assist African countries and regional economic communities to respond to the challenges posed by medicines registration as an important, but neglected area of medicines access.

The AMRH Programme aims to support African countries to overcome these constraints by building effective medicines regulatory systems through harmonisation and regulatory capacity building.

It is premised on the notion that quality, efficacy and safety of medicines can be assured by providing National Medicines Regulatory Authorities (NMRAs) with a simplified, open and transparent medicines regulatory system. Six NMRAs from Burundi, Kenya, Rwanda, Tanzania (Mainland), Zanzibar and Uganda are involved in the EAC-MRH Project.

The East African Community was the first regional bloc to roll out the initiative, but the project's key partners plan to replicate EAC-MRH in a number of other regional economic communities and an additional 30 plus NMRAs.

EAC-MRH is a \$10 million initiative that will initially be implemented over a three-year period, with a second phase expected to follow after 2015. The project's key partners include: the New Partnerships for Africa's Development (NEPAD) Agency, World Health Organization (WHO), Pan African Parliament (PAP), Bill and Melinda Gates Foundation (BGMF), UK Department for International Development (DFID) and the Clinton Health Access Initiative (CHAI).



PROJECT OBJECTIVES

- Develop and implement harmonised technical document for registration of medicines in the EAC Partner States
- Implement a common information management system for medicines registration in each of the EAC Partner States NMRAs which is linked in all Partner States, EAC Secretariat and WHO
- Implement a Quality Management System in each of the EAC Partner States NMRAs
- Build regional and national capacity to implement medicines registration harmonization in the EAC
- Create a platform for information sharing on the harmonised medicines registration system to key stakeholders at national, regional and international level
- Develop and implement a framework for mutual recognition of regulatory decisions of EAC Partner States. 

TALK TO THE EAC



...On Somalia joining the Community

East African Community

Somalia asked to join East African Community. What do think guys!

Like · Comment · Share · 20 hours ago ·

3 people like this.

Johannes Claudius Habyarimana No, she has bigger socio-politico-economic problem and Al-Shabab lives there!
20 hours ago · Like

Al Guido well keep them on the Waiting list to attain stability and improve their human rights records!
19 hours ago · Like · 1

Denis Nabende Its too early. They need an elected govt first
19 hours ago · Like

Raymond Mwabini It means Kenyans will flock there to do business once there's peace. I think they should join. Oh, I am Kenyan jsut for the record.
19 hours ago · Like

Edmond Nakisisa Kayira It'd be great for the country, i think, since Somalia's development would greatly be benefited if it were to be a part of the community; due to a decreased cost of commerce and easy access to the goods and opportunities available within the EAC. In addition, one way i believe violence can be curbed within the Somali state, is through the inclusion of its people into the much bigger EAC community/identity, perhaps with increased opportunities; individuals would be less attracted to joining groups such as Al-Shabab.
19 hours ago · Like

Hillary Kipruto they should finish their internal wars n find peace first ten intergrate with its neighbors
16 hours ago · Like

Jackson G Githaiga That is awesome! with the much needed practical development needed Somalia joining EAC would open up doors for EAC professionals and businesses to open shop without much hassle, creating jobs and bolstering the economies of all stakeholders
14 hours ago · Like

Guled Mohamed They should be allowed to join the East African community in order to fast-track their internal wrangles. Mark my words, once Somalia gets the peace it deserves it will surpass all EA countries because it has a lot of resources, a virgin land and the longest coastline in Africa... The rest of East Africa will benefit more from Somalia than Somali will benefit from them!
13 hours ago · Unlike · 1

Guled Mohamed Just FYI Jackson, there already so many EA professionals working in Somalia. In fact they EA nationals are the biggest number compared to the rest of Africa and the world.
13 hours ago · Like



...On creating a Single Customs Territory

Euloge Lewis Woow fantastic at least should decrease tax evaders go go go eac!
March 25 at 3:45pm via mobile · Like · 1

Mzee Shayo I am worried about who will collect the tax at the Dar port!!!
Monday at 4:45pm · Like · 1

Naturinda Haruna this single custom even deleyed ,we could not be suffering from doubleor triple taxation.i beleive goods would cheap to the common man. Actually i would love to here a referanda on such issue concerning the people of eastafrica. Good idea.
Tuesday at 5:58pm · Like

Kimbowa Richard A laudable step. However, are we ready for it? Are the systems in place to avoid tax evasion and other related ills? We therefore need an audit of sorts to secure proper functioning and guidance of the revenue collection process at this level
Yesterday at 4:00pm · Like

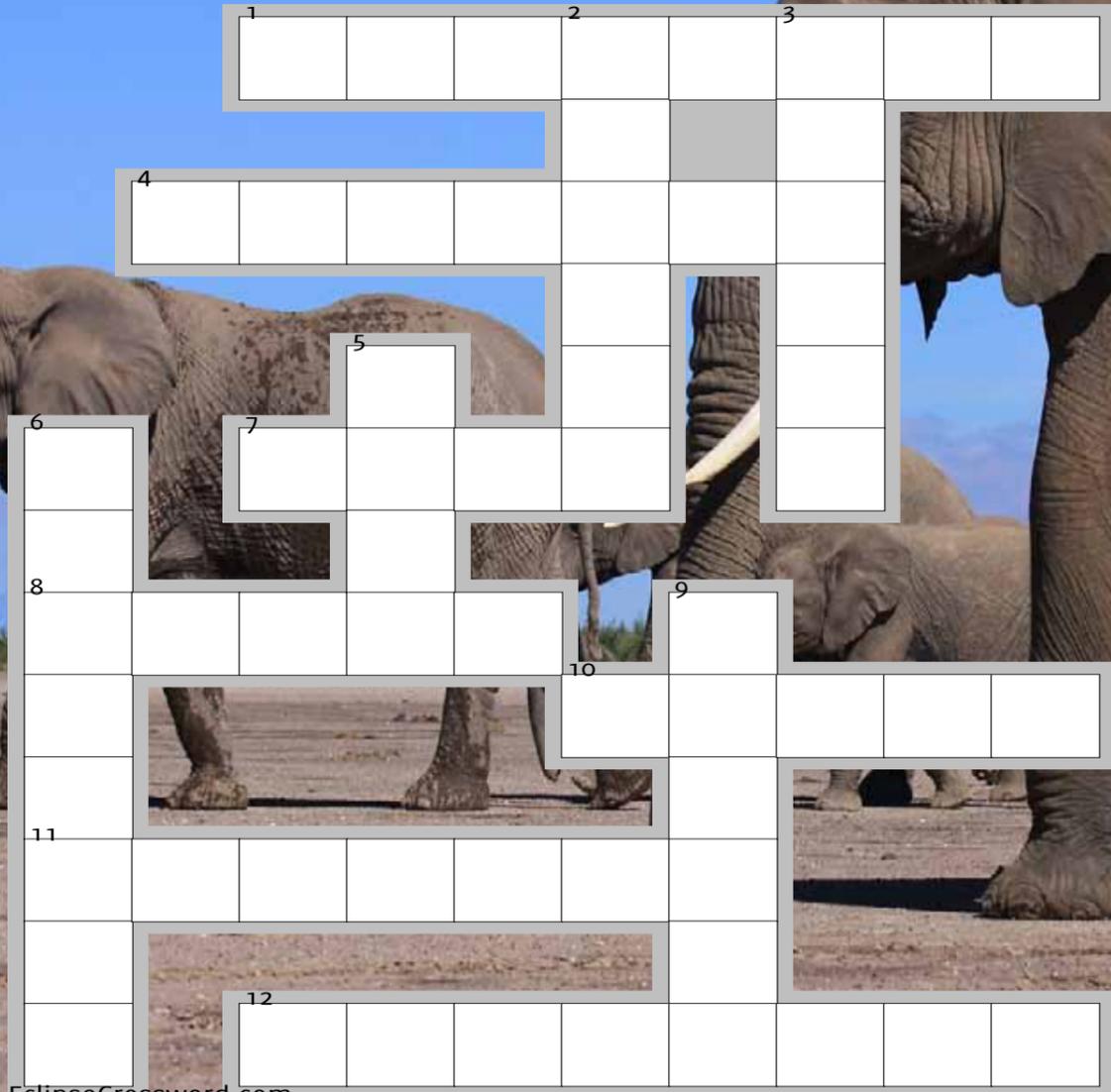


Your Ideas

End the corruption - Would East African Community member states consider putting in place a regional Anti corruption unit and corruption be considered a regional crime and prosecuted in East African Court of Justice to avoid manipulation by individuals? *Gatune Godfrey*

Gas rich East African Community - Hello my name is Daniel Mwangi. Well my idea is if the EAC can build several gasification plants in each of the member countries. These plants will burn refuse and other burnable material and the process will turn that garbage into methane/ hydrogen gas ch would heat homes and even provide electricity for the millions living in the EAC (I have included a link to further explain my idea) <http://fossil.energy.gov/programs/powersystems/gasification/howgasificationworks.html>

Test your knowledge of EAC



NAMANGA IUCEA RWANDA TWELVE NSEKELA FIVE BUKUKU VICTORIA KIRASO NINE KILIMANJARO SIRMA CHIRUNDU PROTOCOL

ACROSS

1. Largest fresh water body in East Africa (8)
4. Surname of EACJ Judge President (7)
7. Number of EALA MPs from each Partner State (4)
8. EAC Institution charged with coordinating inter-university cooperation in East Africa (5)
10. Surname of EAC Council of Ministers Chairperson (5)
11. Proposed first One Stop Border Post in East Africa (7)
12. Any agreement that supplements, amends or qualifies the EAC Treaty (8)

DOWN

2. Chapter in the Treaty that focuses on Co-operation in Investment and Industrial Development (6)
3. Country of citizenship of EAC Secretary General (6)
5. Current membership of the East African Community (4)
6. First fully fledged One Stop Border Post in Sub Saharan Africa opened in November 2009 (8)
9. Surname of EAC Deputy Secretary General charged with the EAC Political Federation (6)

Destination East Africa

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