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REPUBLIC OF KENYA

NATIONAL ASSEMBLY

*Paper laid by
the chairperson,
Regional Integration Committee
04 MAY 2015
4/5/16 (pm)*

ELEVENTH PARLIAMENT – FOURTH SESSION

THE SELECT COMMITTEE ON REGIONAL INTEGRATION

REPORT OF THE COMMITTEE ON CONSIDERATION OF EAST AFRICAN
LEGISLATIVE ASSEMBLY COMMITTEES REPORTS AND RESOLUTIONS

CLERKS CHAMBERS
DIRECTORATE COMMITTEE SERVICES
PARLIAMENT BUILDINGS
NAIROBI

APRIL, 2016

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LIST OF ABBREVIATIONS

EAC	-	East African Community
EACJ	-	East African Court of Justice
EALA	-	East African Legislative Assembly
EAMS	-	East Africa Monitoring System
LVBC	-	Lake Victoria Basin Commission
OSBP	-	One-Stop Border Post
USD	-	United States Dollars

REPUBLIC OF KENYA



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**REPORT OF THE COMMITTEE ON CONSIDERATION OF EAST AFRICAN
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OSBP	-	One-Stop Border Post
USD	-	United States Dollars

1.0 CHAIRS FOREWORD

Article 65 (a) of the Treaty for the Establishment of the East African Community states *"that the Clerk of the Assembly shall as soon as practicable transmit to the Clerks of the National Assemblies copies of the records of all relevant debates of the meetings of the Assembly to be laid before the National Assemblies, by the respective Ministers responsible for East African Community affairs"*.

It is in furtherance of this that the following reports and resolutions were laid on the Table of the House on Wednesday September 30th, 2015 and subsequently committed to the Committee on Regional Integration for action in line with its mandate:

The following are the reports that were committed to the Committee:-

- (i) The Report of the Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda
- (ii) The Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments
- (iii) The Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One stop border Posts in the EAC.
- (iv) The Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration
- (v) Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community
- (vi) Summary of the Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States
- (vii) Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the Financial Year ended 30th June 2014

The following resolutions were committed before the Committee:

- (i) Resolution of the Assembly urging EAC Partner States to ratify the Protocol to the Constitutive Act of the AU relating to the Pan African Parliament
- (ii) Resolution of the Assembly urging the EAC Partner States to ratify and deposit instruments of ratification to the Protocol to the Constitutive Act of the African Union relating to the Pan African Parliament

- (iii) Resolution of the Assembly congratulating the Fifth President of the United Republic of Tanzania H.E John Pombe Magufuli on his election victory and commending the people of the United Republic of Tanzania on their commitment to peace and democracy during the General Elections in 2015
- (iv) Resolution of the Assembly urging EAC Partner States and the Community to implement the theme “from peace in the home to peace in the world: make education safe for all” in commemoration of the International day for the elimination of violence against women-16 days of activism.
- (v) Resolution of the Assembly seeking leave to give evidence in the EACJ in respect of the contents of the proceedings and the documents of the Assembly. This gives the Assembly’s position on the uses if its proceedings in the EACJ in respect of the case of Margaret N. Zziwa Versus the Secretary General.

Standing Order 251(2) provides that whenever the Clerk of the National Assembly receives copies of the records of relevant debates of the meetings of the East African Legislative Assembly, or copies of Bills introduced into the East African Legislative Assembly and Acts of the East African Community, the Clerk shall forward the records of debates, Bills or Acts of the Community to the relevant Committee.

The Committee shall consider this report and submit its report to the House within twenty one days (21) for consideration. Upon consideration of the Committee’s report, the Clerk of the National Assembly shall forward the House’s resolutions to the Clerk of the East African Legislative Assembly within seven days.

It is therefore my pleasant duty and privilege, on behalf of the Committee on Regional Integration, to table this report in the House on the East African Legislative Assembly’s Reports and Bills for consideration by the House Pursuant to Standing Order 199.

1.1 MANDATE OF THE COMMITTEE

The Committee on Regional Integration is one of the Select Committees of the National Assembly established under Standing Order 212 and is mandated to:-

1. enhance the role and involvement of the House in intensification and development of the integration process in the East African Community and the greater African region;
2. examine the records of all the relevant debates and resolutions of the meetings of the East African Legislative Assembly;
3. examine the Bills introduced in the East African Legislative Assembly and Acts of the East African Community;
4. examine the records of all the relevant debates and resolutions of the meetings of the Pan African Parliament, the African, Caribbean and Pacific-European Union Joint Parliamentary Assembly and other regional integration bodies;
5. inquire into and examine any other matter relating to regional integration generally requiring action by the House.

1.2 MEMBERS OF THE COMMITTEE

Chairperson	The Hon. Florence Kajuju, MP
(Vice Chairperson)	The Hon. Christopher Nakuleu, MP
Members	The Hon. David OumaOchieng, MP
	The Hon. BadyTwalibBady, MP
	The Hon. Robert Mbui, MP
	The Hon. Anyanga Andrew Toboso, MP
	The Hon. Florence MwikaliMutua, MP
	The Hon. Ogendo Rose Nyamunga, MP
	The Hon. Charles MutisyaNyamai, MP
	The Hon. AloisLentoimaga, MP
	The Hon. Anthony Kimaru, MP
	The Hon. David Kariithi, MP
	The Hon. WanjikuMuhia, MP
	The Hon. MurungiKathuri, MP
	The Hon. Ali Wario, MP
	The Hon. Eric Keter, MP
	The Hon. Mary Seneta, MP
	The Hon. Gideon Konchella, MP
	The Hon. Dido Ali Rasso, MP
	The Hon. Ann Nyokabi, MP
	The Hon. Emmanuel Wangwe, MP
	The Hon. Peter Shehe, MP
	The Hon. Alex Mwiru, MP
	The Hon. Mark Lomunokol, MP
	The Hon. Sarah Korere, MP
	The Hon. Cyprian Kubairingo, MP
	The Hon. Timothy Bosire, MP
	The Hon. Joseph Kahangara, MP

SECRETARIAT

Mr. Evans Oanda	-	First Clerk Assistant
Mr. Fredrick Otieno	-	Third Clerk Assistant
Mr. Nicodemus Maluki	-	Third Clerk Assistant
Ms. Brigita Mati	-	Legal Counsel
Ms. Sharon Cheron	-	Research Officer

1.2 LIST OF OBSERVATIONS AND RECOMMENDATIONS COMMITTEE OBSERVATIONS

Having considered the reports from the East African Legislative Assembly, the Committee made the following observations:-

1.2.1 Report of the EALA Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda

1. The political crisis in the Republic of Burundi was triggered by various factors including the contestation of the eligibility of the sitting president to run for another term. The crisis brought to light fundamental challenges that need to be addressed in the EAC, in light of the humanitarian crisis that ensued after the conflict in the Partner State.
2. In view of the time of the crisis, the mediation effort by the EAC was hampered and indeed delayed by various factors including general elections in various Partner States particularly in Tanzania and Uganda.
3. There is need for the Partner State's legislatures to devise mechanisms that can influence a bilateral intervention by their national governments.
4. EALA has no sufficient capacity to intervene in conflicts within the Partner States.
5. The Committee strongly supports EALA recommendation to create a crisis Fund to address such conflicts.

1.2.2 Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in the EAC

1. One stop Border Post (OSBP) is an important pillar in the realization of the objects of the common market and the custom union.
2. The pace of constructions of OSBP by some of the Partner States is progressing slowly. In particular, Kenya has not completed the construction of most of its OSBP unlike other partner states like Uganda. Examples of incomplete OSBPs within Kenya include Busia, Namanga and Lungalunga.
3. The East African Community on 27 February 2016 officially launched the first One Stop Border Post in Holili/Taveta towns on the Kenya/Tanzania border.
4. There is need to visit Border posts to assess the status of implementation of OSBPs.

1.2.3 Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States

1. The EALA Rule of Procedure is not very clear on answering prayers of Petitions (Rule 85). As such, the Committee is of the view that the petitioners were not sufficiently addressed by the recommendations of the EALA Committees
2. The petition carries a lot of merit and should therefore be handled diligently to its logical conclusion. However, the recommendations offered by the EALA Committee do not adequately address the prayers sought by the petitioners.
3. There are still challenges in the implementation of the Common Market Protocol. However Partner States should be discouraged from creating further barriers in the implementation of the protocol.
4. The Government of Kenya has not aggressively sensitized Kenyan citizens, to take advantage of cross border trade especially within the framework of the Simplified Trade Regime (STR). Sensitization has only been done to the communities around the borders; which is a very small percentage.

1.2.4 Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the FY ended 30th June 2014

1. An observation of the report reveals that there are serious and persistent audit issues over a number of years, which begs the question on whether the recommendations of the Accounts Committee are implemented by the respective Institutions of the EAC.
2. Considering that much of the EAC budget is externally funded, it can be construed that donors determine even the agenda of the EAC. This may not be to the interest of the EAC
3. There is no regional enforcement mechanism for dealing with cases of mismanagement of EAC funds.

1.2.5 Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community

There is a criterion for nominating EALA Members by Partner States; nothing prevents Partner States from nominating youth. All Partner States should abide by the set criterion.

1.2.6 Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments

The Committee concurred with EALA's observations and recommendations

1.2.7 The Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration

1. The Committee concurred with EALA Committee's observations pointing out that financial integration will go a long way to help realize the Monetary Union and avert some of the challenges facing other regional blocs especially the EU. The implementation of the EAC financial sector development and regionalization project funded by IDA is on-going, however there is need to sensitize Partner States Assemblies and engage them in enactment of relevant laws.
2. There is no uniform platform for the Capital Markets structures and also there exist different legal regimes in the various Partner States

1.3 COMMITTEE RECOMMENDATIONS

1.3.1 Recommendations on the Report of the EALA Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda

- i. The Committee recommends that all parties involved in the conflict in Burundi should convene to participate in genuine dialogue in order to find a peaceful, consensual and long-lasting solution to the political instability facing Burundi. Therefore, urgent attention needs to be paid to the regional dynamics of this crisis to avoid an escalation – and a regionalization of crisis going forward.
- ii. It is important that the EAC holds the debate on democracy and good governance as necessary prerequisites for entry into the EAC and the implication of instability on a Partner State's membership in the Community.
- iii. The Committee recommends that all EAC should come up with a stronger position on usurpation of powers by leaders through unconstitutional means to curtail future political and electioneering impasse.

1.3.2 Recommendations on the Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments

- i. The Committee recommends that the National Assembly of Kenya through the Committee engage with the SDEAA at an opportune time to find out the status of implementation of the Acts and Resolutions of EALA with respect to Kenya.
- ii. The Committee recommends that the EAC should put in place a proper system of monitoring implementation of resolutions by the Summit, Councils and the Assembly in order to keep the progress on track.
- iii. The Committee further recommends that all institutions, organs and Partner States of the EAC should ensure diligent execution of their mandates as stipulated in the Treaty Establishing the EAC, especially in regard to assenting to agreements within stipulated timelines.

1.3.3 Recommendations on the Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in the EAC

In addition to implementation of the recommendations by the EALA Committee, Partner States should expedite facilitation of One-Stop Border Posts to enhance realization of the EAC Customs Union.

1.3.4 Recommendations on the Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration

- i. As observed by the EALA Committee, the concerns on procurement process of infrastructure within the EAC Financial Sector Development and Regionalization Project, raised by the Republic of Kenya, should be investigated and addressed to ensure that the EAC Financial Rules were not breached and that there is value for money.
- ii. Financial Sector Integration should be expedited as it is one of the requirements for a functional Monetary Union.

1.3.5 Recommendations on the Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community

- i. The EAC should strive to enhance the tenets of an all-inclusive Community so that some sections of the population are not marginalized.
- ii. The contents of the petition could be better addressed by the respective Partner States. This is in reference to inclusion of youths in the EALA, as nominations are done by Parliaments of Partner States.

1.3.6 Recommendations on the Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States

- i. The Committee observed that the petition (as with the first petition on youth) carries a lot of merit and should therefore be handled diligently to its logical conclusion. However, the recommendations offered by the EALA Committee do not adequately address the prayers sought by the petitioners.
- ii. The Committee would therefore recommend that Partner States should endeavor to ensure full implementation of the Common Market Protocol and the Provisions of the Treaty Establishing the East African Community. This will offer long term and sustainable solutions to the prayers sought by the Petitioners.


1.3.7 Recommendations on the Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the FY ended 30th June 2014

- i. The EAC Secretariat should address all the issues raised in the audit report and fully implement the recommendations of EALA on audit.
- ii. All the Partners States should ensure that they make their financial contributions to the EAC in time to avoid delays in the implementation of EAC activities.
- iii. EALA should develop a legal framework including audit and procurement laws to address the financial mismanagement issues raised in the audit report.

- 2.6.1 The Committee observed that the petition carries a lot of merit and should therefore be handled diligently to its logical conclusion. However, the recommendations offered by the EALA Committee do not adequately address the prayers sought by the petitioners.
- 2.6.2 The Committee would therefore recommend that Partner States should endeavor to ensure full implementation of the Common Market Protocol and the Provisions of the Treaty Establishing the East African Community. This will offer long term and sustainable solutions to the prayers sought by the Petitioners.
- 2.6.3 Partner states should ensure that their laws are not in conflict with Common Market Protocol
- 2.7.0 Recommendations on the Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the FY ended 30th June 2014**
- 2.7.1 The EAC Secretariat should address all the issues raised in the audit report and fully implement the recommendations of EALA on audit.
- 2.7.2 All the Partners States should ensure that they make their financial contributions to the EAC in time to avoid delays in the implementation of EAC activities.
- 2.7.3 EALA should develop a legal framework including audit and procurement laws to address the financial mismanagement issues raised in the audit report.

MIN.NO.CRI/051/2016: ADJOURNMENT

The meeting was adjourned at 5.30pm.

SIGNED..........DATE 26/4/2016.....

CHAIRPERSON

- 2.2.1 The Committee recommends that the EAC should put in place proper mechanisms of monitoring implementation of resolutions by the Summit, Council and the Assembly in order to keep the progress on track.
- 2.2.2 The Committee further recommends that all institutions, Partner States and EAC, should ensure diligent execution of their mandates within the timelines as stipulated in the Treaty.
- 2.3.0 Recommendations on the Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in the EAC**
- 2.3.1 In addition to implementation of the recommendations by the EALA Committee, Partner States should expedite facilitation of One-Stop Border Posts to enhance realization of the EAC Customs Union.
- 2.3.2 EAC should set aside resources to operationalize the regional committee on elimination of NTBS
- 2.3.3 Partner States to provide funds to the National Committees on elimination of NTBS
- 2.3.4 EAC should operationalize EAC trade remedies committee established under the Common Market Protocol
- 2.4.0 Recommendations on the Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration**
- 2.4.1 The concerns on procurement process of infrastructure within the EAC Financial Sector Development and Regionalization Project, raised by the Republic of Kenya, should be investigated and addressed to ensure that the EAC Financial Rules were not breached and that there is value for money.
- 2.4.2 Financial Sector Integration should be expedited, as it is one of the requirements for a functional Monetary Union.
- 2.4.3 Kenya should anticipate and implement the expected financial sector reforms to be ready
- 2.5.0 Recommendations on the Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community**
- 2.5.1 Kenya and other partner states should adhere the rules on nomination to EALA and other regional organs to enhance the tenets of an all-inclusive Community so that some sections of the population are not marginalized.
- 2.5.2 The respective Partner States could better address the contents of the petition. This is in reference to inclusion of youths in the EALA, as nominations are done by Parliaments of Partner States.
- 2.6.0 Recommendations on the Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States**

1.6.0 Observations on the Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments

1.6.1 The Committee concurred with EALA's observations and recommendations

1.7.0 The Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration

1.7.1 The Committee concurred with EALA Committee's observations pointing out that financial integration will go a long way to help realize the Monetary Union and avert some of the challenges facing other regional blocs especially the EU

1.7.2 The implementation of the EAC financial sector development and regionalization project funded by IDA is on-going, however there is need to sensitize Partner States Assemblies and engage them in enactment of relevant laws.

1.7.3 There is no uniform platform for the Capital Markets structures and also there exist different legal regimes in the various Partner States

COMMITTEE RECOMMENDATIONS

Having considered the reports from the East African Legislative Assembly, the Committee made the following recommendations:

2.1.0 Recommendations on the Report of the EALA Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda

2.1.1 The Committee recommends that all parties involved in the conflict in Burundi should reconvene to participate in genuine dialogue in order to find a peaceful, consensual and long-lasting solution to the political instability facing Burundi.

2.1.2 It is important that the EAC enforces its rule on democracy and good governance as necessary prerequisites for entry into the EAC and the implication of instability on a Partner State's membership in the Community.

2.1.3 The Committee recommends that in future, the mediation process should be strengthened for regional stability.

2.1.4 The Committee recommends that EALA should expedite enacting a legislation to establish a Fund to address such conflicts.

2.2.0 Recommendations on the Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments

1.2.4 The Committee observes the need to visit Border posts to assess the status of implementation of OSBPs.

1.3.0 Observation on Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States

1.3.1 The EALA Rule of Procedure is not very clear on answering prayers of Petitions (Rule 85). As such, the Committee is of the view that the petitioners were not sufficiently addressed by the recommendations of the EALA Committees

1.3.2 The Committee observed that the petition carries a lot of merit and should therefore be handled diligently to its logical conclusion. However, the recommendations offered by the EALA Committee do not adequately address the prayers sought by the petitioners.

1.3.3 There are still challenges in the implementation of the Common Market Protocol. However Partner States should be discouraged from creating further barriers in the implementation of the protocol.

1.3.4 The Government of Kenya has not aggressively sensitized Kenyan citizens, to take advantage of cross border trade especially within the framework of the Simplified Trade Regime (STR). Sensitization has only been done to the communities around the borders; which is a very small percentage.

1.4.0 Observations on the Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the FY ended 30th June 2014

1.4.1 An observation of the report reveals that there are serious and persistent audit issues over a number of years, which begs the question on whether the recommendations of the Accounts Committee are implemented by the respective Institutions of the EAC.

1.4.2 Considering that much of the EAC budget is externally funded, it can be construed that donors determine even the agenda of the EAC. This may not be to the interest of the EAC

1.4.3 There is no regional enforcement mechanism for dealing with cases of mismanagement of EAC funds.

1.5.0 Observations on the Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community

1.5.1 There is a criterion for nominating EALA Members by Partner States; nothing prevents Partner States from nominating youth. All Partner States should abide by the set criterion.

MIN.NO. CRI/049/2016 PRELIMINARIES

The Chairperson called the meeting to order at 3:00 PM followed by a word of prayer.

MIN.NO.CRI/050/2016: CONSIDERATION OF THE DRAFT REPORT ON EALA REPORTS AND RESOLUTIONS

The Committee considered the draft report on EALA Reports and Resolutions and unanimously adopted it. The report had the following observations and recommendations:-

1.1.0 Observations on the Report of the EALA Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda

- 1.0.1 The political crisis in the Republic of Burundi was triggered by various factors including the contestation of the eligibility of the sitting president to run for another term. The crisis brought light fundamental challenges that need to be addressed in the EAC, in light of the humanitarian crisis that ensued after the conflict in the Partner State.
- 1.0.2 In view of the time of the crisis, the mediation effort by the EAC was hampered and in deed delayed by various factors including general elections in various Partner States particularly in Tanzania and Uganda.
- 1.0.3 There is need for the Partner State's legislatures to device mechanisms of that can influence a bilateral intervention by their national governments.
- 1.0.4 EALA has no sufficient capacity to intervene in conflicts within the Partner States.
- 1.0.5 The Committee strongly supports EALA recommendation to create a crisis Fund to address such conflicts.

1.2.0 Observations on the Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in the EAC

- 1.2.1 One stop Border post is an important pillar in the realization of the objects of the common market and the custom union. The O
- 1.2.2 The pace of constructions of OSBP by some of the Partner States is progressing slowly. In particular, Kenya has not completed the construction of most of its OSBP unlike other partner states like Uganda. Examples of incomplete OSBPs within Kenya include Busia, Namanga and Lungalunga.
- 1.2.3 The Committee noted that East African Community on 27 February 2016 officially launched the first One Stop Border Post (OSBP) in Holili/Taveta towns on the Kenya/Tanzania border.

MINUTES OF THE 13TH SITTING OF THE SELECT COMMITTEE ON REGIONAL INTEGRATION HELD ON FRIDAY 15TH APRIL 2016 IN HERI, PANGONI BEACH RESORT, MOMBASA AT 3:00PM

Present:

- | | | |
|----------------------------------|---|-------------------------|
| 1. Hon. Florence Kajuju, MP | - | Chairperson |
| 2. Hon. Christopher Nakuleu, MP | - | Vice-Chairperson |
| 3. Hon. Annah Nyokabi, MP | | |
| 4. Hon. Dido Ali Rasso, MP | | |
| 5. Hon. David Ouma Ochieng', MP | | |
| 6. Hon. Ogendo Rose Nyamunga, MP | | |
| 7. Hon. Kathuri Murungi, MP | | |
| 8. Hon. David Karithi, MP | | |
| 9. Hon. Robert Mbui, MP | | |
| 10. Hon. Mark Lomunokol, MP | | |
| 11. Hon. Andrew Toboso, MP | | |
| 12. Hon. Joseph Kahangara, MP | | |
| 13. Hon. Bady Twalib Bady,MP | | |

Absent With Apology

1. Hon. Kubai Iringo, MP
2. Hon. Gideon Konchella, MP
3. Hon. Anthony Kimaru, MP
4. Hon. Alex Mwiru, MP
5. Hon. Timothy Bosire, MP
6. Hon. Florence Mutua, MP
7. Hon. Ali Wario, MP
8. Hon. Sarah Korere, MP
9. Hon. Emmanuel Wangwe, MP
10. Hon. Alois Lentoimaga, MP
11. Hon. Mary Seneta, MP
12. Hon. Peter Shehe, MP
13. Hon. Wanjiku Muhia, MP
14. Hon. Eric Keter, MP

Absent

Hon. Charles Nyamai, MP

In attendance

- | | | |
|------------------------|---|---|
| 1. Mr. Evans Oanda | - | First Clerk Assistant |
| 2. Mr. Fredrick Otieno | - | Third Clerk Assistant |
| 3. Sharon Chebotin | - | SAA |
| 4. Joash Kosiba | - | Senior Fiscal Analyst |
| 5. Brigitta Mati | - | Counsel |
| 6. Mr. Erick Osoi | - | Research Officer |
| 7. George Arogo | - | Senior Assistant Director Ministry of EAC |
| 8. Judy Njeru | - | Senior Assistant Director Ministry of EAC |


1.10.3 There is no uniform platform for the Capital Markets structures and also there exist different legal regimes in the various Partner States

MIN.NO.CRI/046/2016: ANY OTHER BUSINESS

Under this agenda, the Principal Secretary Mrs. Betty Maina informed Members that the Speakers Round Table meeting has been confirmed to take place on 5th May 2016 from 7.30am – 1.30 noon at the Intercontinental Hotel. She urged Members to attend

MIN.NO.CRI/047/2016: ADJOURNMENT

The meeting was adjourned at 1.55pm.

SIGNED.....  DATE 26/4/2016

CHAIRPERSON

1.6.3 There are still challenges in the implementation of the Common Market Protocol. However Partner States should be discouraged from creating further barriers in the implementation of the protocol.

1.6.4 The Government of Kenya has not aggressively sensitized Kenyan citizens, to take advantage of cross border trade especially within the framework of the Simplified Trade Regime (STR). Sensitization has only been done to the communities around the borders; which is a very small percentage.

1.7.0 Observations on the Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the FY ended 30th June 2014

1.7.1 An observation of the report reveals that there are serious and persistent audit issues over a number of years, which begs the question on whether the recommendations of the Accounts Committee are implemented by the respective Institutions of the EAC.

1.7.2 Considering that much of the EAC budget is externally funded, it can be construed that donors determine even the agenda of the EAC. This may not be to the interest of the EAC

1.7.3 There is no regional enforcement mechanism for dealing with cases of mismanagement of EAC funds.

1.8.0 Observations on the Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community

1.8.1 There is a criterion for nominating EALA Members by Partner States; nothing prevents Partner States from nominating youth. All Partner States should abide by the set criterion.

1.9.0 Observations on the Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments

1.9.1 The Committee concurred with EALA's observations and recommendations

1.10.0 The Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration

1.10.1 The Committee concurred with EALA Committee's observations pointing out that financial integration will go a long way to help realize the Monetary Union and avert some of the challenges facing other regional blocs especially the EU

1.10.2 The implementation of the EAC financial sector development and regionalization project funded by IDA is on-going, however there is need to sensitize Partner States Assemblies and engage them in enactment of relevant laws.

- 1.0.1 The political crisis in the Republic of Burundi was triggered by various factors including the contestation of the eligibility of the sitting president to run for another term. The crisis brought to light fundamental challenges that need to be addressed in the EAC, in light of the humanitarian crisis that ensued after the conflict in the Partner State.
- 1.0.2 In view of the time of the crisis, the mediation effort by the EAC was hampered and in deed delayed by various factors including general elections in various Partner States particularly in Tanzania and Uganda.
- 1.0.3 There is need for the Partner State's legislatures to device mechanisms of that can influence a bilateral intervention by their national governments.
- 1.0.4 EALA has no sufficient capacity to intervene in conflicts within the Partner States.
- 1.0.5 The Committee strongly supports EALA recommendation to create a crisis Fund to address such conflicts.

1.1 Observations on the Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in the EAC

- 1.1.0 One stop Border post is an important pillar in the realization of the objects of the common market and the custom union. The O
- 1.1.1 The pace of constructions of OSBP by some of the Partner States is progressing slowly. In particular, Kenya has not completed the construction of most of its OSBP unlike other partner states like Uganda. Examples of incomplete OSBPs within Kenya include Busia, Namanga and Lungalunga.
- 1.1.2 The Committee noted that East African Community on 27 February 2016 officially launched the first One Stop Border Post (OSBP) in Hoiili/Taveeta towns on the Kenya/Tanzania border.
- 1.1.3 The Committee observes the need to visit Border posts to assess the status of implementation OSBPs.

1.6.0 Observation on Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States

- 1.6.1 The EALA Rule of Procedure is not very clear on answering prayers of Petitions (Rule 85). As such, the Committee is of the view that the petitioners were not sufficiently addressed by the recommendations of the EALA Committees
- 1.6.2 The Committee observed that the petition carries a lot of merit and should therefore be handled diligently to its logical conclusion. However, the recommendations offered by the EALA Committee do not adequately address the prayers sought by the petitioners.

- c. the Council Decisions related to the amendment of National legislation in support of the implementation of the Common Market Protocol have also not been fully implemented by Partner States.
- d. At Institutional level, Council decisions have also not been fully implemented, such as the finalization of the Institutional Review.

The Community should develop the clear road-maps for the implementation of the various Councils decisions and follow up mechanisms to ensure timely implementation of Summit and Council decisions.

iv. Delays in Remittance of Partner States Contribution and Development Partners

- a. There are always delays in remitting Partner States Contribution to the Community budget for Organs and Institutions. As at 30th June 2013, for example, the arrears of Partner States contribution stood at USD 12,615,563 for IUCEA.
- b. Notwithstanding the Council Decision that Partner States remit all their Contribution to the Budget by the 31st December of the financial year, the end of December is too late into the financial year. In case a Partner State does not make any remittance before that date, the Organs and Institutions may suffer serious financial constraints.

EAC secretariat uses the General Reserves Account as a bridging gap while awaiting the remittance from Partner States. The General Reserve Fund is sometimes used to fund the supplementary budget requests.

v. Delayed assent to EAC Bills

Out of 22 bills which were passed only one had been assented to by all EAC Heads of States. **The Summit directive at its last meeting in February, 2016 that Bills already passed by EALA be presented for assent during Summit meetings where Partner States have no objections is likely to address this challenge.**

vi. Kenya Position

Kenya has reduced its historical and other arrears to the Inter University Council of East Africa (IUCEA) from US\$.6.2 million to only US\$.1.2 million by February 2016 and has cleared all its contributions to LVEO.

Kenya had paid 53.06% of contributions to other organs and Institutions.

Regarding Summit and Council decision a Computer based system known as the East African Monitoring System has been installed that assists in Monitoring of Implementation of these decisions.

MIN.NO.CRI/042/2016: MEMBERSOBSERVATIONS

1.0.0 Observations on the Report of the EALA Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda

- c. The Audited Financial Statements for the Lake Victoria Fisheries Organization (LVFO) for the year ended 30th June 2014
- d. The Audited Financial Statements of the Inter University Council for East Africa (IUCEA) for year ended 30th June 2014; and
- e. The Audited Financial Statements of the Civil Aviation Safety and Security Oversight Agency (CASSOA) for the year ended 30th June 2014

The Audit Commission issued a clean report for all EAC Organs and Institutions. This means that the Accounts of the EAC Organs and Institutions for the financial year ending 30th June 2014 presents a fairly, in all material respect the financial position of these institutions. However, the Committee identified issues that require the attention and action by the Council as follows:

i. Gaps in Project Management at EAC

The Committee noted that EAC Organs and Institutions are currently managing more than 30 projects funded by various Development Partners most of which are at the EAC Secretariat. The Committee further observed each of these projects is managed independently with inadequate staff some of which carry out similar tasks posing a high risk of not achieving the intended objectives.

Whereas the Committee appreciates the Development Partners specific requirements, the establishment of a project Management Unit to handle Community Project would be cost effective.

The establishment and operationalization of the Projects Management Unit to facilitate effective programmes performance should be fast tracked.

ii. Delays in finalisation of Institutional Review and addressing Human Resources Matters

The delayed finalization of the Institutional review has means that several critical decisions relating to the operations of the EAC cannot be made.

The Committee calls for speedy expedition and finalisation of the institutional review exercise.

iii. Delayed Implementation of Summit and Council decisions both at Institutional level and the National level

It has been noted that a significant number of Council decisions are either partially or wholly not implemented especially at National level. These include:

- a. the ratification of the Protocol on Environments which has since 2006, not been ratified by all Partners States leading into non-achievement of EAC objectives on Environment and Conservation in this case.
- b. the implementation of National identity cards project and the internationalization of the East African Passport are two other projects yet to be fully implemented at Partner States level. An EAC e-passport was however launched during the last Summit in February 2016.

- ii. There is need to provide more statistics, facts and figures on the number of applicants for work/ residence permits in each of the Partner States and the numbers that have been approved since 2010;
- iii. The Council to provide funds to EALA for sensitization under the Partnership Fund;
- iv. The Chair Council should report to the Assembly on challenges it faces as to why the implementation of CMP is not meeting its timelines; and
- v. The Council to provide information as to how much revenue Partner States stand to lose through the abolition of the work/ residence permit fees;

Kenya's Position

- i) The proposal for joint efforts in undertaking sensitization and popularization of the EAC- CMP to enhance implementation should be embraced.
- ii) Processes towards the revision of the EAC-CMP to address the issues raised by the petitioners concerning Annex II among others are underway at the EAC level and the Republic of Kenya should take advantage of the same to iron out the contentious issues through expanded stakeholder consultations.
- iii) The State Department of East African Affairs identified twenty seven (27) pieces of legislation that were in contravention of the provisions of the EAC-CMP and submitted to the Attorney General's office who advised for a policy harmonization of laws;
- iv) Modalities should be explored to negotiate with the Republic of Burundi and the United Republic of Tanzania for reciprocal issuance of work permit on gratis as the EAC-CMP does not commit Partner States to abolish work / residence permit fees.

7. Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the Financial Year Ended 30th June, 2014

The Treaty for the Establishment of the East African Community provide under Article 134 that **“there shall be an Audit Commission made up on the Auditors General of Partner States whose function will be to Audit the accounts of the Community”**

In addition Article 134(3) provides that **the Audit Commission shall submit its reports under paragraph 2 of this Article to the Council which shall cause the same to be laid before the Assembly within six months of receipt for debate and consultations and action as the Assembly may deem necessary**

The Assembly debated and prepared a report on the Audited Accounts of the East African Community for the Year Ended 30th June 2014.

In accordance with the provision of Article 134 (3) of the Treaty the Chairperson of the EAC Council of Minister laid before the Assembly the following Audit Commission Reports:

- a. The Audited Financial Statements of the EAC organs for the year ended 30th June 2014;
- b. The Audit Financial Statements of the Lake Victoria Basin Commission (LVBC) for the year ended 30th June 2014

2. That a new Annex, which replaces the Annex II (expiring in 2015) should put in place a road map for the gradual implementation of free labour mobility which comprises all sectors and all categories of workers;
3. Abolition of work/ residence permit fees for East Africans;
4. A more centralized and efficient data base system on work/residence permit issuance and migration flows;
5. Minimize bureaucratic delays should be addressed through establishment of one stop centres for issuance of work/ residence permits; and
6. That the final goal of free movement of workers in the EAC should be achieved within no more than seven years from July 2010.

Observations

Apart from the Committee observations the following issues emerged during the debate:

- i. The Chair Council was challenged to clarify media reports that the United Republic of Tanzania intended to increase work/residence permit fees that was likely to adversely affect East Africans contrary to the objectives and spirit of the Common Market Protocol;
- ii. That the petition by the regional apex employers and workers bodies is an indictment of the low level of EAC citizens awareness which is a reflection of the fact that EAC sensitization strategies are not working;
- iii. That EAC integration seems to be a secondary agenda of most of the EAC Partner States to the extent that they are not willing to reduce/ or remove barriers to deepening EAC integration;
- iv. That contrary to the CMP letter and spirit, there still seems to be lack of clarity in the definition of East Africans in respect to the enjoyment of rights and freedoms under the CMP; and
- v. That the Committee report failed to provide current intra EAC migration statistics and the number of work/ residence permits applications processed by all the Partner States within a timeframe to understand the gravity and implications of the subject under petition.

NB: The Chair Council of Ministers however failed to address the matters that were raised during the debate. Instead she read written responses to the items of the petition that were prepared by the EAC Secretariat without reference to issues that were raised as supplementary to the Committee report especially in respect to United Republic policy on work/ residence permit and its impact on EAC integration.

Recommendations

Apart from the Committee recommendations in the Report, during debate, Members proposed, among others, that:

- i. The Chair Council be tasked to submit to the Assembly a comprehensive report on status of the implementation of the CMP by Partner States;

- b. The youth were encouraged not just to aspire for political leadership but also social leadership in matters that could significantly change the status of the youth welfare;
- c. All the EAC Partner State have National Youth Councils except the United Republic of Tanzania;
- d. A Framework for the development for EAC Youth, Women and Children Council will be convened in the financial year 2016/2017;
- e. An EAC Youth, Women and Children desk is to be established in the next financial year 2016/2017

Recommendations

The following are some of the recommendations that emerged during debate for consideration for inclusion in the final report:

1. The youth should focus first at developing leadership and mobilization skills at the youth organization and national level before focusing on EAC the region leadership;
2. In the proposed Treaty Review, the Council should consider amending Article 50 of the EAC Treaty to include a specific provision on youth election into EALA:
3. Amend the EAC Treaty to increase the number of EALA Members from 9 per Partner State to take care of special groups including the youth into EALA

Kenya Position

- i) The Republic of Kenya has a National Youth Council which the Youth Ambassador's Platform should take advantage of and develop twinning activities in advocacy.
- ii) The youth could take advantage of those in elective positions at County and National level to advocate for further inclusion in decision making including call for commitment and resources to ensure effective implementation of the African Youth Charter.
- iii) EAC Secretariat to benchmark on best practices at national levels on inclusion of Youth Officer Kenya to handle youth issues

6. Summary of the Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly Regarding Work/Residence Permits in the East African Community For the Citizens of the Partner States

Objective

The petition was made jointly by the East African Employers Organization (EAEO) and chambers affiliated to national employers organizations and the East African Traders Union Confederation (EATUC) representing national trade unions affiliated to it.

The petition urges EALA to ensure the implementation of the provisions of the Common Market Protocol, especially Article 10 Annex II. Specifically, their interest included the following areas:

1. Processing time for work/ residence permits should be reduced from 3 months to 30 day;

of harmonisation of laws currently being undertaken under the EAC FSDRP. It should be noted, however, that the EAC Partner States are at different stages of development of their capital markets and it was for this reason that the Council decided that integration of the capital markets will be addressed by way of Council Directives.

- vi. The Committee noted that the Sectoral Council on Legal and Judicial Affairs has not adopted the policies and regulations to facilitate the integration of the financial sector.
- vii. The reason for this is that the Sectoral Council on Legal and Judicial Affairs has not met in full session in a long time to consider, for example, the second set of seven Council Directives which were approved by the Sectoral Council for Finance and Economic Affairs (SCFEA) in November 2014.
- viii. The other recommendations of the Committee such as the need for the Partner states to mobilise and sensitize the EAC citizenry on the benefits of the Financial Sector Integration and the need to fast track the other aspects of the broader financial sector such as pension, banking, insurance, microfinance and SACCOs in the EAC Financial Sector Integration are important and are part of the EAC FSDRP.

5. Report of the Committee on General Purpose on the Petition to Advocate for Key Issues Concerning the Youth in the East African Community

This petition was presented to the Committee by the by EAC Youth Ambassadors during the EALA Plenary in Kigali, in October, 2015.

The petition specifically seeks the Assembly to move, among others, that:

1. Partner States through the respective authorities ensure the establishment of National Youth Council in Partner States where they still do not exist;
2. EALA advocates for the operationalization of the NYCs so that they become more vibrant in their activities;
3. The Council of Ministers advocate for the establishment of the East African Youth Council that will leverage representation of all youth activities at the EAC;
4. Partner States adhere to the provisions of the African Charter on the Youth;
5. Partner States' National Assemblies consider reserving slots for youth representation at the respective Assemblies;
6. EALA consider reserving slots for youth representation at the Assembly
7. EALA allocate a specific officer to handle youth matters/issues as and when they arise, and
8. EALA advocate for the EAC Secretariat to have a fully fledged officer handling youth affairs.

Observations

Apart from the observations in the Committee Report, the following issues emerged during the debate on the Motion:

- a. That the Youth Ambassadors through the petition seem to be the ones fronting to assume the positions of youth leadership being petitioned for;

- the Assembly.
- v. The Sectoral Council on Legal and Judicial Affairs should expedite the adoption and approval of the various Regulations and Policies tabled before it to facilitate the EAC Financial Sector Integration.
 - vi. The Committee urges the EAC Secretariat to undertake comprehensive feasibility studies on all the projects in the financial sector to ensure their sustainability.
 - vii. The different platforms in the Capital Markets structure should be integrated and the Infrastructure be linked to the East African payment system to reduce the bureaucratic processes in the market.

STEPS BEING TAKEN TO ADDRESS SOME OF THE OBSERVATIONS AND RECOMMENDATIONS OF THE COMMITTEE

- i. The Community in Partnership with the World Bank and other development partners have established the first phase of the EAC Financial Sector Development and Regionalisation Project (FSDRP). The project's development objective is to establish the foundation for financial sector integration among EAC Partner States. The higher level objective is to support the broadening and deepening of the financial sector through the establishment of a single market in financial services among the EAC Partner States with a view to making a wide range of financial products and services available to all at competitive prices.
The project, therefore, aims to benefit all participants in financial markets in the Partner States, including national regulators and institutions and the general public in the region.
- ii. The Community is implementing capital Market Infrastructure (CMI) Project under Component (IV) on integration of financial markets under the wider FSDRP. The objective under this component is to allow a seamless movement of securities and payments between the different EAC capital markets, compatible at the regional level, in order to enable the creation of a regional financial market in the EAC.
- iii. The concerns raised by the Republic of Kenya about the procurement process of the infrastructure within the EAC Financial Sector Development and Regionalisation Project are already being addressed by the National Treasury in close consultations with the Capital Markets Authority, Nairobi Securities Exchange, Central Depository and Settlement Corporation, EAC Secretariat and the World Bank as per the Decision of the 31st Council held in April, 2015. Kenya will soon join in the implementation of the EAC capital Markets Infrastructure (CMI) Project.
- iv. The concern of the Committee that other aspects of the broader financial sector such as pension, banking, insurance, microfinance and SACCOs are still lagging behind is valid. However, it should be noted that implementation of the various components of FSDRP is on the basis of the work plan prepared by the EAC Secretariat and approved by the World Bank but all the six components of FSDRP will finally be implemented to the benefit of the region. For, instance the development of draft EAC Microfinance Policy and its Implementation Strategy will address this concern.
- v. The observation the Committee that there is no legal regime in the EAC to enforce sanctions for none compliance with the security exchange requirements in the region is valid. This is the basis

Accuracy of the Report and Implementation of the Recommendations

Many of the observations made in the report are fairly accurate with slight variations.

- i. These inaccuracies were for example clarified to the Assembly especially in regard to the implementation status of the OSBPs. The EAC Secretary General made these clarifications on the floor of the House which are not reflected in the Committee report.
- ii. He observed that there have been significant changes in the implementation status of the OSBPs as many of the facilities are ready for use and are to be soon officially opened.
- iii. He made an undertaking to the House to share with the Speaker the updated status of implementation of the OSBPs since the Committee carried out its On- Spot Assessment.
- iv. Of significance is the observation made in respect to lack of Training and sensitization programs on OSBP operations and procedures to all stakeholders on a continuous basis. While the completion of the physical facilities is in most cases 80 -100% complete (operational), not adequate resources are factored into training of the management agencies and other stakeholders on the operations of the facilities. This challenge has the potential to frustrate the attainment of the objectives of the OSBPs.

Kenya's Position

- i. On training programs on OSBP operations procedures, with support from development partners we have been undertaking training programmes especially in Busia, Malaba, Namanga and Taveta.
- ii. We also are sourcing for resources from both government and other development partners to facilitate the training at Isebania and Lunga Lunga.
- iii. The EAC OSBP Act has been assented to by all Partner States
- iv. Joint Border Coordination Committee meetings be held for all the OSBPs which have been operationalised e.g Taveta/Holili
- v. Training has been undertaken in Taveta/Holili and Namanga/Namanga.

4. Report of the Committee on Communication, Trade and Investment on the Workshop on the EAC Financial Sector Integration

The objectives of the workshop were to:

- a) Understand and find out the status of the EAC Financial Sector Integration;
- b) Appreciate the opportunities and challenges involved; and
- c) Come up with appropriate recommendations.

Recommendations

- i. Capacity building of Members of the Assembly on the financial sector to equip them with the requisite knowledge to effectively understand the operations of the EAC financial sector integration should be undertaken.
- ii. The Committee urges Partner states to mobilise and sensitize the EAC citizenry on the benefits of the Financial Sector Integration.
- iii. Aspects of the broader financial sector such as pension, banking, insurance, microfinance and SACCOs should be fast tracked in the EAC Financial Sector Integration.
- iv. All the policies and regulations on the EAC Financial Sector Integration should be tabled before

- ii. On the delay on the assent to Bills, the Summit in its last 17th Summit meeting in March, 2016 consented to have the Bills that are already passed by the Assembly to be assented during its Ordinary Meetings after due consideration by the Partner States.

3. Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in EAC

The objectives of the oversight were threefold, to:

- a. Find out the status of implementation of the OSBP projects and their effect on the movement of people and EAC business environment;
- b. Interact with stakeholders and identify opportunities and challenges affecting the implementation of effective OSBP; and
- c. Come up with relevant recommendations

Challenges

Challenges identified by the Committee included:

- i. Limited knowledge in some of the borders in relation to the operations of the OSBPs;
- ii. Inadequate knowledge of benefits of trading within the EAC and information on existing trading opportunities;
- iii. There are no operating manuals and regulations to guide in the implementation of the OSBPs;
- iv. Accommodation facilities for staff are lacking or are located in distant areas from the border posts;
- v. Lack of procedures for cross border/ movement clearance of the local border communities; and
- vi. Completion of construction structures behind schedule of the planned completion time.

Recommendations

The Committee recommended, among others:

- i. Training and sensitization programs on OSBP operations and procedures to all stakeholders on a continuous basis;
- ii. Partner States that have not assented to the EAC OSBP Act to do so as soon as possible to provide a legal framework for the implementation of the OSBP in East Africa;
- iii. Fast tracking the development of manuals and regulations to assist in the implementation of the OSBPs;
- iv. Regular meetings of the Joint Border Coordination Committee to provide solutions on the cross border issues affecting the operations of the OSBPs;
- v. Urged Partner States to issue certificates of Rules of Origin at all the OSBPs

2. Report of the Committee on Legal, Rules and Privileges on Tracking the Implementation of Resolutions and Questions of the Assembly and the Council Commitments

Objective

The Committee's oversight was meant to track the status of implementation of Resolutions and Questions of the Assembly and Council of Ministers commitments for the period 2002 – 2014.

Findings/ Observations

Among others, the following observations and findings were made and outlined respectively:

- i. During the period under consideration, the Assembly passed 105 Resolutions;
- ii. While the Assembly transmitted Resolutions requiring action to Partner States, relevant EAC Organs and Institutions, the Office of the Clerk rarely receives feedback on action taken;
- iii. The EAC Secretariat had put in place an East African Monitoring System designed to systematically and continuously provide information on the implementation status of the Directives and Decisions which does not include EALA and EACJ; To review as some have already been acted on and others identified.
- iv. Annual Reports of the Council does not sufficiently capture critical EALA issues that need the attention of the Summit; and
- v. Timelines for assent to Bills under the Treaty is not adhered to and in some cases reasons were not provided for withholding of assent to the Bill passed by EALA.

Recommendations

The Committee recommendations included:

- i. The office of the Clerk should develop a compendium of Assembly Resolutions, Bills and Laws passed on an annual basis;
- ii. Focal point officers (Partner States, EAC Organs and Institutions) be designated to undertake data collection and analysis, and overall operationalization of the monitoring module;
- iii. In the intervening period, pending the establishment of EALA Monitoring and Evaluation Unit, the EAC Secretariat M&E Unit should submit to the Assembly quarterly M&E Reports; and
- iv. The assembly needs to have a robust and well resourced Research/ Monitoring Unit to ensure regular data collection and analysis, among others.

Accuracy of the Report and Implementation of the Recommendations

- i. The observations made in the report are fairly accurate and the recommendations made are implementable. The follow-up mechanisms of the EALA Resolutions and Questions are still weak and there is definitely need to develop structured modalities for follow-up Partner States. This could be done in collaboration between the EALA Clerks Office under the direction of the Speaker and the Secretary General's office with the direction of the Council. No concrete are yet to be presented on how this is going to be done.

- viii. That the Republic of Burundi that has not ratified the Peace and Security Protocol be encouraged to do so;
- ix. Need to relook at the subject of refugee management within the framework of the East African Community Common Market Protocol and the objectives of the Community;
- x. Partner States should create conducive environment for its citizens that would avoid the situation of fear that is the reason for refugees in the first place;
- xi. Address the causes of refugee situation in the EAC region;
- xii. The need for an effective EAC early warning mechanism to avoid such cases like that of the Republic of Burundi;
- xiii. The Assembly resolved to have another Mission to the Republic of Burundi, and
- xiv. The Assembly noted that the Assembly has not been complying with Article 59 (3) (c) which requires that “The Assembly shall hold an annual debate on the report to be submitted to it by the Council on progress made by the Community in the development of its common foreign and security policies” once a year. The Speaker ruled that the relevant Committee chair to inform the Speaker’s office the facilitation it requires for the report to be presented to the House for debate.

Accuracy of the Report in respect to Kenya

All the recommendations are appropriate however there is need to clarify two Committee recommendations in respect to Kenya’s position. That:

- i. EAC Partner States should emulate the Republics of Rwanda and Uganda who have established specific Ministries responsible for refugee affairs. The Republic of Kenya’s refugee matters are under the **Ministry of Interior and Coordination of National Government with fully a fledged Department of Refugees**. There are no reasons in the report to suggest that the department is not up to the task to warrant it being reconstituted after the Rwanda and Uganda models.
- ii. The Republic of Burundi and the Republic of Kenya to ratify the EAC Peace and Security Protocol which has already been ratified by the Republics of Rwanda, United Republic of Tanzania and Uganda to expedite its implementation. It is correct that at the time of the mission Kenya had not ratified the Protocol. **However, Kenya ratified the Protocol in October 2015**

Implementation of the Recommendations

In addition to the EALA recommendations which are in line with Article 124 of the Treaty, EAC needs to fully implement the following mechanisms and strategies which detail collective response to refugee issues and disasters. These include:

- i. EAC Regional Peace and Security Strategy
- ii. EAC Regional Conflict Prevention and Management Mechanism
- iii. EAC Early Warning Mechanism (EACWARN)

Ultimately EAC will have to approve the establishment of an EAC Peace a Security Council as a guarantor of regional peace and security.

MIN.NO.CRI/045/2016: PRESENTATION BY THE MINISTRY OF LABOUR AND EAST AFRICA AFFAIRS ON THE REPORTS OF THE COMMITTEES OF EALA

Mr. Phyllis Kandie, Cabinet Secretary Ministry of Labour and East Africa Affairs appeared before the Committee and made a presentation on the following reports:

1. The Report of the Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda
2. The Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments
3. The Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One stop border Posts in the EAC.
4. The Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration
5. Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community
6. Summary of the Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States
7. Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the Financial Year ended 30th June, 2014.

She presented as follows:

1. Report of the Committee on Regional Affairs and Conflict Resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province of Rwanda

The main objective of the goodwill mission was to:

- a. Apprise itself with the humanitarian situation on the ground and the arrangements in place to deal with the refugee crisis,
- b. Re-affirm EALA's commitment to Burundi in contributing to a lasting solution to the political impasse, and
- c. Visit the refugee camps in the two Partner States to convey goodwill message to the victims of the crisis.

The following issues arose during the debate

- i. The need for the EAC adopt the EAC Protocol on Good Governance as a way of improving the situation of governance in the Community;
- ii. Need to harmonize EAC Refugee and Internally Displaced Persons Law;
- iii. Concern that the Committee only heard one side of the story from the refugees in Kigoma without meeting with the local Burundians and Burundi government;
- iv. The role of the media in fuelling the conflict in Burundi;
- v. Need for a regional EAC refugee management framework;
- vi. Need for a contingency fund that can be used to address such disasters like East African Community refugee and internally displacement persons crises;
- vii. The enactment of the Disaster Risk Reduction and Management Bill that was taken over by the Council was overdue and that the Assembly give a timeframe within which the Bill should be brought back to the House for debate;

MINUTES OF THE 11TH SITTING OF THE SELECT COMMITTEE ON REGIONAL INTEGRATION HELD ON TUESDAY 12TH APRIL 2016 IN COMMITTEE ROOM, 2ND FLOOR, CONTINENTAL HOUSE, PARLIAMENT BUILDINGS AT 12.00(NOON)

Present:

- | | | |
|----------------------------------|---|-------------------------|
| 1. Hon. Florence Kajuju, MP | - | Chairperson |
| 2. Hon. Christopher Nakuleu, MP | - | Vice-Chairperson |
| 3. Hon. Annah Nyokabi, MP | | |
| 4. Hon. Dido Ali Rasso, MP | | |
| 5. Hon. David Ouma Ochieng', MP | | |
| 6. Hon. Ogendo Rose Nyamunga, MP | | |
| 7. Hon. Alois Lentoimaga, MP | | |
| 8. Hon. Kathuri Murungi, MP | | |
| 9. Hon. Mary Seneta, MP | | |
| 10. Hon. Peter Shehe, MP | | |
| 11. Hon. David Karithi, MP | | |
| 12. Hon. Wanjiku Muhia, MP | | |
| 13. Hon. Eric Keter, MP | | |
| 14. Hon. Robert Mbui, MP | | |

Absent With Apology

1. Hon. Bady Twalib Bady, MP
2. Hon. Kubai Iringo, MP
3. Hon. Gideon Konchella, MP
4. Hon. Joseph Kahangara, MP
5. Hon. Andrew Toboso, MP
6. Hon. Mark Lomunokol, MP
7. Hon. Anthony Kimaru, MP
8. Hon. Alex Mwiru, MP
9. Hon. Timothy Bosire, MP
10. Hon. Florence Mutua, MP
11. Hon. Ali Wario, MP
12. Hon. Sarah Korere, MP
13. Hon. Emmanuel Wangwe, MP

Absent

Hon. Charles Nyamai, MP

In attendance

- | | | |
|------------------------|---|-----------------------|
| 1. Mr. Evans Oanda | - | First Clerk Assistant |
| 2. Mr. Fredrick Otieno | - | Third Clerk Assistant |
| 3. Mr. Erick Osoi | - | Research Officer |

MIN.NO. CRI/044/2016 PRELIMINARIES

The Chairperson called the meeting to order at 12.25 pm and said a word of prayer. He then welcomed the Cabinet Secretary and her team to the meeting and requested everyone to introduce themselves.



AUSTRALIA


- 1. Hon. Christopher Nakuleu, MP - Vice Chairperson
- 2. Hon. David Ochieng, MP
- 3. Hon. Kathuri Murungi, MP
- 4. Hon. Eric Keter, MP
- 5. Hon. Cyprian Iringo, MP
- 6. Hon. Mary Seneta, MP

SOUTH AFRICA

- 1. Hon. Florence Kajuju, MP - Chairperson
- 2. Hon. Robert Mbui, MP
- 3. Hon. David Kariithi, MP
- 4. Hon. Gideon Konchela, MP
- 5. Hon. Rose Nyamunga, MP
- 6. Hon. Sarah Korere, MP

MIN.NO.CRI/039/2016: ADJOURNMENT

The Chairperson adjourned the meeting at 1.35pm.

SIGNED.....  DATE 26/4/2016

CHAIRPERSON

- vi. All additional requirements that are outside of and contradictory to provisions of the Common Market Protocol such as minimum annual salary, income levels and age limits should be addressed.

Recommendations

1. That the Assembly works jointly with regional advocacy bodies to engage in sensitization and popularization of the Common Market Protocol among other issues;
2. That the Assembly formalize its engagement with the East African Business Council and the Private sector actors in Partner States;
3. That the Council of Ministers evaluate and report on the efforts and challenges in the implementation of Annex II of the Common Market Protocol.
4. That the Council of Ministers continuously develop interventions to enhance the business environment in the region and fast track development of policies and strategies on key issues to enhance implementation. This in particular should be fast tracked by uniformly abolishing work/residence permit fees as well as the facilitation of portability of social benefits which has started on bilateral basis by some Partner States.

MIN.NO.CRI/036/2016: MEMBERS CONCERNS

Having considered the brief, Members raised the following concerns:

1. That it was important for the Committee to visit all border posts on the Kenyan side to be able to make substantive recommendations on the report presented by EALA on the One-Stop Border Post.
2. The Committee noted that it has become difficult for some Kenyan citizens to acquire residential and work permits due to some local restrictions created by some Partner States especially in Tanzania and was concerned to know the procedures and timelines to acquire the permit.

MIN.NO.CRI/037/2016: RESOLUTIONS

It was resolved that:

1. The Committee to visit border posts during the long recess in May 2016. The Committee will be divided into three groups to visit the following proposed border posts:
 - a) Malaba
 - b) Busia
 - c) Namanga
 - d) Taveta (Holili)
 - e) Lungalunga (Horohoro)
 - f) Isbania
2. The Committee should plan for a meeting with all the relevant Committees of Regional Integration from all the EAC Partner States to iron out some of the pertinent issues affecting the regions integration process.

MIN.NO.CRI/038/2016: ANY OTHER BUSINESS

Under this agenda, Members were informed that the Ministry of Labour and East Africa Affairs had written requesting the Committee to have of the planned Speakers round table meeting within Nairobi on a date that will be chosen by the Members.

The following Members were nominated for the planned visits to NePAD Secretariat in Johannesburg, South Africa and Australia:

process of development of the region. It has potential outreach of more than 8,500 companies and business entities and 100 associations and chambers affiliated to national employer organizations.

The East African Trade Union Confederation (EATUC) represents more than 2.5 million workers organized in the unions affiliated to the national trade union centres. EATUC was established in 1988 and is currently composed of confederations and trade unions of all East African Community Partner States.

The two apex bodies are responsible for lobbying and advocacy to foster a vibrant regional labour market.

The Petition urges EALA to:

Ensure the implementation of the provisions of the Common Market protocol, in particular Article 10 and Annex II; noting that since 2010, progress towards the implementation of especially the free movement of workers has been slow affecting the spirit of the EAC integration. Specific aspects relating to the Common Market Protocol include:

1. Processing time for work residence permits should be shortened from over 3 months to a maximum of 30 days with priority granted to East Africans. Furthermore, standardization should be ensured for documents required for work/residence permits applications in all Partner States to facilitate and ease the application process;
2. A new version of Annex II of the Common Market Protocol should be put in place when the current one expires (2015). The new Annex should put in place a roadmap for the gradual implementation of free labour mobility which eventually compromises all sectors and all categories of the blue and white collar workers. Furthermore, the new revised annex should put in place a tripartite mechanism at the EAC level and should be administered at national level through the tripartite forums;
3. Abolition of work/residence permits fees for East Africans in the spirit of oneness and instituting equal treatment of all East Africans. In addition, implementation of standardized work permits classes to include amendment of national laws shall be expedited;
4. The need for establishment of a more centralized and efficient data base system with information on work residence permit issuance and migration laws.
5. Bureaucracy should be addressed by having competent authorities issue work permits/residence permits at centralized national one-stop centres established on tripartite basis comprising representatives from relevant ministries, employer organizations and trade union centres and other relevant stakeholders; and
6. The final goal of allowing all workers to enjoy the benefits of free movement across the EAC should be reached within no more than 7 years from July 2010.

Specific issues relating to labour and migration include:

- i. Fast tracking the portability of social security benefits across borders in the Region and for the implementation of the use of Common Identity cards as travel documents;
- ii. The need for assessment of national employment policies and labour legislation in order to facilitate gradual approximation and harmonisation thus securing the rights of workers regardless of whether they reside in their country of origin or another Partner State;
- iii. The need to improve the collection and validation of disaggregated labour market data by regularly inviting employer's organisations and national trade union centres as well as relevant stakeholders on the Board of National Implementation Committees.
- iv. The EAC Scorecard should in the future include progress on the implementation of the Common Market Protocol on free movement of labour;
- v. Monitoring and evaluation of the Common Market Protocol should be improved by the Partner States with special emphasis on the adherence to the requirements and guidelines of the EAC monitoring and evaluation Framework;

Background on the Petition to advocate for issues of the Youth

The petitioners reaffirmed that sustained development of Africa rests with its youth and therefore requires their active and enlightened participation basing on various Charters including the African Youth Charter and Bamako Declaration of 2005. The youth further affirmed among others that they need representation at the national and regional levels giving the example of Rwanda which has a specific youth representation in the National Parliament and in EALA.

The petition therefore seeks the following:

1. That Partner States ensure the establishment of the National Youth Council where they are not established;
2. The EALA advocates for the operationalisation of the National Youth Councils so as to become more vibrant in their activities;
3. For EALA to urge the Council of Ministers to advocate for the establishment of the East African Youth Council;
4. Urge Partner States to adhere to the provisions of the African Youth Charter on Youth;
5. Appeal to the partner States National Assemblies to consider reserving slots for youth representation at the national level;
6. Urge EALA to allocate a specific officer to handle youth matters as they arise and urge for a fully-fledged officer at the Secretariat level.

Committee recommendations

- i. That the Assembly should consider developing a clear framework for engagement with the youth;
- ii. That future elections for Members of EALA reflect the provisions of Article 50 of the Treaty Establishing the East African Community to reflect the diversity of citizens of the Partner States specifically the fair representation of women, persons with disabilities and the youth;
- iii. That the Council of Ministers gives significant support to the youth in their endeavors particularly at the national level to give them the chance to utilize and realize their full potential.
- iv. That the youth concentrate their efforts in enhancing their capacities, interactions and quality of engagement so as to register significant gains which will lead gradually to the recognition they seek at both national and regional levels.
- v. With regard to representation in National Parliament and in EALA, the Committee recommended that while structures existed in the Assembly and in partner States, the lobby for any such institutional reform should begin at the level of youth organizations and the national level which would create an impact that would facilitate the desired reform.

5. Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States (26th November, 2015)

In accordance with Article 49 (2) (d) (e) and 3 of the Treaty Establishing the East African Community and Rules of Procedure of the EALA, the Assembly received a petition jointly prepared by the East African Employers Organisation (EAEO) and the East African Trade Union Confederation (EATUC). The Assembly received the petition on 11th February of 2015 at the EAC Headquarters, which was subsequently referred to the Committee on General Purpose.

Background of the Petition

East African Employers Organization (EAEO) is a regional organization of employers established for the promotion of the development and protection of the employers interests in the East African Community and ensures that employer organizations of Member States become active partners in the

- ii. The Republic of Kenya raised concern about the procurement process of the infrastructure within the EAC Financial Sector Development and Regionalisation Project, which should be addressed by the World Bank and the EAC Secretariat.
- iii. Other aspects of the broader financial sector such as pension, banking, microfinance and SACCOs are still lagging behind in terms of financial sector integration.
- iv. There is no legal regime in the EAC to enforce sanctions for non-compliance with the Security exchange requirements in the region. It is therefore necessary to harmonize the EAC legal regime to enhance enforcement of sanctions.
- v. The sectoral council on Legal and Judicial Affairs has not adopted the policies and regulations to facilitate the integration of the financial sector.
- vi. There are different platforms in the Capital Markets Structure in the EAC Partner States operating under different legal regimes. This increases the processes and bureaucracy in the Security Exchange market. Further, the infrastructure to facilitate trading in securities by non-citizens in other Partner States is not yet in place.

Recommendations by the EALA Committee

- i. Capacity building of Assembly Members on financial sector to equip them with the requisite knowledge to effectively understand the operations of the EAC financial sector integration.
- ii. Partner States to mobilize and sensitize the EAC citizenry on the benefits of the Financial Sector Integration.
- iii. Aspects of broader financial sector such as pension, banking, insurance, microfinance and SACCOs should be fast tracked in the EAC Financial Sector Integration.
- iv. All the policies and regulations on the EAC Financial Sector Integration should be tabled before the Assembly.
- v. The Sectoral Council on Legal and Judicial Affairs should expedite the adoption and approval of the various Regulations and Policies tabled before it to facilitate the EAC Financial Sector Integration.
- vi. The EAC Secretariat to undertake comprehensive feasibility studies on all the projects in the financial sector to ensure their sustainability.
- vii. The different platforms in the Capital Markets structure should be integrated and the infrastructure be linked to the East African Payment System to reduce the bureaucratic processes in the market.

4. Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community (26th November, 2015)

The EAC Secretariat Department of Political Affairs organizes an annual event under the auspices of the EAC Nyerere Centre for Peace and Research (EAC-NCPR). The event was started in 2012 to bring EAC University Students together to debate on regional integration. The debate aims at providing a regional platform to promote dialogue among university students and youth and develop their interests in advocating for regional integration.

Youth Ambassadors and deputy ambassadors are appointed at the debate to represent their Partner States. The team that was appointed during the Third EAC University Students debate advocated for the EAC integration with the responsibility of sensitizing, educating and engaging their peers at the national level. The team also presented a petition to the Assembly on 23rd March, 2015 in Bujumbura, Republic of Burundi.

The EALA Committee held a meeting with the youth and Council of Ministers on 26th November, 2015.

Recommendations

- i. Training and sensitization programs on OSBP operations and procedures to all stakeholders
- ii. Infrastructure improvement to provide social amenities such as schools, hospitals etc.
- iii. All remaining works at all border posts should be fast tracked to allow its implementation for further integration (Namanga)
- iv. Partner States that have not assented to the EAC OSBP Act should do so as soon as possible to provide a legal framework for the implementation of the OSBP in the EAC.
- v. The EALA Committee should complete the visits to all other EAC OSBPs to assess their current status.
- vi. Scanners, metal detectors and strong rooms should be installed at all borders to enhance security (this affects OSBPs on Kenya side at Namanga and Lungalunga).
- vii. Sustainable environmental management programs should be provided at all OSBPs
- viii. The development of manuals and regulations should be fast tracked to assist in implementation of the OSBPs
- ix. User friendly materials should be used at OSBPs
- x. Partner States should uphold principle of efficient and effective management of shared resources at borders
- xi. Improvement on roads connecting OSBPs
- xii. Joint Border Coordination Committees should meet regularly to come up with solutions on the cross-border issues affecting operations at OSBPs
- xiii. Partner States to provide constant supply of clean water and decent sanitation systems at border posts (a challenge on all border posts on Kenyan side)
- xiv. Partner States to issue the certificates of Rules of Origin at all the OSBPs(in Kenya they are issued in Mombasa instead of Lungalunga)
- xv. The Committee should visit other regional blocks that operate OSBPs to learn best practices.
- xvi. Teamwork at all border posts should be upheld to ensure smooth implementation of the OSBP

Remark

The East African Community on 27 February 2016 officially launched the first One Stop Border Post (OSBP) in Holili/Taveta towns on the Kenya/Tanzania border. The facility was built at the cost of approximately US\$12 million from TradeMark East Africa (TMEA).

The Committee on Regional Integration should visit Border posts on Kenyan side to assess the status of implementation of OSBPs and make recommendations in accordance with its mandate of intensification of regional integration in the region.

3. The Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration (1st-4th November, 2015)

The EALA Committee on Communication, Trade and Investment held an oversight workshop to assess the status of implementation of the East African Financial Sector Development and Regionalization Project. As provided for under Article 85 of the EAC Treaty, the project was an initiative undertaken in 2011 to support the development of the financial sector through the establishment of single market for the financial services among the EAC Partner States and to create the foundation for financial sector integration.

Committee's observation from the Workshop

- i. The EAC Financial sector Development and Regionalisation project started four years ago. A number of regulations and policies have been adopted by the Council to facilitate the integration. However, the Assembly feels it has not been engaged in the process.

commitments to the Assembly as well as the implementation of Laws and Acts of the Community.

Remarks

It will be important for the Committee to engage with the SDEAA at an opportune time to find out the status of implementation of the Acts and resolutions of EALA with respect to Kenya.

2. The Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in the EAC.

The EAC adopted the use of One-Stop Border Posts (OSBPs) to facilitate trade and movement of people in the Community. Consequently, EALA passed the EAC OSBP Bill to legalise the concept.

The objective of the OSBP is to facilitate movement of people and trade by reducing the number of stops involved in a cross border transaction, by combining the activities of both countries' border control agencies to a single location with simplified procedures and joint processing and inspections where necessary.

The EALA Committee carried the on-spot assessment in the following posts:

Phase 1: Mutukula (Uganda/Tanzania), Mirama Hill/Kagituma (Uganda/Rwanda) and Rusumo (Rwanda/Tanzania)-8th-11th April, 2015

Phase 2: Lungalunga/Horohoro (Kenya/Tanzania), Taveta/ Holili (Kenya/Tanzania) and Namanga (Tanzania/Kenya)-30th-3rd October, 2015

Stakeholders engaged: Revenue Authorities, Immigration, Bureau of Standards, police, clearing and forwarding agents, traders, transporters, local authorities, development partners and EAC Secretariat.

General findings of the On-spot Assessment

- a. Currently, all OSBP operations are on a bilateral basis and guided by the OSBP Operational procedures Manual between specific Partner States until such a time when the EAC OSBPs law comes into effect.
- b. The Joint Border Coordinating Committees were established at the OSBPs to regularly meet and discuss the outstanding issues and to provide recommendations.

Benefits of OSBPs

- i. It was observed that the OSBPs improve trade facilitation through the following:
- ii. Reduces the duplication of border processes hence reduced time spent at the borders
- iii. Improves efficiency and effectiveness of border processes
- iv. Improves the relationship between institutions operating at the border posts and citizens between two Partner States.
- v. Increases the volumes of traded goods between Partner States
- vi. Creates employment opportunities to local communities at the borders
- vii. Reduces congestion and disorganization tendencies at the borders

Challenges experienced in implementation of the OSBPs:

- a. Limited knowledge on some of the borders with regard to the operations of the OSBPs:
- b. Limited infrastructure to provide social services and facilities at most of the borders such as schools, hospitals, banks etc.
- c. Lack of accommodation for staff-or located in distant areas from the border post.
- d. It was observed on all borders that there are no operating manuals and regulations to assist in the implementation of the OSBP.
- e. Disparities in operating language at the borders (English versus Swahili)
- f. Limited water supply at most border posts.

- implementation of the EAC integration agenda and to provide timely information to help in making informed decisions. EAMS serves as a speedy and effective way of providing informative reports.
5. The EAMS is also a database for the decisions of the Summit, Council of Ministers and Sectorial Councils. Partner States are developing similar systems to be linked with EAMS for easy flow of information regarding the implementation of their decisions.
 6. EAMS excludes the EACJ and EALA. There is need to expand the system to include resolutions, bills and laws, questions and reports of oversight activities by the Assembly and decisions by EACJ.
 7. In the Annual report of the Council to the Summit, critical issues pertaining to the Assembly are not sufficiently captured. In effect, such important issues that would require action by the Summit are not addressed.
 8. Need for a well -managed data base for Assembly Resolutions and Council Commitments which will ease tracking of their implementation.
 9. For the Assembly to effectively execute its oversight mandate it needs to build a robust and well-resourced Research/Monitoring Unit, which will ensure regular data collection and analysis.
 10. The timelines for assenting to bills passed by EALA as provided for in the Treaty are not observed, and in some cases, reasons for withholding bills were not provided.
 11. Regular tracking and documentation of the implementation of the EALA Resolutions and Council Commitments is a critical tool/instrument in evaluating how far the Assembly has performed and executed its mandate.
 12. It is incumbent upon all the relevant organs and institutions of the EAC to ensure diligent and timely execution of their respective mandates in a bid to realize the principles, goals and objectives of the Treaty and pillars of Integration.

Recommendations

1. The Office of the Clerk should develop a compendium of Assembly resolutions and questions, bills and laws passed on an annual basis.
2. That the Assembly urgently mobilizes resources to develop an online monitoring module under the EAC Monitoring system currently operational at the EAC Secretariat that will serve as a database for regular monitoring and follow up of EALA Bills, Resolutions and implementation of Regional Laws/Acts. The Assembly further urges other organs, particularly the East African Court of Justice to adopt the same.
3. That focal points officers (Partner States and EAC Organs and Institutions) be designated to undertake data collection and analysis, and overall operationalization of the monitoring module.
4. The Office of the Clerk of the Assembly should ensure proper scrutiny of motions and Resolutions to ensure compliance with the Treaty for the Establishment of the EAC and other Laws of the Community.
5. In the intervening period, pending the establishment of the EALA Monitoring and Evaluation unit, the EAC Secretariat Monitoring and Evaluation unit should submit to the Assembly quarterly Monitoring and Evaluation Reports.
6. The Annual Report of the Council to the Summit should comprehensively capture issues of the Assembly. The Clerk should always seek the input of the EALA Commission on the issues to be included in the report.
7. For the Assembly to effectively execute its oversight mandate it needs to build a robust and well-resourced research/monitoring Unit, which among other others, will ensure regular data collection and analysis.
8. Considering that the Committee was able to only consider resolutions of the Assembly, more resources should be availed to the Committee to also track questions, Bills and Council

5. The Committee found out that there were deep rooted cause and fears especially related to the 1972, 1993 and 2015 political crisis in Burundi which compelled the refugees to flee their country.
6. In Rwanda, the Committee was appraised that as of 31st may, 2015, the number of Burundi refugees stood at 28,634 (12,000 children, including 5000 unaccompanied minors.)

Recommendations by the EALA Committee

- i. In conformity with Article 124 (3) of the EAC Treaty on Regional Disaster Management Mechanisms, the EAC should establish a regional mechanism for disaster preparedness which would respond and coordinate humanitarian efforts in any Partner State.
- ii. The EAC Partner States should expedite enactment of a regional legal framework on Disaster Risk Reduction and Management Bill, 2013.
- iii. The EAC Partner States should harmonize their laws on how to handle refugees' matters in the region.
- iv. The EAC Partner States should support mechanisms towards restoration of peace in Burundi and the EAC at large.
- v. The need for EAC Partner States to emulate the Republics of Rwanda and Uganda in establishing specific ministries responsible for handling refugees affairs.
- vi. The Republic of Burundi and the Republic of Kenya should ratify the EAC Peace and Security Protocol (like the other Partner States) to expedite its implementation.
- vii. Infrastructure related to health, road, water and environment and security in the Partner States hosting refugees should be developed and supported by the EAC, UN and other humanitarian agencies to avoid feelings of resentment and unnecessary conflicts with the host communities.
- viii. Need for EAC Partner States to develop concerted efforts to re-integrate back to their countries returning refugees
- ix. Need for the EALA Committee to visit Burundi and interact with the various stakeholders within the country in order to have a complete picture of the political crisis.

1. The Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments (September 1st -5th 2015)

The key objective of the oversight was to track the status of implementation of Resolutions and Questions of the Assembly, and Council Commitments for the period between 2002 and 2014 and provide a report on their status to be presented to the Assembly for adoption.

Committee findings

1. During the period under review, the Assembly passed 105 Resolutions some of which required concrete actions by the Partner States and the relevant EAC Organs and Institutions while others were procedural and others were by way of paying tribute (none-actionable). Some resolutions were found to have been implemented, some not and others partially implemented.
2. While resolutions requiring action were transmitted to the Partner States and relevant EAC Organs and Institutions, the Office of the Clerk rarely receives feedback from these entities on the status of their implementation. This has been compounded by a lack of clear implementation modalities and feedback mechanism.
3. More time was needed to study Hansard so as to extract commitments made by the council of Ministers before the Assembly during the Questions and Answer sessions and thereafter the tracking of the implementation of such commitments.
4. The EAC Secretariat has put in place the East Africa Monitoring System (EAMS), which is designed to systematically and continuously help in collecting and analyzing data on

MIN.NO.CRI/035/2016: CONSIDERATION OF REPORTS FROM EALA – BRIEFING BY THE PARLIAMENTARY RESEARCH SERVICE.

Ms. Sharon Cheronu, Research Officer, briefed the Committee on the following reports:

1. The Report of the Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda
2. The Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments
3. The Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One stop border Posts in the EAC.
4. The Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration
5. Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community
6. Summary of the Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States

1. The Report of the EALA Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda (31st May-5th June 2015)

The visit by the EALA Committee was informed by the crisis in the Republic of Burundi following the misinterpretation of the Arusha Accord and the Burundi Constitution on the issue of the presidential term. Since April 2015, over 100,000 Burundians have been fleeing their country to the neighbouring countries of the DRC, Rwanda, Tanzania and Uganda. The main reasons cited by the refugees for fleeing their country include harassment, threats from the *Imbonerakure*, arbitrary arrests and assumption that the situation will get worse.

It's in view of the above that the EALA appointed a goodwill mission of members of the regional affairs and conflict resolution to visit refugee camps in the Partner States of Rwanda and Tanzania.

The objectives of the visit included:-

- i. Appraising itself with the humanitarian situation on the ground and the arrangements in place to deal with the crisis
- ii. Reaffirming EALA's commitment to Burundi in contributing to a lasting solution to the current political impasse
- iii. Visiting refugee camps in the two Partner States to convey goodwill message to the victims of the crisis.

General findings of the mission

1. More than 51,095 registered Burundian refugees mostly women and children at Nyarugusu with a capacity to accommodate only 50,000 refugees as per the international standards for a refugee camp.
2. The committee observed and was informed of 58077 Congolese refugees already at the camp since 1996 making it extremely difficult to manage the camp in terms of security and provision of basic needs such as shelter, food, water, clothing, education, sanitation and medication.
3. The Committee was further informed of the dire conditions in a makeshift camp at Kangunga, a tiny fishing village on the shores of Lake Tanganyika with an estimated 100,447 refugees from Burundi. They are compelled to sleep on the dirt, plastic sheets and tarpaulins.
4. Outbreak of Cholera in Kagunga village that claimed 32 lives.

MINUTES OF THE 9TH SITTING OF THE SELECT COMMITTEE ON REGIONAL INTEGRATION HELD ON TUESDAY 29TH MARCH, 2016 IN COMMITTEE ROOM, 5TH FLOOR, CONTINENTAL HOUSE, PARLIAMENT BUILDINGS AT 12.00(NOON)

Present:

1. Hon. Florence Kajuju, MP - **Chairperson**
2. Hon. Christopher Nakuleu, MP - **Vice-Chairperson**
3. Hon. Kathuri Murungi, MP
4. Hon. David Ouma Ochieng', MP
5. Hon. Annah Nyokabi, MP
6. Hon. David Karithi, MP
7. Hon. Dido Ali Rasso, MP
8. Hon. Eric Keter, MP
9. Hon. Robert Mbui, MP
10. Hon. Wanjiku Muhia, MP
11. Hon. Emmanuel Wangwe, MP
12. Hon. Ogendo Rose Nyamunga, MP
13. Hon. Mary Seneta, MP
14. Hon. Peter Shehe, MP

Absent With Apology

1. Hon. Alois Lentoimaga, MP
2. Hon. Kubai Iringo, MP
3. Hon. Bady Twalib Bady, MP
4. Hon. Andrew Toboso, MP
5. Hon. Gideon Konchella, MP
6. Hon. Mark Lomunokol, MP
7. Hon. Anthony Kimaru, MP
8. Hon. Alex Mwiru, MP
9. Hon. Joseph Kahangara, MP
10. Hon. Timothy Bosire, MP
11. Hon. Florence Mutua, MP
12. Hon. Ali Wario, MP
13. Hon. Sarah Korere, MP

Absent

Hon. Charles Nyamai, MP

In attendance

1. Mr. Fredrick Otieno - Third Clerk Assistant
2. Mr. Nicodemus Maluki - Third Clerk Assistant
3. Ms. Sharon Rotino - Research Officer

MIN.NO. CRI/034/2016 PRELIMINARIES

The Chairperson called the meeting to order at 12.40 pm followed by a word of prayer from Hon. Dido Rasso, MP.

5.7 Recommendations on the Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the FY ended 30th June 2014

- i. The EAC Secretariat should address all the issues raised in the audit report and fully implement the recommendations of EALA on audit.
- ii. All the Partners States should ensure that they make their financial contributions to the EAC in time to avoid delays in the implementation of EAC activities.
- iii. EALA should develop a legal framework including audit and procurement laws to address the financial mismanagement issues raised in the audit report.

SIGNED.....DATE..........

HON. FLORENCE KAJUJU, MP

**CHAIRPERSON,
COMMITTEE ON REGIONAL INTEGRATION**

In addition to implementation of the recommendations by the EALA Committee, Partner States should expedite facilitation of One-Stop Border Posts to enhance realization of the EAC Customs Union.

5.4 Recommendations on the Report of the Committee on Communication, Trade and Investment on the workshop on the EAC Financial Sector Integration

- i. As observed by the EALA Committee, the concerns on procurement process of infrastructure within the EAC Financial Sector Development and Regionalization Project, raised by the Republic of Kenya, should be investigated and addressed to ensure that the EAC Financial Rules were not breached and that there is value for money.
- ii. Financial Sector Integration should be expedited as it is one of the requirements for a functional Monetary Union.

5.5 Recommendations on the Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community

- i. The EAC should strive to enhance the tenets of an all-inclusive Community so that some sections of the population are not marginalized.
- ii. The contents of the petition could be better addressed by the respective Partner States. This is in reference to inclusion of youths in the EALA, as nominations are done by Parliaments of Partner States.

5.6 Recommendations on the Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States

- i. The Committee observed that the petition (as with the first petition on youth) carries a lot of merit and should therefore be handled diligently to its logical conclusion. However, the recommendations offered by the EALA Committee do not adequately address the prayers sought by the petitioners.
- ii. The Committee would therefore recommend that Partner States should endeavor to ensure full implementation of the Common Market Protocol and the Provisions of the Treaty Establishing the East African Community. This will offer long term and sustainable solutions to the prayers sought by the Petitioners.

5.0 COMMITTEE RECOMMENDATIONS

5.1 Recommendations on the Report of the EALA Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda

- i. The Committee recommends that all parties involved in the conflict in Burundi should convene to participate in genuine dialogue in order to find a peaceful, consensual and long-lasting solution to the political instability facing Burundi. Therefore, urgent attention needs to be paid to the regional dynamics of this crisis to avoid an escalation – and a regionalization of crisis going forward.
- ii. It is important that the EAC holds the debate on democracy and good governance as necessary prerequisites for entry into the EAC and the implication of instability on a Partner State’s membership in the Community.
- iii. The Committee recommends that all EAC should come up with a stronger position on usurpation of powers by leaders through unconstitutional means to curtail future political and electioneering impasse.

5.2 Recommendations on the Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments

- i. The Committee recommends that the National Assembly of Kenya through the Committee engage with the SDEAA at an opportune time to find out the status of implementation of the Acts and Resolutions of EALA with respect to Kenya.
- ii. The Committee recommends that the EAC should put in place a proper system of monitoring implementation of resolutions by the Summit, Councils and the Assembly in order to keep the progress on track.
- iii. The Committee further recommends that all institutions, organs and Partner States of the EAC should ensure diligent execution of their mandates as stipulated in the Treaty Establishing the EAC, especially in regard to assenting to agreements within stipulated timelines.

5.3 Recommendations on the Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in the EAC

4.4 Observations on the Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the FY ended 30th June 2014

- i. An observation of the report reveals that there are persistent audit issues over a number of years, which begs the question on whether the recommendations of the Accounts Committee are implemented by the respective Institutions of the EAC.
- ii. Considering that much of the EAC budget is externally funded, it can be construed that donors determine even the agenda of the EAC. These agenda may not be to the interest of the EAC.
- iii. If the findings contained in the audit accounts were to be confirmed, the culprits should be apprehended by the relevant authorities

4.5 Observations on the Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community

- i. Despite the new dispensation, Kenya has not done much in so far as youth mainstreaming is concerned
- ii. There is a criteria for nominating EALA Members by Partner States; nothing prevents Partner States from nominating youth
- iii. The Kenyan Constitution is very clear on Youth representation in the National Assembly.

4.6 Observations on the Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments

- i. The Committee concurred with EALA Committee's observations pointing out that financial integration will go a long way to help realize the Monetary Union and avert some of the challenges facing other regional blocs especially the EU
- ii. The implementation of the EAC financial sector development and regionalization project is on-going, however there is need to sensitize Partner States Assemblies and engage them in enactment of relevant laws.
- iii. There is no uniform platform for the Capital Markets structures and also there exist different legal regimes in the various Partner States

- ii. The pace of constructions of OSBPS by some of the Partner States is progressing slow. In particular, Kenya has not completed the construction of most of its OSBP unlike other partner states like Uganda that has completed constructing its border posts.
- iii. One stop Border post is an important pillar in the realization of the objects of the common market and the custom union
- iv. The East African Community on 27 February 2016 officially launched the first One Stop Border Post (OSBP) in Holili/Taveta towns on the Kenya/Tanzania border. The facility was built at the cost of approximately US\$12 million from Trade Mark East Africa (TMEA). It is thus expected that in the end the facilities will be put into effective use in order to enhance trade within the region.
- v. There is need for the Committee on Regional Integration to visit Border posts on Kenyan side to assess the status of implementation of OSBPs and make recommendations in accordance with its mandate of intensification of regional integration in the region.

4.3 Observation on Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States

- i. The EALA Rule of Procedure is not very clear on answering prayers of Petitions (Rule 85). As such, the Committee is of the view that the petitioners were not sufficiently addressed by the recommendations of the EALA Committees
- ii. The Committee observed that the petition carries a lot of merit and should therefore be handled diligently to its logical conclusion. However, the recommendations offered by the EALA Committee do not adequately address the prayers sought by the petitioners.
- iii. There are still challenges in the implementation of the Common Market Protocol especially from the Tanzanians.
- iv. The Kenyan government has not aggressively sensitized Kenyan citizens, to take advantage of cross border trade. Sensitization has only been done to the communities within the borders; which is a very small percentage.

4.0 COMMITTEE OBSERVATIONS ON THE EALA REPORTS

Having considered the reports from the East African Legislative Assembly, the Committee made the following observations

4.1 Observation on the Report of the EALA Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda

- i. The political crisis in the Republic of Burundi was triggered by varied interpretation of the Arusha Accord and the Burundi Constitution on the issue of the presidential term. The crisis brought to light fundamental challenges that need to be addressed in the EAC, in light of the humanitarian crisis that ensued after the conflict in the Partner State.
- ii. The choice of H.E Museveni by the summit to mediate the Burundi crisis was not well thought considering that his country was in the middle of an electioneering period. This meant that he could not devote his time on mediation while he was campaigning to retain his seat as the president.
- iii. There is need for the Partner State legislatures to device mechanisms of intervention in cases where the summit is either unable to work or the issues being handled require political intervention.
- iv. In the current composition and mandate, EALA has no tools to intervene in conflicts within partner states.
- v. There is need to establish a Fund within the Community to address such conflicts.
- vi. The Department of Refugee Affairs within the Ministry of Interior and Coordination of National Government has not done much on handling refugees.

4.2 Observation on the Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in the EAC

- i. The one-stop border post is aimed at harmonizing transit clearance, with officers from respective Partner States stationed under one roof to handle transit documents concurrently in order to save time. This ensures trade flow within the regions is seamless. The objective is to enhance trade through the efficient movement of goods, persons and services within the Community and with adjoining regions.

(d) Delayed assent to EAC Bills

Out of 22 Bills which were passed only one had been assented to by all EAC Heads of States. **The Summit directive at its last meeting in February, 2016 that Bills already passed by EALA be presented for assent during Summit meetings where Partner States have no objections is likely to address this challenge.**

Kenya Position

Kenya has reduced its historical and other arrears to the Inter University Council of East Africa (IUCEA) from US\$.6.2 million to only US\$.1.2 million by February 2016 and has cleared all its contributions to LVEO.

Kenya had paid 53.06% of contributions to other organs and Institutions.

Regarding Summit and Council decision a Computer based system known as the East African Monitoring System has been installed that assists in Monitoring of Implementation of these decisions

It has been noted that a significant number of Council decisions are either partially or wholly not implemented especially at National level. These include:

- (a) The ratification of the Protocol on Environments which has since 2006, not been ratified by all Partners States leading into non-achievement of EAC objectives on Environment and Conservation in this case.
- (b) The implementation of National identity cards project and the internationalization of the East African Passport are two other projects yet to be fully implemented at Partner States level. An EAC e-passport was however launched during the last Summit in February 2016.
- (c) The Council Decisions related to the amendment of National legislation in support of the implementation of the Common Market Protocol have also not been fully implemented by Partner States.
- (d) At Institutional level, Council decisions have also not been fully implemented, such as the finalization of the Institutional Review.

Recommendation: - The Community should develop the clear road-maps for the implementation of the various Councils decisions and follow up mechanisms to ensure timely implementation of Summit and Council decisions.

(c) Delays in Remittance of Partner States Contribution and Development Partners

There are always delays in remitting Partner States Contribution to the Community budget for Organs and Institutions. As at 30th June 2013, for example, the arrears of Partner States contribution stood at USD 12,615,563 for IUCEA.

Notwithstanding the Council Decision that Partner States remit all their Contribution to the Budget by the 31st December of the financial year, the end of December is too late into the financial year. In case a Partner State does not make any remittance before that date, the Organs and Institutions may suffer serious financial constraints.

EAC secretariat uses the General Reserves Account as a bridging gap while awaiting the remittance from Partner States. The General Reserve Fund is sometimes used to fund the supplementary budget requests.

- (c) The Audited Financial Statements for the Lake Victoria Fisheries Organization (LVFO) for the year ended 30th June 2014
- (d) The Audited Financial Statements of the Inter University Council for East Africa (IUCEA) for year ended 30th June 2014; and
- (e) The Audited Financial Statements of the Civil Aviation Safety and Security Oversight Agency (CASSOA) for the year ended 30th June 2014

The Audit Commission issued a clean report for all EAC Organs and Institutions. This means that the Accounts of the EAC Organs and Institutions for the financial year ending 30th June 2014 presents a fairly, in all material respect the financial position of these institutions. However, the Committee identified issues that require the attention and action by the Council as follows:

Gaps in Project Management at EAC

The Committee noted that EAC Organs and Institutions are currently managing more than 30 projects funded by various Development Partners most of which are at the EAC Secretariat. The Committee further observed each of these projects is managed independently with inadequate staff some of who carry out similar tasks posing a high risk of not achieving the intended objectives.

Whereas the Committee appreciates the Development Partners specific requirements, the establishment of a project Management Unit to handle Community Project would be cost effective.

Recommendation: - The establishment and operationalization of the Projects Management Unit to facilitate effective programmes performance should be fast tracked.

(a) Delays in finalisation of Institutional Review and addressing Human Resources Matters

The delayed finalization of the Institutional review has means that several critical decisions relating to the operations of the EAC cannot be made.

Recommendation: - The Committee calls for speedy expedition and finalisation of the institutional review exercise.

(b) Delayed Implementation of Summit and Council decisions both at Institutional level and the National level

Kenya's Position

- i) The proposal for joint efforts in undertaking sensitization and popularization of the EAC- CMP to enhance implementation should be embraced.
- ii) Processes towards the revision of the EAC-CMP to address the issues raised by the petitioners concerning Annex II among others are underway at the EAC level and the Republic of Kenya should take advantage of the same to iron out the contentious issues through expanded stakeholder consultations.
- iii) The State Department of East African Affairs identified twenty seven (27) pieces of legislation that were in contravention of the provisions of the EAC-CMP and submitted to the Attorney General's office who advised for a policy harmonization of laws;
- iv) Modalities should be explored to negotiate with the Republic of Burundi and the United Republic of Tanzania for reciprocal issuance of work permit on gratis as the EAC-CMP does not commit Partner States to abolish work / residence permit fees.

3.7 Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the Financial Year Ended 30th June, 2014

1. The Treaty for the Establishment of the East African Community provide under Article 134 that **“there shall be an Audit Commission made up on the Auditors General of Partner States whose function will be to Audit the accounts of the Community”**
2. In addition Article 134(3) provides that **the Audit Commission shall submit its reports under paragraph 2 of this Article to the Council which shall cause the same to be laid before the Assembly within six months of receipt for debate and consultations and action as the Assembly may deem necessary**
3. The Assembly debated and prepared a report on the Audited Accounts of the East African Community for the Year Ended 30th June 2014.
4. In accordance with the provision of Article 134 (3) of the Treaty the Chairperson of the EAC Council of Minister laid before the Assembly the following Audit Commission Reports:
 - (a) The Audited Financial Statements of the EAC organs for the year ended 30th June 2014;
 - (b) The Audit Financial Statements of the Lake Victoria Basin Commission (LVBC) for the year ended 30th June 2014

- iii. That EAC integration seems to be a secondary agenda of most of the EAC Partner States to the extent that they are not willing to reduce/ or remove barriers to deepening EAC integration;
- iv. That contrary to the CMP letter and spirit, there still seems to be lack of clarity in the definition of East Africans in respect to the enjoyment of rights and freedoms under the CMP; and
- v. That the Committee report failed to provide current intra EAC migration statistics and the number of work/ residence permits applications processed by all the Partner States within a timeframe to understand the gravity and implications of the subject under petition.

The Chair Council of Ministers however failed to address the matters that were raised during the debate. Instead she read written responses to the items of the petition that were prepared by the EAC Secretariat without reference to issues that were raised as supplementary to the Committee report especially in respect to United Republic policy on work/ residence permit and its impact on EAC integration.

Recommendations

Apart from the Committee recommendations in the Report, during debate, Members proposed, among others, that:

- i. The Chair Council be tasked to submit to the Assembly a comprehensive report on status of the implementation of the CMP by Partner States;
- ii. There is need to provide more statistics, facts and figures on the number of applicants for work/ residence permits in each of the Partner States and the numbers that have been approved since 2010;
- iii. The Council to provide funds to EALA for sensitization under the Partnership Fund;
- iv. The Chair Council should report to the Assembly on challenges it faces as to why the implementation of CMP is not meeting its timelines; and
- v. The Council to provide information as to how much revenue Partner States stand to lose through the abolition of the work/ residence permit fees;

3.6 Summary of the Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly Regarding Work/Residence Permits in the East African Community for the Citizens of the Partner States

Objective

The petition was made jointly by the East African Employers Organization (EAEO) and chambers affiliated to national employers organizations and the East African Traders Union Confederation (EATUC) representing national trade unions affiliated to it.

The petition urges EALA to ensure the implementation of the provisions of the Common Market Protocol, especially Article 10 Annex II. Specifically, their interest included the following areas:

1. Processing time for work/ residence permits should be reduced from 3 months to 30 day;
2. That a new Annex, which replaces the Annex II (expiring in 2015) should put in place a road map for the gradual implementation of free labour mobility which comprises all sectors and all categories of workers;
3. Abolition of work/ residence permit fees for East Africans;
4. A more centralized and efficient data base system on work/residence permit issuance and migration flows;
5. Minimize bureaucratic delays should be addressed through establishment of one stop centers' for issuance of work/ residence permits; and
6. That the final goal of free movement of workers in the EAC should be achieved within no more than seven years from July 2010.

Observations

Apart from the Committee observations the following issues emerged during the debate:

- i. The Chair Council was challenged to clarify media reports that the United Republic of Tanzania intended to increase work/residence permit fees that was likely to adversely affect East Africans contrary to the objectives and spirit of the Common Market Protocol;
- ii. That the petition by the regional apex employers and workers bodies is an indictment of the low level of EAC citizens awareness which is a reflection of the fact that EAC sensitization strategies are not working;

- a. That the Youth Ambassadors through the petition seem to be the ones fronting to assume the positions of youth leadership being petitioned for;
- b. The youth were encouraged not just to aspire for political leadership but also social leadership in matters that could significantly change the status of the youth welfare;
- c. All the EAC Partner State have National Youth Councils except the United Republic of Tanzania;
- d. A Framework for the development for EAC Youth, Women and Children Council will be convened in the financial year 2016/2017;
- e. An EAC Youth, Women and Children desk is to be established in the next financial year 2016/2017

Recommendations

The following are some of the recommendations that emerged during debate for consideration for inclusion in the final report:

1. The youth should focus first at developing leadership and mobilization skills at the youth organization and national level before focusing on EAC the region leadership;
2. In the proposed Treaty Review, the Council should consider amending Article 50 of the EAC Treaty to include a specific provision on youth election into EALA:
3. Amend the EAC Treaty to increase the number of EALA Members from 9 per Partner State to take care of special groups including the youth into EALA

(a) Kenya Position

- i) The Republic of Kenya has a National Youth Council which the Youth Ambassador's Platform should take advantage of and develops twinning activities in advocacy.
- ii) The youth could take advantage of those in elective positions at County and National level to advocate for further inclusion in decision making including call for commitment and resources to ensure effective implementation of the African Youth Charter.
- iii) EAC Secretariat to benchmark on best practices at national levels on inclusion of Youth Officer Kenya to handle youth issues

(SCFEA) in November 2014.

- (viii) The other recommendations of the Committee such as the need for the Partner states to mobilise and sensitize the EAC citizenry on the benefits of the Financial Sector Integration and the need to fast track the other aspects of the broader financial sector such as pension, banking, insurance, microfinance and SACCOs in the EAC Financial Sector Integration are important and are part of the EAC FSDRP.

3.5 Report of the Committee on General Purpose on the Petition to Advocate For Key Issues Concerning the Youth in the East African Community

This petition was presented to the Committee by the by EAC Youth Ambassadors during the EALA Plenary in Kigali, in October, 2015.

The petition specifically seeks the Assembly to move, among others, that:

1. Partner States through the respective authorities ensure the establishment of National Youth Council in Partner States where they still do not exist;
2. EALA advocates for the operationalization of the NYCs so that they become more vibrant in their activities;
3. The Council of Ministers advocate for the establishment of the East African Youth Council that will leverage representation of all youth activities at the EAC;
4. Partner States adhere to the provisions of the African Charter on the Youth;
5. Partner States' National Assemblies consider reserving slots for youth representation at the respective Assemblies;
6. EALA consider reserving slots for youth representation at the Assembly
7. EALA allocate a specific officer to handle youth matters/issues as and when they arise, and
8. EALA advocate for the EAC Secretariat to have a fully fledged officer handling youth affairs.

(a) Observations

Apart from the observations in the Committee Report, the following issues emerged during the debate on the Motion:

The project, therefore, aims to benefit all participants in financial markets in the Partner States, including national regulators and institutions and the general public in the region.

- (ii) The Community is implementing capital Market Infrastructure (CMI) Project under Component (IV) on integration of financial markets under the wider FSDRP. The objective under this component is to allow a seamless movement of securities and payments between the different EAC capital markets, compatible at the regional level, in order to enable the creation of a regional financial market in the EAC.
- (iii) The concerns raised by the Republic of Kenya about the procurement process of the infrastructure within the EAC Financial Sector Development and Regionalisation Project are already being addressed by the National Treasury in close consultations with the Capital Markets Authority, Nairobi Securities Exchange, Central Depository and Settlement Corporation, EAC Secretariat and the World Bank as per the Decision of the 31st Council held in April, 2015. Kenya will soon join in the implementation of the EAC capital Markets Infrastructure (CMI) Project.
- (iv) The concern of the Committee that other aspects of the broader financial sector such as pension, banking, insurance, microfinance and SACCOs are still lagging behind is valid. However, it should be noted that implementation of the various components of FSDRP is on the basis of the work plan prepared by the EAC Secretariat and approved by the World Bank but all the six components of FSDRP will finally be implemented to the benefit of the region. For, instance the development of draft EAC Microfinance Policy and its Implementation Strategy will address this concern.
- (v) The observation the Committee that there is no legal regime in the EAC to enforce sanctions for none compliance with the security exchange requirements in the region is valid. This is the basis of harmonisation of laws currently being undertaken under the EAC FSDRP. It should be noted, however, that the EAC Partner States are at different stages of development of their capital markets and it was for this reason that the Council decided that integration of the capital markets will be addressed by way of Council Directives.
- (vi) The Committee noted that the Sectoral Council on Legal and Judicial Affairs has not adopted the policies and regulations to facilitate the integration of the financial sector.
- (vii) The reason for this is that the Sectoral Council on Legal and Judicial Affairs has not met in full session in a long time to consider, for example, the second set of seven Council Directives which were approved by the Sectoral Council for Finance and Economic Affairs

- b) Appreciate the opportunities and challenges involved; and
- c) Come up with appropriate recommendations.

Recommendations

- i. Capacity building of Members of the Assembly on the financial sector to equip them with the requisite knowledge to effectively understand the operations of the EAC financial sector integration should be undertaken.
- ii. The Committee urges Partner states to mobilise and sensitize the EAC citizenry on the benefits of the Financial Sector Integration.
- iii. Aspects of the broader financial sector such as pension, banking, insurance, microfinance and SACCOs should be fast tracked in the EAC Financial Sector Integration.
- iv. All the policies and regulations on the EAC Financial Sector Integration should be tabled before the Assembly.
- v. The Sectoral Council on Legal and Judicial Affairs should expedite the adoption and approval of the various Regulations and Policies tabled before it to facilitate the EAC Financial Sector Integration.
- vi. The Committee urges the EAC Secretariat to undertake comprehensive feasibility studies on all the projects in the financial sector to ensure their sustainability.
- vii. The different platforms in the Capital Markets structure should be integrated and the Infrastructure be linked to the East African payment system to reduce the bureaucratic processes in the market.

Steps Being Taken to Address Some of the Observations And Recommendations of the Committee

- (i) The Community in Partnership with the World Bank and other development partners have established the first phase of the EAC Financial Sector Development and Regionalisation Project (FSDRP). The project's development objective is to establish the foundation for financial sector integration among EAC Partner States. The higher level objective is to support the broadening and deepening of the financial sector through the establishment of a single market in financial services among the EAC Partner States with a view to making a wide range of financial products and services available to all at competitive prices.

Accuracy of the Report and Implementation of the Recommendations

Many of the observations made in the report are fairly accurate with slight variations.

- (i) These inaccuracies were for example clarified to the Assembly especially in regard to the implementation status of the OSBPs. The EAC Secretary General made these clarifications on the floor of the House which are not reflected in the Committee report.
- (ii) He observed that there have been significant changes in the implementation status of the OSBPs as many of the facilities are ready for use and are to be soon officially opened.
- (iii) He made an undertaking to the House to share with the Speaker the updated status of implementation of the OSBPs since the Committee carried out its On- Spot Assessment.
- (iv) Of significance is the observation made in respect to lack of training and sensitization programs on OSBP operations and procedures to all stakeholders on a continuous basis. While the completion of the physical facilities is in most cases 80 -100% complete (operational), not adequate resources are factored into training of the management agencies and other stakeholders on the operations of the facilities. This challenge has the potential to frustrate the attainment of the objectives of the OSBPs.

(a) Kenya's Position

- (i) On training programs on OSBP operations procedures, with support from development partners we have been undertaking training programmes especially in Busia, Malaba, Namanga and Taveta.
- (ii) We also are sourcing for resources from both government and other development partners to facilitate the training at Isebania and LungaLunga.
- (iii) The EAC OSBP Act has been assented to by all Partner States
- (iv) Joint Border Coordination Committee meetings be held for all the OSBPs which have been operationalized e.g Taveta/Holili
- (v) Training has been undertaken in Taveta/Holili and Namanga/Namanga.

3.4 Report of the Committee on Communication, Trade and Investment on the Workshop on the EAC Financial Sector Integration

The objectives of the workshop were to:

- a) Understand and find out the status of the EAC Financial Sector Integration;

- a) Find out the status of implementation of the OSBP projects and their effect on the movement of people and EAC business environment;
- b) Interact with stakeholders and identify opportunities and challenges affecting the implementation of effective OSBP; and
- c) Come up with relevant recommendations

Challenges

Challenges identified by the Committee included:

- (i) Limited knowledge in some of the borders in relation to the operations of the OSBPs;
- (ii) Inadequate knowledge of benefits of trading within the EAC and information on existing trading opportunities;
- (iii) There are no operating manuals and regulations to guide in the implementation of the OSBPs;
- (iv) Accommodation facilities for staff are lacking or are located in distant areas from the border posts;
- (v) Lack of procedures for cross border/ movement clearance of the local border communities; and
- (vi) Completion of construction structures behind schedule of the planned completion time.

Recommendations

The Committee recommended, among others:

- i. Training and sensitization programs on OSBP operations and procedures to all stakeholders on a continuous basis;
- ii. Partner States that have not assented to the EAC OSBP Act to do so as soon as possible to provide a legal framework for the implementation of the OSBP in East Africa;
- iii. Fast tracking the development of manuals and regulations to assist in the implementation of the OSBPs;
- iv. Regular meetings of the Joint Border Coordination Committee to provide solutions on the cross border issues affecting the operations of the OSBPs;
- v. Urged Partner States to issue certificates of Rules of Origin at all the OSBPs

Timelines for assent to Bills under the Treaty is not adhered to and in some cases reasons were not provided for withholding of assent to the Bill p[assed by EALA.

Recommendations

- (i) The Committee recommendations included:
 - (a) The office of the Clerk should develop a compendium of Assembly Resolutions, Bills and Laws passed on an annual basis;
 - (b) Focal point officers (Partner States, EAC Organs and Institutions) be designated to undertake data collection and analysis, and overall operationalization of the monitoring module;
 - (c) In the intervening period, pending the establishment of EALA Monitoring and Evaluation Unit, the EAC Secretariat M&E Unit should submit to the Assembly quarterly M&E Reports; and
 - (d) The assembly needs to have a robust and well resourced Research/ Monitoring Unit to ensure regular data collection and analysis, among others.

Accuracy of the Report and Implementation of the Recommendations

- i. The observations made in the report are fairly accurate and the recommendations made are implementable. The follow-up mechanisms of the EALA Resolutions and Questions are still weak and there is definitely need to develop structured modalities for follow-up Partner States. This could be done in collaboration between the EALA Clerks Office under the direction of the Speaker and the Secretary General's office with the direction of the Council. No concrete are yet to be presented on how this is going to be done
- ii. On the delay on the assent to Bills, the Summit in its last 17th Summit meeting in March, 2016 consented to have the Bills that are already passed by the Assembly to be assented during its Ordinary Meetings after due consideration by the Partner States.

3.3 Report of the Committee on Communication, Trade and Investment on The On-Spot Assessment of One Stop Border Posts in EAC

The objectives of the oversight were threefold, to:

Implementation of the Recommendations

In addition to the EALA recommendations which are in line with Article 124 of the Treaty, EAC needs to fully implement the following mechanisms and strategies which detail collective response to refugee issues and disasters. These include:

- a) EAC Regional Peace and Security Strategy
- b) EAC Regional Conflict Prevention and Management Mechanism
- c) EAC Early Warning Mechanism (EACWARN)

Ultimately EAC will have to approve the establishment of an EAC Peace and Security Council as a guarantor of regional peace and security.

3.2 Report of the Committee on Legal, Rules and Privileges on Tracking the Implementation of Resolutions and Questions of the Assembly and the Council Commitments

Objective

- (i) The Committee's oversight was meant to track the status of implementation of Resolutions and Questions of the Assembly and Council of Ministers commitments for the period 2002 – 2014.

Findings/ Observations

- (i) Among others, the following observations and findings were made and outlined respectively:
 - (a) During the period under consideration, the Assembly passed 105 Resolutions;
 - (b) While the Assembly transmitted Resolutions requiring action to Partner States, relevant EAC Organs and Institutions, the Office of the Clerk rarely receives feedback on action taken;
 - (c) The EAC Secretariat had put in place an East African Monitoring System designed to systematically and continuously provide information on the implementation status of the Directives and Decisions which does not include EALA and EACJ;
 - (d) Annual Reports of the Council does not sufficiently capture critical EALA issues that need the attention of the Summit; and

- i) Need to relook at the subject of refugee management within the framework of the East African Community Common Market Protocol and the objectives of the Community;
- j) Partner States should create conducive environment for its citizens that would avoid the situation of fear that is the reason for refugees in the first place;
- k) Address the causes of refugee situation in the EAC region;
- l) The need for an effective EAC early warning mechanism to avoid such cases like that of the Republic of Burundi;
- m) The Assembly resolved to have another Mission to the Republic of Burundi, and
- n) The Assembly noted that the Assembly has not been complying with Article 59 (3) (c) which requires that “The Assembly shall hold an annual debate on the report to be submitted to it by the Council on progress made by the Community in the development of its common foreign and security policies” once a year. The Speaker ruled that the relevant Committee chair to inform the Speaker’s office the facilitation it requires for the report to be presented to the House for debate.

Accuracy of the Report in respect to Kenya

- (a) All the recommendations are appropriate however there is need to clarify two Committee recommendations in respect to Kenya’s position. That:
 - (i) EAC Partner States should emulate the Republics of Rwanda and Uganda who have established specific Ministries responsible for refugee affairs. The Republic of Kenya’s refugee matters are under the **Ministry of Interior and Coordination of National Government with fully a fledged Department of Refugees**. There are no reasons in the report to suggest that the department is not up to the task to warrant it being reconstituted after the Rwanda and Uganda models.
 - (ii) The Republic of Burundi and the Republic of Kenya to ratify the EAC Peace and Security Protocol which has already been ratified by the Republics of Rwanda, United Republic of Tanzania and Uganda to expedite its implementation. It is correct that at the time of the mission Kenya had not ratified the Protocol. **However, Kenya ratified the Protocol in October 2015**

(vii) The Assembly to urge the EAC Council of Ministers to consider reviewing harmonizing EAC Financial Rules and Regulations with EAC Budget Act 2008 and the Communities budget cycle.

3.0 SUBMISSION BY THE MINISTRY OF LABOUR AND EAST AFRICAN COMMUNITY-STATE DEPARTMENT OF EAST AFRICAN AFFAIRS

3.1 Report of the Committee on Regional Affairs and Conflict Resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province of Rwanda

The main objective of the goodwill mission was to:

- a) Apprise itself with the humanitarian situation on the ground and the arrangements in place to deal with the refugee crisis,
- b) Re-affirm EALA's commitment to Burundi in contributing to a lasting solution to the political impasse, and
- c) Visit the refugee camps in the two Partner States to convey goodwill message to the victims of the crisis.

The following issues arose during the debate

- a) The need for the EAC adopt the EAC Protocol on Good Governance as a way of improving the situation of governance in the Community;
- b) Need to harmonize EAC Refugee and Internally Displaced Persons Law;
- c) Concern that the Committee only heard one side of the story from the refugees in Kigoma without meeting with the local Burundians and Burundi government;
- d) The role of the media in fuelling the conflict in Burundi;
- e) Need for a regional EAC refugee management framework;
- f) Need for a contingency fund that can be used to address such disasters like East African Community refugee and internally displacement persons crises;
- g) The enactment of the Disaster Risk Reduction and Management Bill that was taken over by the Council was overdue and that the Assembly give a timeframe within which the Bill should be brought back to the House for debate;
- h) That the Republic of Burundi that has not ratified the Peace and Security Protocol be encouraged to do so;

The Civil Aviation Safety and Security Oversight Agency (CASSOA)

The Audit Commission reported the following on Civil Aviation Safety and Security Oversight Agency:-

- (i) Lack of Segregation of Duties- this was noted in payment process where a single individual undertake all the duties of requesting, approving and claiming or receiving payments. On imprest retirements, the same officer claimed and approved the payments. The management agreed to adopt a new system for segregation of duties on payments and claim process.

Recommendation: CASSOA to report operationalization of the new system.

- (ii) Expenditure not adequately supported USD, 86,969.85: - it was noted that payment vouchers for USD, 86,969.85 were lacking supporting documents and characterized by missing receipts, missing boarding passes and missing attendance sheets.

Recommendation: the Council Ministers to direct CASSOA to institute control measures and expedite correction of anomaly and report progress to the Audit Commission.

General Recommendations by the Committee on Accounts

Arising from the review and scrutiny of the audited financial statement, some key recommendations by the Committee include that:

- (i) The Assembly to urge the EAC Council of Ministers to ensure that all the un-assented to bills receive assent by 30th July 2016 as undertaken in all the Management response.
- (ii) The Assembly to urge the EAC Council of Ministers to direct EAC Management to co-ordinate full implementation of all pending recommendations that were adopted by the August House and present a report to the Assembly by May 2016.
- (iii) The Assembly to institute a vigorous quality Control system to ensure that due diligence is not compromised while executing procurement processes, contracts management and drafting.
- (iv) The Assembly to urge the EAC council of Ministers to direct EAC Management to carry out a comprehensive review of the procurement manual in order to bring it to line with the Financial Rules and Regulations 2012 and report to Assembly by March 2016.
- (v) The Assembly to urge the EAC Council of Ministers to direct EAC Management to expeditiously put in place mechanisms for timely compilation and submission of claims for tax refunds.
- (vi) The Assembly to urge the EAC Management to comply with EAC Staff Rules and Regulations.

from Partner States but received USD 579,631 from donors. The insufficient funding led to failure in implementation of planned activities for the year.

Recommendation: - *EAC Council of Ministers to direct LVFO management to initiate mechanism for additional resource mobilization and to follow up on non-remittances of the committed funds.*

(iii) Long Overdue Outstanding Receivables (USD 1,712,391): - As at 30 June 2014, the Organization had outstanding receivable from Partner States on regular contributions and supplementary emergency budget. The concern is recoverability of the amounts as it may remain for a long period.

Recommendation: - *EAC Council of Ministers to direct LVFO management to always follow up and claim interest on contributions and to report the outstanding receivables in the next audit.*

Inter University Council for East Africa (IUCEA)

The following were some of the findings and recommendations on the Inter University Council for East Africa

(i) Procurement Issues: - it was noted that IUCEA contracted for supply of services using single source method which is contrary to Staff and Financial Rules and Regulations 2010.

Recommendation: *IUCEA to comply with Staff and Financial Rules and Regulations 2010.*

(ii) Insufficient Funding of IUCEA: - It was noted that the IUCEA was not able to collect expected contributions from the Partner States of USD 2,015,320. As at 30th June 2014, the arrears of contributions from partner states amounted to USD 13,372,917.

Implication: Failure by member states to promptly remit their annual contributions negatively affects performance of the Council to fulfill its mandate. It was noted that the increased non-remittance raises uncertainties regarding the capacity of the council to survive as a 'going concern'

Recommendation: - *EAC Council ministers to direct IUCEA management to follow up, verify and ensure that channeled through the ministers of EAC affairs and ensure that Partner states are included in the budgets of respective partner states annually.*

(iii).Lacking Investment policy: - it was noted that IUCEA made investments with various banks but the bank accounts had remain dormant and balances constant. In addition, IUCEA did not obtain fixed deposit receipt detailing period, rate, or maturity of the deposited funds.

percentages of Commission charged by the agency. This contravenes Regulation 83(1) of the EAC Financial Rules and Regulations 2012.

(c). Contract for the Maintenance and Repair of IT equipment: LVBC reportedly made a monthly payment of USD 1,500 to Ms By-Grace Technologies without duly certified invoices and other supporting documentation to justify the payment. It was observed that in one month, By-Grace was paid twice without justifying logs of activity to support payment. This is contrary to Regulation 41(4) of the EAC Financial Rules and Regulations 2012.

(d). Consultancy Services for Web based information data base application for Mara River Basin (LVBC signed a contract of USD 25,000 with ICT LTD): It was observed that the tender was awarded by direct procurement since there no proof of invitation to potential suppliers for tendering. During the audit in February 2015, the data base developed by the Consultant could not be accessed.

- (iii) Failure to file for VAT refunds on Qualifying Expenditure: During the year under Audit, more than USD 56,886 (VAT levy) paid to Kenya Revenue Authority ought to be reclaimed as per Article 138(3) of East African Treaty and Regulation 17(2) of the EAC rules and Regulations. There is no evidence that the VAT claims have been lodged.
- (iv) Absence of Reconciliation of Accrual basis financial statements against Cash basis budget report: This is contrary to IPSAS 24 Paragraph 47 and 51.

Lake Victoria Fisheries Organization

The following were some of the findings and recommendations on the Lake Victoria Fisheries Organization

- (i) Lack harmonized LVFO Financial manual with EAC Financial Rules: - the difference in financial reporting system led to the difference in threshold for capitation of fixed assets. LVFO's manual provided threshold at USD200 while the EAC Financial Rules provided at USD250.

Recommendation: - Harmonize all its policy documents including the manuals with those of EAC and report to the Assembly by March 2016.

- (ii) Insufficient funding of the organization: - During the year under review, the Organization had budgeted to receive a total of USD 3,203,041 of which USD 810,150 was from Partner States and USD 2,392,891 from development partners. The Organization did not receive any funds

East African Legislative Assembly (EALA)

The following were some of the salient issues arising from the audit report of the EALA

- (i) Non Compliance to staff establishment: - It was observed that there is a disproportionate increase in the short term temporary staff compared to those staff in the approved establishment. As at the end of the financial year, whereas the establishment provides for 31 staff, there are 27 permanent staff and 17 temporary staff. It was noted that recruitments do not consider equal representation of staff from the EAC Partner States.
- (ii) Irregularities in overtime allowance payment: Weak control measures to monitor and justify overtime allowance and payment was noted. This may occasion ghost payment or payment for inefficiencies of the staff.
- (iii) Activity imprest to Non-finance staff beyond stipulated threshold: Contrary to provisions of Regulation 40(6) of EAC Financial Rules and Regulations 2012 which sets the upper limit of such imprest to USD 20, 000, four incidences where this was contravened were observed.
- (iv) Difficulties in verification of existence of assets in the register: The Asset register lacks the specific locations of the detailed assets.

The Lake Victoria Basin Commission

The following were some of the salient issues arising from the audit report of the EAC Court of Justice

- (i) Avoidable expenditure on travel and subsistence allowance (Amounting USD 120,529): During the financial year, it was observed that expenditure on per diem was incurred when this was avoidable. Both the time spent on these travels and the number of staff who traveled could not be justified.
- (ii) Loose Contracts on Consultancy Services:- These included the following:-
 - (a) **Contracts on Consultancy Services on result based management framework for LVBC:** - The signed contract of USD 133,600 with Planet Limited had loopholes that allowed for unprocedural extension of the period for over four months. Besides, a reimbursable expense of USD 5,000 was paid on 10th December 2013 without supporting documents.
 - (b) **Contract on provision of Air-Ticketing Services with PEL Travels Limited:** In the contract, there was no clear payment terms specified in the contract, neither there was no agreed commission percentage for the contract. It was noted that there were varying

The EAC-Court of Justice

The following were some of the salient issues arising from the audit report of the EAC Court of Justice

- (i) Breach of EAC Financial Rules and Regulations in Procurement:** There are reported cases of acquisition of goods and services on uncompetitive process (amounting to USD 110,778): This is in contravention of Regulation 42(3& 4) of EAC Financial Rules and Regulations (2012). Examples of such suppliers included: Wing link Travel Ltd, Diamond Express Ltd & African Risk Insurance.
- (ii) Overvaluation of Assets:** The accounting estimates contained in the EACJ asset register do not conform to the IPSAS 17 on Properties, Plant and Equipment. During the period, it was discovered that in the register, 378 assets at a cost of \$278,868 were included whereas these had a net book value of zero.
- (iii) Unclaimed VAT (Amounting to USD 92,321.93):** Despite the exemption of EAC from all taxes by the United Republic of Tanzania, there was observed a reluctance of EACJ to decisively claim refundable VAT and other taxes.

Salient Audit Issues

- (i) The Accounts of the EAC organs and institutions for the financial year ending 30th June 2014 were generally given a clean bill of health by the Auditors implying the accounts presented a fair view in all material respects of the cash flow, financial position and performance.
- (ii) The salient issues however consider the major issues observable from the Audit reports that require attention and remedial measures for improved performance of the EAC organs and institutions for attainment of their respective mandates as discussed below:

EAC Secretariat

Key among the audit issues under the secretariat include:

- (i) **Budget deficit:** Reportedly, the total revenue was USD.58, 991,085 whereas the total Expenditure amounted to USD 57,627,621 for the FY against a budget plan of USD 89.2 Million; donors only released USD 22.7billion against the budget of USD 54.4 billion; resulting to shortfall of 58% of the budget. This means the budget is premised on unpredictable source of funding. The underfunding led to understaffing since a number of staff positions were not filled in 2014 and some activities not carried out
- (ii) **Low Absorption:** There was an under spending caused by delays in launching and implementing the Payment Settlement Systems Integration (PSSI) which had a budget of USD 10.4 million which was not spent. Planned activities not carried out and this may discourage donors from future funding.
- (iii) **Conflict in budget formulation, execution and monitoring processes:** Conflicting budget cycles as provided for in the EAC Budget Act 2008 from that which is given in EAC Financial rules and Regulations 2012.
- (iv) **Delay in assenting to bills by Partner states:** Out of 22 bills which have been passed by EALA, only one had been timely assented to. Some of the bills have been pending since 2010.
- (v) **Absence of Project Management Unit:** This could lead to projects being implemented to be ineffectively planned, poorly defined or missing project objectives hence the project not achieving its intended target.

- iii. As per the Rules of Procedures of the Assembly (rules 77 and 79), the audited reports were referred to the Committee on Accounts for review and subsequent production of a report.

Summary of the Audit Reports

- i. The Accounts of the EAC Organs and Institutions for the financial year ending 30th June 2014 presented fairly, in all material aspects the financial position of the organization. The Auditor's opinion is that largely there was compliance with International Public Sector Accounting Standards (IPSAS) and with the Treaty for the Establishment of the EAC and Regulation 80-85 of EAC Financial Rules and Regulations (2006).
- ii. In as much as the threshold for giving an adverse or qualified audit opinion was not met, there were audit concerns that need prompt remedial actions so as to enhance operational and financial management efficiency and effectiveness of the Organization.
- iii. An examination of the Audit Report for the financial year ending 30th June 2013 reveals that some issues raised by the Auditors then have reoccurred. This implies that the auditor's recommendations are not being taken seriously hence the auditing exercise is done merely as a statutory obligation. Examples of such recurring audit concerns include; Weaknesses in Consultancy Contract Management, Unclaimed refundable VAT, Non-compliance with staffing/recruitment policy, cases of non-compliance with provisions of Financial Rules and Regulations, weaknesses in procurement, irregularities in the fixed asset registers etc.
- iv. Given that auditing is done on a test-basis albeit with reasonable professional care and diligence, the concerns raised by the auditor may be immaterial but could have significant adverse effects to the financial position of EAC organs and institutions in the long run.
- v. To add value to the efficiency and effectiveness of the EAC organs and institutions, there is need for the EAC Management to timely implement the pending recommendations.

- vi. All additional requirements that are outside of and contradictory to provisions of the Common Market Protocol such as minimum annual salary, income levels and age limits should be addressed.

EALA Committee Recommendations

- (i) That the Assembly works jointly with regional advocacy bodies to engage in sensitization and popularization of the Common Market Protocol among other issues;
- (ii) That the Assembly formalize its engagement with the East African Business Council and the Private sector actors in Partner States;
- (iii) That the Council of Ministers evaluate and report on the efforts and challenges in the implementation of Annex II of the Common Market Protocol.
- (iv) That the Council of Ministers continuously develop interventions to enhance the business environment in the region and fast track development of policies and strategies on key issues to enhance implementation. This in particular should be fast tracked by uniformly abolishing work/residence permit fees as well as the facilitation of portability of social benefits which has started on bilateral basis by some Partner States.

2.6 Report of the Committee on Accounts on the Audited Financial Statements of the EAC for the FY ended 30th June 2014

Introduction

- i. In accordance with the provisions of Article 134(3) of the Treaty for the establishment of the East African Community (EAC), the reports of the Audit Commission were laid before the Assembly on 13th October 2015.
- ii. The reports were on the Audited Financial statements for the financial year ended 30th June, 2014 for the relevant organizations, agencies and commissions namely: EAC organs; the Lake Victoria Basin Commission (LVBC); the Lake Victoria Fisheries Organization (LVFO); the Inter University Council for East Africa (IUCEA) and the Civil Aviation Safety and Security Oversight Agency (CASSOA).

should be ensured for documents required for work/residence permits applications in all Partner States to facilitate and ease the application process;

- (iii) A new version of Annex II of the Common Market Protocol should be put in place when the current one expires (2015). The new Annex should put in place a roadmap for the gradual implementation of free labour mobility which eventually comprises all sectors and all categories of the blue and white collar workers. Furthermore, the new revised annex should put in place a tripartite mechanism at the EAC level and should be administered at national level through the tripartite forums;
- (iv) Abolition of work/residence permits fees for East Africans in the spirit of oneness and instituting equal treatment of all East Africans. In addition, implementation of standardized work permits classes to include amendment of national laws shall be expedited; The need for establishment of a more centralized and efficient data base system with information on work residence permit issuance and migration laws. Bureaucracy should be addressed by having competent authorities issue work permits/residence permits at centralized national one-stop centers established on tripartite basis comprising representatives from relevant ministries, employer organizations and trade union centers and other relevant stakeholders; and

The final goal of allowing all workers to enjoy the benefits of free movement across the EAC should be reached within no more than 7 years from July 2010.

Specific issues relating to labour and migration include:

- i. Fast tracking the portability of social security benefits across borders in the Region and for the implementation of the use of Common Identity cards as travel documents;
- ii. The need for assessment of national employment policies and labour legislation in order to facilitate gradual approximation and harmonization thus securing the rights of workers regardless of whether they reside in their country of origin or another Partner State;
- iii. The need to improve the collection and validation of disaggregated labour market data by regularly inviting employer's organizations and national trade union centers as well as relevant stakeholders on the Board of National Implementation Committees.
- iv. The EAC Scorecard should in the future include progress on the implementation of the Common Market Protocol on free movement of labour;
- v. Monitoring and evaluation of the Common Market Protocol should be improved by the Partner States with special emphasis on the adherence to the requirements and guidelines of the EAC monitoring and evaluation Framework;

and the national level which would create an impact that would facilitate the desired reform.

Report of the Committee on General Purpose on the Petition to the East African Legislative Assembly regarding Work/Residence Permits in East African Community for the citizens of the Partner States (26th November, 2015)

In accordance with Article 49 (2) (d) (e) and 3 of the Treaty Establishing the East African Community and Rules of Procedure of the EALA, the Assembly received a petition jointly prepared by the East African Employers Organization (EAEO) and the East African Trade Union Confederation (EATUC) on 11th February of 2015 at the EAC Headquarters, which was subsequently referred to the Committee on General Purpose.

Background of the Petition

- i. East African Employers Organization (EAEO) is a regional organization of employers established for the promotion of the development and protection of the employers interests in the East African Community and ensures that employer organizations of Member States become active partners in the process of development of the region. It has potential outreach of more than 8,500 companies and business entities and 100 associations and chambers affiliated to national employer organizations.
- ii. The East African Trade Union Confederation (EATUC) represents more than 2.5 million workers organized in the unions affiliated to the national trade union centers. EATUC was established in 1988 and is currently composed of confederations and trade unions of all East African Community Partner States.
- iii. The two apex bodies are responsible for lobbying and advocacy to foster a vibrant regional labour market.

The Petition urges EALA to:

- (i) Ensure the implementation of the provisions of the Common Market protocol, in particular Article 10 and Annex II; noting that since 2010, progress towards the implementation of especially the free movement of workers has been slow affecting the spirit of the EAC integration. Specific aspects relating to the Common Market Protocol include:
- (ii) Processing time for work residence permits should be shortened from over 3 months to a maximum of 30 days with priority granted to East Africans. Furthermore, standardization

affirmed among others that they need representation at the national and regional levels giving the example of Rwanda which has a specific youth representation in the National Parliament and in EALA.

The petition therefore seeks the following:

- (i) That Partner States ensure the establishment of the National Youth Council where they are not established;
- (ii) The EALA advocates for the operationalization of the National Youth Councils so as to become more vibrant in their activities;
- (iii) For EALA to urge the Council of Ministers to advocate for the establishment of the East African Youth Council;
- (iv) Urge Partner States to adhere to the provisions of the African Youth Charter on Youth;
- (v) Appeal to the partner States National Assemblies to consider reserving slots for youth representation at the national level;
- (vi) Urge EALA to allocate a specific officer to handle youth matters as they arise and urge for a fully-fledged officer at the Secretariat level.

Committee Recommendations

- (i) The Assembly should consider developing a clear framework for engagement with the youth;
- (ii) Future elections for Members of EALA reflect the provisions of Article 50 of the Treaty Establishing the East African Community to reflect the diversity of citizens of the Partner States specifically the fair representation of women, persons with disabilities and the youth;
- (iii) The Council of Ministers gives significant support to the youth in their endeavors particularly at the national level to give them the chance to utilize and realize their full potential.
- (iv) That the youth concentrate their efforts in enhancing their capacities, interactions and quality of engagement so as to register significant gains which will lead gradually to the recognition they seek at both national and regional levels.

With regard to representation in National Parliament and in EALA, the Committee recommended that while structures existed in the Assembly and in partner States, the lobby for any such institutional reform should begin at the level of youth organizations

- (iv) All the policies and regulations on the EAC Financial Sector Integration should be tabled before the Assembly.
- (v) The Sectoral Council on Legal and Judicial Affairs should expedite the adoption and approval of the various Regulations and Policies tabled before it to facilitate the EAC Financial Sector Integration.
- (vi) The EAC Secretariat to undertake comprehensive feasibility studies on all the projects in the financial sector to ensure their sustainability.
- (vii) The different platforms in the Capital Markets structure should be integrated and the infrastructure be linked to the East African Payment System to reduce the bureaucratic processes in the market.

2.5 Report of the Committee on General Purpose on the Petition to advocate for key issues concerning the Youth in the East African Community (26th November, 2015)

- (i) The EAC Secretariat Department of Political Affairs organizes an annual event under the auspices of the EAC Nyerere Centre for Peace and Research (EAC-NCPR). The event was started in 2012 to bring EAC University Students together to debate on regional integration. The debate aims at providing a regional platform to promote dialogue among university students and youth and develop their interests in advocating for regional integration.
- (ii) Youth Ambassadors and deputy ambassadors are appointed at the debate to represent their Partner States. The team that was appointed during the Third EAC University Students debate advocated for the EAC integration with the responsibility of sensitizing, educating and engaging their peers at the national level. The team also presented a petition to the Assembly on 23rd March, 2015 in Bujumbura, Republic of Burundi.
- (iii) The EALA Committee held a meeting with the youth and Council of Ministers on 26th November, 2015.

Background on the Petition to advocate for issues of the Youth

The petitioners reaffirmed that sustained development of Africa rests with its youth and therefore requires their active and enlightened participation basing on various Charters including the African Youth Charter and Bamako Declaration of 2005. The youth further

Development and Regionalization Project. As provided for under Article 85 of the EAC Treaty, the project was an initiative undertaken in 2011 to support the development of the financial sector through the establishment of single market for the financial services among the EAC Partner States and to create the foundation for financial sector integration.

Committee's Observation from the Workshop

- (i) The EAC Financial sector Development and Regionalization project started four years ago. A number of regulations and policies have been adopted by the Council to facilitate the integration. However, the Assembly feels it has not been engaged in the process.
- (ii) The Republic of Kenya raised concern about the procurement process of the infrastructure within the EAC Financial Sector Development and Regionalization Project, which should be addressed by the World Bank and the EAC Secretariat.
- (iii) Other aspects of the broader financial sector such as pension, banking, microfinance and SACCOs are still lagging behind in terms of financial sector integration.
- (iv) There is no legal regime in the EAC to enforce sanctions for none compliance with the Security exchange requirements in the region. It is therefore necessary to harmonize the EAC legal regime to enhance enforcement of sanctions.
- (v) The sectoral council on Legal and Judicial Affairs has not adopted the policies and regulations to facilitate the integration of the financial sector.
- (vi) There are different platforms in the Capital Markets Structure in the EAC Partner States operating under different legal regimes. This increases the processes and bureaucracy in the Security Exchange Market. Further, the infrastructure to facilitate trading in securities by none citizens in other Partner States is not yet in place.

Recommendations by the EALA Committee

- (i) Capacity building of Assembly Members on financial sector to equip them with the requisite knowledge to effectively understand the operations of the EAC financial sector integration.
- (ii) Partner States to mobilize and sensitize the EAC citizenry on the benefits of the Financial Sector Integration.
- (iii) Aspects of broader financial sector such as pension, banking, insurance, microfinance and SACCOs should be fast tracked in the EAC Financial Sector Integration.

Recommendations

- (i) Training and sensitization programs on OSBP operations and procedures to all stakeholders
- (ii) Infrastructure improvement to provide social amenities such as schools, hospitals etc.
- (iii) All remaining works at all border posts should be fast tracked to allow its implementation for further integration
- (iv) Partner States that have not assented to the EAC OSBP Act should do so as soon as possible to provide a legal framework for the implementation of the OSBP in the EAC.
- (v) The EALA Committee should complete the visits to all other EAC OSBPs to assess their current status.
- (vi) Scanners, metal detectors and strong rooms should be installed at all borders to enhance security
- (vii) Sustainable environmental management programs should be provided at all OSBPs
- (viii) The development of manuals and regulations should be fast tracked to assist in implementation of the OSBPs
- (ix) User friendly materials should be used at OSBPs
- (x) Partner States should uphold principle of efficient and effective management of shared resources at borders
- (xi) Improvement in roads connecting OSBPs
- (xii) Joint Border Coordination Committees should meet regularly to come up with solutions on the cross-border issues affecting operations at OSBPs
- (xiii) Partner States to provide constant supply of clean water and decent sanitation systems at border posts (a challenge on all border posts on the Kenyan side)
- (xiv) Partner States to issue the certificates of Rules of Origin at all the OSBPs(in Kenya they are issued in Mombasa instead of Lungalunga)
- (xv) The Committee should visit other regional blocks that operate OSBPs to learn best practices.
- (xvi) Teamwork at all border posts should be upheld to ensure smooth implementation of the OSBP

2.4 The Report of the Committee on Communication, Trade and Investment on the Workshop on the EAC Financial Sector Integration

The EALA Committee on Communication, Trade and Investment held an oversight workshop to assess the status of implementation of the East African Financial Sector

The Committee engaged various stakeholders including: Revenue Authorities, Immigration, Bureau of Standards, police, clearing and forwarding agents, traders, transporters, local authorities, development partners and EAC Secretariat.

(i) General Findings of the On-spot Assessment

- (i) Currently, all OSBP operations are on a bilateral basis and guided by the OSBP Operational procedures Manual between specific Partner States until such a time when the EAC OSBPs law comes into effect.
- (ii) The Joint Border Coordinating Committees were established at the OSBPs to regularly meet and discuss the outstanding issues and to provide recommendations.

Benefits of OSBPs

It was observed that the OSBPs improve trade facilitation through the following:

- (a) Reduces the duplication of border processes hence reduced time spent at the borders
- (b) Improves efficiency and effectiveness of border processes
- (c) Improves the relationship between institutions operating at the border posts and citizens between two Partner States.
- (d) Increases the volumes of traded goods between Partner States
- (e) Creates employment opportunities to local communities at the borders
- (f) Reduces congestion and disorganization tendencies at the borders

Challenges Experienced in the Implementation of the OSBPs

- (a) Limited knowledge on some of the borders with regard to the operations of the OSBPs:
- (b) Limited infrastructure to provide social services and facilities at most of the borders such as schools, hospitals, banks etc.
- (c) Lack of accommodation for staff-or located in distant areas from the border post.
- (d) It was observed on all borders that there are no operating manuals and regulations to assist in the implementation of the OSBP.
- (e) Disparities in operating language at the borders (English versus Swahili)
- (f) Limited water supply at most border posts.

- (iv) The Office of the Clerk of the Assembly should ensure proper scrutiny of motions and Resolutions to ensure compliance with the Treaty for the Establishment of the EAC and other Laws of the Community.
- (v) In the intervening period, pending the establishment of the EALA Monitoring and Evaluation unit, the EAC Secretariat Monitoring and Evaluation unit should submit to the Assembly quarterly Monitoring and Evaluation Reports.
- (vi) The Annual Report of the Council to the Summit should comprehensively capture issues of the Assembly. The Clerk should always seek the input of the EALA Commission on the issues to be included in the report.
- (vii) For the Assembly to effectively execute its oversight mandate it needs to build a robust and well-resourced research/monitoring Unit, which among other others, will ensure regular data collection and analysis.
- (viii) Considering that the Committee was able to only consider resolutions of the Assembly, more resources should be availed to the Committee to also track questions, Bills and Council commitments to the Assembly as well as the implementation of Laws and Acts of the Community.

2.3 The Report of the Committee on Communication, Trade and Investment on the On-Spot Assessment of One Stop Border Posts in the EAC.

The EAC adopted the use of One-Stop Border Posts (OSBPs) to facilitate trade and movement of people in the Community. Consequently, EALA passed the EAC OSBP Bill to legalize the concept.

The objective of the OSBP is to facilitate movement of people and trade by reducing the number of stops involved in a cross border transaction, by combining the activities of both countries' border control agencies to a single location with simplified procedures and joint processing and inspections where necessary.

The EALA Committee carried the on-spot assessment in the following posts:

- (a) **Phase 1:** Mutukula (Uganda/Tanzania), Mirama Hill/Kagituma (Uganda/Rwanda) and Rusumo (Rwanda/Tanzania)-8th-11th April, 2015
- (b) **Phase 2:** Lungalunga/Horohoro (Kenya/Tanzania), Taveta/ Holili (Kenya/Tanzania) and Namanga (Tanzania/Kenya)-30th-3rd October, 2015

- (vi) EAMS excludes the EACJ and EALA. There is need to expand the system to include resolutions, bills and laws, questions and reports of oversight activities by the Assembly and decisions by EACJ.
- (vii) In the Annual report of the Council to the Summit, critical issues pertaining to the Assembly are not sufficiently captured. In effect, such important issues that would require action by the Summit are not addressed.
- (viii) Need for a well -managed data base for Assembly Resolutions and Council Commitments which will ease tracking of their implementation.
- (ix) For the Assembly to effectively execute its oversight mandate it needs to build a robust and well-resourced Research/Monitoring Unit, which will ensure regular data collection and analysis.
- (x) The timelines for assenting to bills passed by EALA as provided for in the Treaty are not observed, and in some cases, reasons for withholding bills were not provided.
- (xi) Regular tracking and documentation of the implementation of the EALA Resolutions and Council Commitments is a critical tool/instrument in evaluating how far the Assembly has performed and executed its mandate.
- (xii) It is incumbent upon all the relevant organs and institutions of the EAC to ensure diligent and timely execution of their respective mandates in a bid to realize the principles, goals and objectives of the Treaty and pillars of Integration.

Committee's Recommendations

- (i) The Office of the Clerk should develop a compendium of Assembly resolutions and questions, bills and laws passed on an annual basis.
- (ii) That the Assembly urgently mobilizes resources to develop an online monitoring module under the EAC Monitoring system currently operational at the EAC Secretariat that will serve as a database for regular monitoring and follow up of EALA Bills, Resolutions and implementation of Regional Laws/Acts. The Assembly further urges other organs, particularly the East African Court of Justice to adopt the same.
- (iii) That focal points officer (Partner States and EAC Organs and Institutions) be designated to undertake data collection and analysis, and overall operationalization of the monitoring module.

- (ix) Need for the EALA Committee to visit Burundi and interact with the various stakeholders within the country in order to have a complete picture of the political crisis.

2.2 The Report of the Committee on Legal, Rules and Privileges on tracking the implementation of Resolutions and questions of the Assembly and Council commitments (September 1st -5th 2015)

The key objective of the oversight was to track the status of implementation of Resolutions and Questions of the Assembly, and Council Commitments for the period between 2002 and 2014 and provide a report on their status to be presented to the Assembly for adoption.

Committee Findings

- (i) During the period under review, the Assembly passed 105 Resolutions some of which required concrete actions by the Partner States and the relevant EAC Organs and Institutions while others were procedural and others were by way of paying tribute (none-actionable). Some resolutions were found to have been implemented, some not and others partially implemented.
- (ii) While resolutions requiring action were transmitted to the Partner States and relevant EAC Organs and Institutions, the Office of the Clerk rarely receives feedback from these entities on the status of their implementation. This has been compounded by a lack of clear implementation modalities and feedback mechanism.
- (iii) More time was needed to study Hansard so as to extract commitments made by the council of Ministers before the Assembly during the Questions and Answer sessions and thereafter the tracking of the implementation of such commitments.
- (iv) The EAC Secretariat has put in place the East Africa Monitoring System (EAMS), which is designed to systematically and continuously help in collecting and analyzing data on implementation of the EAC integration agenda and to provide timely information to help in making informed decisions. EAMS serves as a speedy and effective way of providing informative reports.
- (v) The EAMS is also a database for the decisions of the Summit, Council of Ministers and Sectoral Councils. Partner States are developing similar systems to be linked with EAMS for easy flow of information regarding the implementation of their decisions.

- (iii) The Committee was further informed of the dire conditions in a makeshift camp at Kangunga, a tiny fishing village on the shores of Lake Tanganyika with an estimated 100,447 refugees from Burundi. They are compelled to sleep on the dirt, plastic sheets and tarpaulins.
- (iv) Outbreak of Cholera in Kagunga village that claimed 32 lives.
- (v) The Committee found out that there were deep rooted causes and fears especially related to the 1972, 1993 and 2015 political crisis in Burundi which compelled the refugees to flee their country.
- (vi) In Rwanda, the Committee was appraised that as of 31st May, 2015, the number of Burundi refugees stood at 28,634 (12,000 children, including 5000 unaccompanied minors).

Recommendations by the EALA Committee

- (i) In conformity with Article 124 (3) of the EAC Treaty on Regional Disaster Management Mechanisms, the EAC should establish a regional mechanism for disaster preparedness which would respond and coordinate humanitarian efforts in any Partner State.
- (ii) The EAC Partner States should expedite enactment of a regional legal framework on Disaster Risk Reduction and Management.
- (iii) The EAC Partner States should harmonize their laws on how to handle refugees' matters in the region.
- (iv) The EAC Partner States should support mechanisms towards restoration of peace in Burundi and the EAC at large.
- (v) The need for EAC Partner States to emulate the Republics of Rwanda and Uganda in establishing specific ministries responsible for handling refugees affairs.
- (vi) The Republic of Burundi and the Republic of Kenya should ratify the EAC Peace and Security Protocol (like the other Partner States) to expedite its implementation.
- (vii) Infrastructure related to health, road, water and environment and security in the Partner States hosting refugees should be developed and supported by the EAC, UN and other humanitarian agencies to avoid feelings of resentment and unnecessary conflicts with the host communities.
- (viii) EAC Partner States to develop concerted efforts to re-integrate back to their countries returning refugees.

INTRODUCTION

2.0 SUMMARY OF REPORTS FROM THE EAST AFRICAN LEGISLATIVE ASSEMBLY

2.1 The Report of the EALA Committee on Regional Affairs and Conflict resolution on the Goodwill Mission to Burundi Refugees in Kigoma, Tanzania and Eastern Province, Rwanda (31st May-5th June 2015)

- (i) The visit by the EALA Committee was informed by the crisis in the Republic of Burundi following the misinterpretation of the Arusha Accord and the Burundi Constitution on the issue of the presidential term. Since April 2015, over 100,000 Burundians have been fleeing their country to the neighboring countries of the DRC, Rwanda, Tanzania and Uganda. The main reasons cited by the refugees for fleeing their country include harassment, threats from the *Imbonerakure*, arbitrary arrests and assumption that the situation will get worse.
- (ii) It is in view of the above that the EALA appointed a goodwill mission of members of the regional affairs and conflict resolution to visit refugee camps in the Partner States of Rwanda and Tanzania.
- (iii) The objectives of the visit included:-
 - i. Appraising itself with the humanitarian situation on the ground and the arrangements in place to deal with the crisis
 - ii. Reaffirming EALA's commitment to Burundi in contributing to a lasting solution to the current political impasse
 - iii. Visiting refugee camps in the two Partner States to convey goodwill message to the victims of the crisis.

General Findings of the Mission

- (i) More than 51,095 registered Burundian refugees mostly women and children at Nyarugusu with a capacity to accommodate only 50,000 refugees as per the international standards for a refugee camp.
- (ii) The committee observed and was informed of 58,077 Congolese refugees already at the camp since 1996 making it extremely difficult to manage the camp in terms of security and provision of basic needs such as shelter, food, water, clothing, education, sanitation and medication.