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EAST AFRICAN COMMUNITY
EAST AFRICAN LEGISLATIVE ASSEMBLY



REPORT OF THE COMMITTEE ON GENERAL PURPOSE ON THE EAC ANNUAL
REPORT FOR 2012/2013

ARUSHA, TANZANIA

Paper Laid
By Hon. A. Bwalya, MP
Ministry, 09.07.2015 (pm)
Mmm

Clerk's Chambers
EAC Headquarters
EALA Wing, 3rd Floor
Arusha - TANZANIA

12th May 2015

1.0 Introduction

Hon. Speaker, -

In accordance with Article 48(3), 49 (2) (c) and 49(3) of the Treaty for the Establishment of the East African Community and Rule 80 (f) 81 (c) and (f) of the Rules of Procedure of the Assembly, the EAC Annual Reports are considered by the Committee on General Purpose and adopted by the Assembly.

The mandate of the Assembly is to consider the EAC Annual Report in accordance with the Treaty provisions which empower the Assembly to establish Committees to consider matters of legislation, budgeting and oversight over projects and programmes of the EAC. The Committee on General Purpose is mandated, among others, to carry out oversight on the progress made in the implementation of provisions that address the matters of general application on the EAC in relation to its roles and functions.

The EAC Annual Report for 2012/2013 was tabled before the Assembly on 3rd September 2014 in Dar es Salaam during the 1st Meeting of the 3rd Session of the Third Assembly by the Hon. Chairperson of the Council of Ministers and committed to the Committee for consideration. The Committee on General Purpose met in Bujumbura, Burundi on 13th, 16th and 23rd March 2015 to consider the report.

2.0 Methodology

Following the consideration and adoption of the EAC Annual Reports for 2009/2010, 2010/2011 and 2011/2012 by the Assembly on the dates of 23rd April 2013, and 28th May 2014 respectively, the Committee once again sought to ascertain whether the EAC Annual Report of 2012/2013 reflected the fact that the recommendations of the Assembly and inputs into the preparation, lay out and format of the report as previously recommended had been taken into consideration.

The Committee considered the EAC Cumulative Activity Implementation Report for the period July 2012 to June 2013, and met with the EAC Deputy Secretary General, Planning and Infrastructure, Dr. Enos Bukuku on 23rd March 2015 to analyse the EAC Annual Report in line with the provisions of the Treaty.

3.0 Findings and Observations of the Committee

- 1) The Committee, basing its observations on the three previous reports on the EAC Annual Reports for 2009/2010, 2010/2011 as well as 2011/2012, finds that there is an improvement both in terms of content and presentation.
- 2) The Committee noted that the Report had been tabled in September of 2014 which was tabled in a timely manner given the tabling of previous reports although it was still overdue. The Committee further noted that the report contains draft financial statements as opposed to Audited Accounts as has been the norm.
- 3) The Committee further noted that there was specific reference to the report being compiled as a requirement of Article 49(2)(c), meaning that this was the report prepared specifically for parliamentary scrutiny as recommended by the Assembly. The said references were made by both the Hon. Chairperson of the Council of Ministers Hon. Phyllis Jepkosgei Kandie in the foreword to the report and in the Secretary General's summary of the Report. This therefore reinforces the fact that the report compiled in fulfillment of Article 49 (2) should be according to the specifications of the Assembly.
- 4) The Committee noted that there is need for meaningful follow up to be made on sectors and activities undertaken which the Assembly can do under the respective sectors that Committees of the Assembly cover. The Committee however, acknowledges due to under staffing among other reasons, that there is a serious constraint with regard to the necessary skilled staff to facilitate the Committees in terms of research and expertise.

5) The Committee considers the omissions, errors and misrepresentations still emerging in the report to be unjustifiable. These include among others:

- (i) Completely wrong page numbering in the entire table of contents for the Office of the DSG F & A, EALA and Office of the Secretary General and so on;
- (ii) Pictures and photographs that should fit to the size of the page are uphazardly cut which is highly unprofessional;
- (iii) Wrongly captioned photographs on page 57, among many others, where two serving Members of EALA are named in a photograph with completely different persons; as well as Office of the Secretary General which shows military personnel exchanging the EAC flag.
- (iv) The Report lacks basic information, details and statistics in line with the thematic areas of the budget in the Financial Year under review. Given that the theme of the budget for the financial year was full implementation of the EAC Common Market Protocol, establishment of the East African Monetary Union and laying a strong foundation for an EAC Political Federation, interventions made and outcomes of those interventions should be reflected to give a more authentic and realistic picture of the Community. Additionally, basic statistics on indicators such as volumes of trade, as well as investment, the report would better reflect quantitative trends; and
- (v) Omission and inconsistency which leads to errors within the report are cited in the report under the Office of the Counsel to the Community where a list of Bills passed by the Assembly includes the EAC Holidays Bill, 2012 which is later omitted in Chapter 8 under EALA. The Committee further noted that no challenges are reported in the report; challenges that exist are long standing and include the pending legal status of LVBC and the Nyerere Center for Peace Research.

6. The Committee observed that there is need to amend the EAC Budget Act, 2008 to align the Act with reporting timeframes so as to ensure timely preparation and tabling of reports before the Assembly.
7. The Committee observed that since the Annual Report reported on all organs of the Community, projects and programs, consideration could be given to including a report of the Summit, status of implementation on Summit, Ministerial decisions and directives as well as recommendations of the Assembly.
8. The Committee further notes that the report contains draft financial statements of the Community as opposed to Audited Financial Accounts that had for sometime been said to cause delays in tabling of the Annual Reports. If then the draft statements are to be used and flexibility has been employed to fulfill the requirements for tabling the Annual Report before the Assembly, it is expected that EAC Annual Reports will henceforth be received on time by the Assembly so as to inform the subsequent budgeting process.

4.0 Recommendations

In view of the observations by the Committee, the Committee makes the following recommendations:

- 4.1 The Committee commends the evident improvements in the EAC Annual Report for 2012/2013 with indications of editing and more careful compilation. The Committee however recommends that this be further improved by setting up a Committee comprising staff from each Organ and Institution to approve the contents of the draft report and validate the Report before it is disseminated. Vital statistics and details need to be used to reflect progress on sectors such as trade, investment and industrialization.

It is further recommended that quality control be enhanced and assured across board for all EAC documents.

- 4.2 The Committee recommends to the Assembly that EALA Committees monitor and follow up on issues in the Annual Reports that fall under respective EALA Committees as recommended by the House.
- 4.3 The Committee recommends that the EAC Budget Act, 2008 be amended to align reporting timeframes for all budget related reports and documents.
- 4.4 The Committee recommends to the Assembly to urge the Council of Ministers that the Annual Report be tabled on time at least by September of each year to inform the subsequent budget process as should be. The Committee further recommends to the Assembly to urge the Council of Ministers to urgently address the issue of Human Resource Capacity as well as development of the requisite competences in the Community so that EALA Committees are facilitated to fulfill their mandate.
- 4.5 The Committee recommends to the Assembly to urge the Council of Ministers to reflect challenges faced and interventions the Community has employed so as to give an accurate picture of the Community in a given year. Contrary to the belief that challenges may be interpreted as a sign of weakness, the Committee is of the view that a realistic picture as well as interventions and outcomes of the interventions reflect a more authentic and realistic picture of the Community to the outside world and highlights action points.

5.0 Acknowledgement

The Committee would like to express its appreciation to the Office of the Rt. Hon. Speaker, EALA and the Office of the Clerk, EALA for facilitating the work of the Committee. Appreciation also goes to the Deputy Secretary General, Planning and Infrastructure, Dr. Enos Bukuku, the Principal Planning Research Officer, Mr. David

Sajjabi, Senior Monitoring and Evaluation Officer, Mr. Julius Birungi for meeting with the Committee on 23rd March 2015.

6.0 Conclusion

The EAC Annual Report in respect of Article 49 (2) and Article 132 of the Treaty form the basis for preparation of the report as an accountability tool. It is therefore imperative that the report reflect a correct and accurate picture of the Community and not omit challenges or policies and procedures used in the management of financial, human and information resources for a given year. The Committee recommends that the Council of Ministers give attention to the recommendations contained in this Report.

Hon. Speaker, I beg to move.

THE EAST AFRICAN COMMUNITY

BILL SUPPLEMENT

No. 8

15th May, 2015.

to the East African Community Gazette No. 6 of 15th May, 2015.

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THE EAST AFRICAN COMMUNITY

APPROPRIATION BILL, 2015

MEMORANDUM

The object of this Bill is to make provision for the appropriation out of the budget of the East African Community, of specified amounts of money for the services and purposes of the Community for the financial year ending the 30th of June, 2016.

HON. DR. HARRISON MWAKYEMBE, MP,
Chairperson Council of Ministers.

East African Community Appropriation Bill, 2015

THE EAST AFRICAN COMMUNITY APPROPRIATION BILL,
2015

ARRANGEMENT OF CLAUSES

Clause

1. Citation and commencement
2. Issue of money out of Community budget
3. Appropriation of sums granted
4. Payment for services in previous financial year

**THE EAST AFRICAN COMMUNITY
APPROPRIATION BILL, 2015**

A Bill for an Act

ENTITLED

**THE EAST AFRICAN COMMUNITY
APPROPRIATION ACT, 2015**

An Act to make appropriation out of the East African Community Budget to the service of the financial year ending 30th June, 2016.

ENACTED by the East African Community and assented to by the Heads of State.

1. This Act may be cited as the East African Community Appropriation Act, 2015 and shall come into force on the 1st day of July, 2015.

Citation and commencement

2. The Secretary General may issue out of the budget of the East African Community and apply towards the supply granted to the Community for the services of the year ending on the 30th June, 2016 the sum of United States Dollars One Hundred Ten Million, Six Hundred Sixty Thousand, Ninety Eight.

Issue of money out of the Community budget

East African Community Appropriation Bill, 2015

Appropriation of sums granted

3. The sums granted by this Act shall be appropriated for the services and purposes specified in the Schedule to this Act.

Payment for services in previous financial year

4. Any part of the sums granted by section 2 which has been, or is issued from the budget of the East African Community before the 30th June, 2016 shall be available until a date to be determined by the Council of Ministers, not being later than the 31st day of December, 2016 for making payments which become due during the year ending on the 30th June, 2016.

East African Community Appropriation Bill, 2015

SCHEDULE

s.3

Vote	Services and Purpose	US Dollars
1.	East African Community Secretariat including the Defence Liaison Office and the Directorate of Customs and Trade.	69,636,849
2.	East African Legislative Assembly	15,865,646
3.	East African Court of Justice	4,301,551
4.	Lake Victoria Basin Commission	10,137,163
5.	Inter-University Council of East Africa	4,507,648
6.	Lake Victoria Fisheries Organisation	3,091,097
7.	East African Science and Technology Commission	726,755
8.	East African Kiswahili Commission	756,361
9.	East African Health Research Commission	935,498
10.	East African Competition Authority	701,530
	TOTAL	110,660,098