

EAST AFRICAN COMMUNITY
EAST AFRICAN LEGISLATIVE ASSEMBLY



REPORT OF THE COMMITTEE ON GENERAL PURPOSE ON RE-CONSIDERATION
OF THE EAC APPROPRIATION BILL, 2020



PAPERS LAID	
DATE	11/05/2021
TABLED BY	DSML
COMMITTEE	
CLERK AT THE TABLE	<i>[Signature]</i>

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

23rd November 2020

1.0 INTRODUCTION

On 12th August 2020, the Chairperson, Council of Ministers laid on table the EAC Budget Estimates for the FY 2020/21. In the same vein, the EAC Appropriation Bill, 2020 was introduced in the House for the First Reading. In accordance with Section 4(2) of the Budget Act, the Rt. Hon. Speaker referred the EAC Budget Estimates for the FY 2020/2021 to the Committee on General Purpose for consideration.

Pursuant to Section 4(3) of the EAC Budget Act, Rule 81 (c), (e), and (g) and Annex 5 (f) of the Rules of Procedure of the Assembly, the Committee on General Purpose considered the Annual Estimates of Revenue and Expenditure of the East African Community for the FY 2020/2021.

At its sitting held on the 30th day of September 2020, the Assembly received, considered and adopted the report of Committee on General Purpose EAC Budget Estimates for the FY 2020/2021, and passed the EAC Appropriation Bill, 2020 with amendments.

2.0 BACKGROUND

On 16th October 2020, the Clerk of the Assembly transmitted advance copies of the EAC Supplementary Appropriation (No. 2) Bill, 2020, and the EAC Appropriation Bill, 2020 to the Partner States in preparation for assent.

Article 63(1) of the Treaty provides that the Heads of State may assent to or withhold assent to a Bill of the Assembly.

Article 63(2) of the Treaty provides that a Bill that has not received assent as provided in paragraph 1 of this Article within three months from the date on which it was passed by the Assembly shall be referred back to the Assembly, giving reasons, and with a request that the Bill or a particular provision thereof be reconsidered by the Assembly.

Article 63(3) further provides that if the Assembly discusses and approves the Bill, the Bill shall be re-submitted to the Heads of State for assent.

Paragraph 4 of the same Article provides that if a Head of State withholds assent to a re-submitted Bill, the Bill shall lapse.

On the 23rd day of October 2020, the Minister of State in charge of the East African Community communicated to the Clerk of the Assembly the reservation by the Republic of Rwanda on the EAC Appropriation Bill 2020, with the request that the Assembly reconsiders the same Bill. The Republic of Burundi and the United Republic of Tanzania also communicated to the Assembly their reservations on the Bill.

At the Sitting of the Assembly held on Tuesday 17th November 2020, the Speaker, in accordance with Rule 73 of the Rules of Procedure of the Assembly brought the matter to the attention of the House, and referred the same Bill to the Committee on General Purpose for re-consideration.

3.0 METHODOLOGY

During the re-consideration of the Bill, the Committee:

- i. Interacted with the Chair, Council;
- ii. Reviewed the EAC Budget Estimates for the FY 2020/21, and the Report of the Assembly on the same;
- iii. Made reference to the relevant provisions of the Treaty and the EAC Budget Act, 2008; and
- iv. Prepared this report for the approval of the House.

4.0 VARIATIONS IN THE BUDGET

According to the East African Community Appropriation Bill, 2020, the Council had proposed that a total of USD **USD 97, 669,708** be appropriated to the Organs and Institutions of the Community as indicated below:

Vote	Organ or Institution of the Community	Amount in US Dollars
001	EAC Secretariat	48,564,401
002	East African Legislative Assembly (EALA)	16,755,725
003	East African Court of Justice (EACJ)	3,970,406
004	Lake Victoria Basin Commission (LVBC)	8,380,057
005	East African Science and Technology Commission (EASTCO)	1,536,751
006	East African Kiswahili Commission (EAKC)	1,399,318
007	East African Health Research Commission (EAHRC)	1,879,600

008	East African Competition Authority (EACA)	1,128,240
009	Inter-University Council for East Africa (IUCEA)	10,977,276
010	Lake Victoria Fisheries Organization (LVFO)	3,077,934
	TOTAL	97,669,708

However, the Assembly considered and appropriated a total sum of **USD 104,063,020** to the Organs and Institutions of the EAC for the FY 2020/21 as follows:

Vote	Organ or Institution of the Community	Amount in US Dollars
001	EAC Secretariat	48,418,301
002	East African Legislative Assembly (EALA)	23,067,137
003	East African Court of Justice (EACJ)	4,198,406
004	Lake Victoria Basin Commission (LVBC)	8,380,057
005	East African Science and Technology Commission (EASTCO)	1,536,751
006	East African Kiswahili Commission (EAKC)	1,399,318
007	East African Health Research Commission (EAHRC)	1,879,600
008	East African Competition Authority (EACA)	1,128,240
009	Inter-University Council for East Africa (IUCEA)	10,977,276
010	Lake Victoria Fisheries Organization (LVFO)	3,077,934
	TOTAL	104,063,020

NOTE: In the approved budget, the Assembly made a reallocation of a total sum of USD 572,800, and there was a difference of a total sum of **USD 6,393,312** between the Budget Estimates presented by the Chair Council to the Assembly on 12th August 2020 and the final budget that was approved by the Assembly on 30th September 2020. This money was voted to fund the programs/activities indicated in the table below:

Organ/Institution	Program/Activity	Amount in USD
EALA	i- Consideration and approval of the EAC Budget 2020/21	1,003,360
	ii- Outstanding arrears	2,529,055
	iii- Additional funding for plenary sessions	2,329,055
	iv- Emoluments for Aides to Members with Disabilities	91,104
	v- Costs arising from the case of Hon. Margaret Zziwa	358,838
EACJ	Extra days for court sessions	81,900
Total		6,393,312

5.0 OBSERVATIONS AND RECOMMENDATIONS

1. Review of rationalization/reallocation of USD 572,800

Upon a review of the schedule of rationalization/reallocation, the Committee considered it important to reinstate the programmes/activities indicated below:

- i. To procure two vehicles for the two DSGs – USD 100,000.
- ii. To organize quarterly meetings of the EAC Adhoc Service Commission – USD 48,000.
- iii. To value the Assets of the EAC and procure furniture – USD 47,000.

The Committee recommends that the House approves the revised Annex 1 which provides for rationalization/reallocation of a total sum of USD 225,500 from/within the EAC Secretariat.

2. Consideration of Vote-on-account and the EAC Budget 2020/21

A total sum of USD 1,003,360 had been approved by the House to offset the expenses incurred by the Assembly during the consideration of vote-on-account and the EAC Budget Estimates for the FY 2020/2021.

The Chairperson, Council of Ministers was in agreement with the Committee that this was a legitimate expenditure that was occasioned by the delay to submit the budget estimates to the Assembly as per the requirements of the EAC Budget Act. He undertook to bring the matter to the attention of the Council for consideration.

The Committee recommends the Assembly to urge the Council of Ministers to draw a total sum of USD 1,003,360 from the General Reserve Fund to enable EALA meet the expenses incurred during the consideration of vote-on-account and the EAC Budget for FY 2020/21.

3. Outstanding Arrears

At the 41st Extra-Ordinary Meeting of the Council of Ministers held on 4th August, the Council of Ministers recognized the arrears owed to EALA, and further directed that these arrears be paid as soon as Partner States disbursed their outstanding contribution for FY 2019/2020 (**EAC/EX-CM/41/Directive 08**). The Committee concurred with the Chair Council that a total sum of USD 2,529,055 owed to EALA shall be paid from the General Reserve Fund. The Chair Council reiterated the commitment of the Council of Ministers to offset this expenditure once the Republic of Burundi and the Republic of South Sudan remit their arrears.

The Committee recommends the Assembly to urge the Council to prioritize this expenditure as soon as Partner States disburse their outstanding contribution for FY 2019/2020.

4. Additional funding for EALA Plenary Sessions

According to the EAC Budget Estimates for FY 2020/21, a total sum of USD 2,618,410 was provided to enable the Assembly hold four Plenary Sessions, with each session running for 14 days. The Committee noted that owing to the covid-19 pandemic, it would be prudent to hold one physical plenary session and the rest virtually.

It was also noted that one Plenary Session of 21 days outside Arusha would cost USD 1,078,250, a Plenary in Arusha would cost USD 797,120 while a virtual Plenary would

cost USD 654,120. In view of the foregoing, the Committee proposes that the Assembly holds five virtual plenary sessions at a cost of USD 3,270,600 and one plenary session in Arusha at a cost of USD 797,120, making it a total sum of USD 4,067,720.

It was further noted that part of the USD 2,618,410 that was budgeted to facilitate Members during plenary sessions was meant to cater for, among others, Members' air tickets, airport transfers, inland transport, tea and other logistical requirements. It is the considered view of the Committee that such expenses may not be necessary during virtual meetings, and therefore the money should be reallocated to cater for Members' Daily Subsistence Allowances (DSAs). The Committee also proposes that all the Committee funds that were meant for Members' air tickets, transport, and hire of conferences be reallocated to provide DSAs to Members.

The Committee proposes reallocations within the EALA Budget to raise a deficit of USD 1,449,310 which will enable the Assembly to raise money for Members' DSAs during the six plenary sessions, five of which will be held virtually and one physically in Arusha. Attached herewith is **Annex 2** which provides for reallocation within EALA.

The Committee recommends that the House approves the reallocation of a total sum of USD 1,449,310 from within the EALA Budget to cater for Daily Subsistence Allowances of Members during the six plenary sessions.

5. Emoluments for Aides to Members with Disabilities

It was noted that since Council is the Policy making Organ, it would be prudent to defer payment of these emoluments until the policy is in place. The Chair Council appreciated the need to remunerate not only Aides to Members of the Assembly but also other persons in the service of the Community.

The Committee recommends that:

- i. The Assembly defers the approval of emoluments for Aides to Members with Disabilities until the Policy is in place***
- ii. The Council of Ministers should expedite the finalization of the Policy of Persons in the Service of the Community.***

6. Costs arising from Ref Appeal No.2 of 2017; ref no.14 of 2014

The Committee was informed that this matter had not yet been brought to the attention of Council. The Committee finds it prudent that the House defers the inclusion of USD 358,837 (costs payable to Rt. Hon. Margaret Zziwa) in the EAC Budget for FY 2020/21 until the matter is discussed by the Council. The Chair Council undertook to bring the matter to the attention of the Council of Ministers.

The Committee recommends that:

- i. The Assembly defers the inclusion of the costs arising from Ref Appeal No.2 of 2017; ref no.14 of 2014 in the EAC Budget for FY 2020/21.***
- ii. The Council of Minister urgently considers and prioritizes the payment of USD 358,837 owed to Hon. Margaret Zziwa from the General Reserve Fund.***

7. Extra days for Court Sessions

The Assembly had approved an allocation of a total sum of USD 228,000 to cater for an additional ten days of court sessions. Out of this amount, USD 81,900 was to be drawn from the General Reserve Fund. The Committee appreciates the need for additional funding to the EACJ in a bid to clear case backlog. Since some funds have been reallocated to the EACJ under Annex 1, the Committee finds it reasonable to stay the approval of USD 81,900 since it will lead to an increase of the overall EAC Budget over and above the ceiling provided by the Council.

The Committee recommends that the Assembly rescinds the earlier approval of USD 81,900 which was allocated to the EACJ and was to be drawn from the General Reserve Fund.

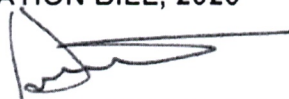
6.0 CONCLUSION

The Committee appreciates the efforts made by the Chair Council to engage the Assembly on this matter with a view to reaching a workable solution. The Committee therefore recommends that the Assembly approves the Schedule to the EAC Appropriation Bill 2020 as indicated below:

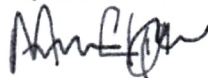
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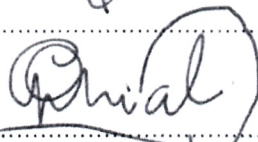
1. Hon. Dennis Namara



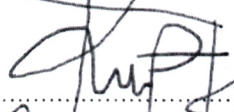
2. Hon. Ayason Mukulia Kennedy



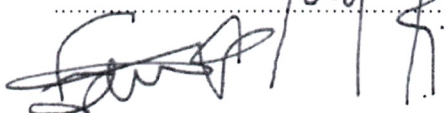
3. Hon. Gai Deng



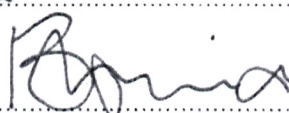
4. Hon. Kim Gai Ruot Duop



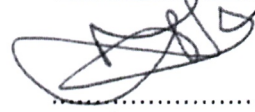
5. Hon. Jematiah F. Sargon



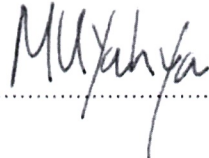
6. Hon. Wanjiku Muhia



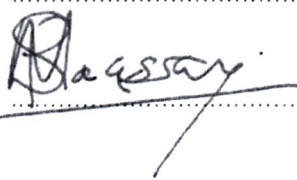
7. Hon. Fatuma Ibrahim Ali



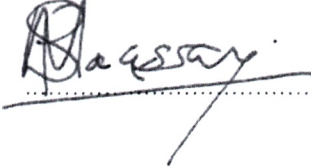
8. Hon. Maryam Ussi Yahya



9. Hon. Dr. Abdullah H. Makame



10. Hon. Pamela S. Maassay



11. Hon. Uwumukiza Francoise

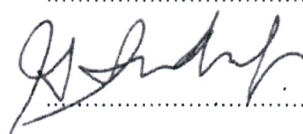
12. Hon. Rutazana Francine

13. Hon. Bahati Alex

14. Hon. Musamali Paul



15. Hon. Odongo George Stephen



16. Hon. Jean Marie Muhirwa

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17. Hon. Alfred Ahingejeje

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18. Hon. Sophie Nsavyimana

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ANNEX 1

REVISED SCHEDULE FOR RATIONALIZATION/REALLOCATION OF USD 225,500 FROM/WITHIN THE EAC SECRETARIAT IN FY 2020/21

SN	ACTIVITY CODE	ACTIVITY DESCRIPTION	AMOUNT REALLOCATED	OFFICE AND AMOUNT REALLOCATED TO IT
1. OFFICE OF THE SECRETARY GENERAL				
	M5S18T010501S01	To participate in the in the three (3) EALA plenary sessions (SG with the Protocol officer and 1 Secretary outside Arusha) Page 12 of 271 of MTEF	37, 500 USD. Justification; Plenary sessions will be held in Arusha and this will not require any travels by SG and Protocol officer	EACJ: Activity Code: M5S01T0601S02 To hold Court sessions
2. OFFICE OF THE DEPUTY SECRETARY GENERAL FINANCE AND ADMINISTRATION				
	M5S09T1903S04	To facilitate the staff of HR department to attend professional forums	23, 200 USD. Justification: Not a very urgent priority compared to mobilizing	Resource Mobilisation, Activity Code:

			resources for the EAC	M5S04T0102S02 To conduct donor Missions to existing and potential donors/development partners
M5S09T1904S02	To organize annual retreat for staff, get together and team building	50,600 USD Justification: Convening a retreat for all EAC staff under covid-19 is not feasible. Clearing case backlog is a matter urgent public importance	EACJ: Activity Code M5S01T0601S02 To hold Court sessions	
M5S09T1903S02	Induction programme for new staff M5S09T1903	1,200	ICT, Activity Code: M5S24T2406S07 To upgrade the VC and implement ICT security to ICT systems and network security services	
M5S09T1904S01	To coordinate EAC staff welfare services for the promotion of health, safety and wellness in workplace	44,000 Justification: The expenditure is on non-essential items like tea, gifts	ICT, Activity Code: M5S24T2406S07 To upgrade the VC and, implement ICT	

				security to ICT systems and network security services
M5S09T1705S01	To develop and implement and implement EAC change management strategy for the smooth implementation of institutional review	25,500 This is not a priority since it was consistently funded for more than two years back.	Gender, Development and Society Activity Code: M2R12T0501C01 To convene a meeting of stakeholder to develop and consider draft policy framework on social protection	Com and
M5S10T2301S16	To maintain office equipment and other facilities at the EAC headquarters.	43,500 USD No explanation was given to the Committee	ICT, Activity Code: M5S24T2406S07 To upgrade the VC and implement ICT security to ICT systems and network security services.	

ANNEX 2

A SCHEDULE FOR RATIONALIZATION/REALLOCATION WITHIN EALA BUDGET TO PROVIDE DSA FOR MEMBERS DURING PLENARY SESSIONS

SN	ACTIVITY CODE	ACTIVITY DESCRIPTION	DESCRIPTION OF IN PUT	ALLOCATED AMOUNT IN USD	AMOUNT IN USD REALLOCATED TO MEMBERS' DSA
1	M5S15T0101D01	To facilitate capacity building for newly elected Commissioners and Committee Chairpersons in July 2020		105,450	105,450
2	M5S15T0101D01	To hire required services to facilitate EALA Meetings		348,000	312,500
3	M5S08T0601S05	To facilitate administrative services to EALA Members and staff		289,800	149,000
4	M5S08T0601S01	To purchase and install biometric access control system for plenary and committees		20,000	20,000
5	M5S08T0601S01	To procure public relations and promotional materials		19,500	16,250

6	M5S15T0101D01	To facilitate Members to attend plenary sessions, committee meetings and preparatory meetings by June	Transport allowance Members -	42,400	31,800
7	M5S15T0101D01	To facilitate Members to attend plenary sessions, committee meetings and preparatory meetings by June	Air tickets / Mileage Members -	3,000	3,000
			Air tickets / Mileage Members -	212,000	159,000
8	M5S15T0101D07	To facilitate accredited journalists from each partner state to cover live proceedings of EALA Plenary and committee meetings by June	DSA	55,200	12,000
9	M5S15T0101D10	To transport materials and other logistics during plenary meetings and committee		6,000	5,999
10	M5S15T0301S01	To organise the annual EAC inter-parliamentary meeting (NANYUKI SERIES)		169,300	160,290

11	M5S15T0301S01	To attend the EAC Youth Assembly		8,800	7,200
12	M5S15T0401S01	To undertake public hearing in the Partner States (EALA Commission)		61,710	31,571
13	M5S15T0401S01	To undertake public hearing in Partner States (Committees on Accounts, ATNR, LRP, RACR, CTI, and GP)	Air tickets - Members	18,000 per Committee for 6 Committees	108,000 for 6 Committees
14	M5S15T0401S02	To undertake post audit oversight activities (implementation of recommendation) of Committee on (Account)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,600	3,600
			Air ticket- Members	18,000	18,000
			Logistics meetings	1,200	1,200
15	M5S15T0401S02	To undertake oversight activities in the agriculture food security and EAC action plan and related sectors in line with Committee mandate Committee on (ATNR)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,600	3,600

			Air ticket- Members	18,000	18,000
			Logistics meetings	1,200	1,200
16	M5S15T0401S02	To undertake oversight activities in the related and investment sector in line with the Committees mandate and the full realisation of the EAC customs union and monetary Committee on (CTI)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,600	3,600
			Air ticket- Members	18,000	18,000
			Logistics meetings	1,200	1,200
17	M5S15T0401S01	To undertake oversight activities on the health sector of the Community Committee on (GP)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,600	3,600
			Air ticket- Members	18,000	18,000
			Logistics meetings	1,200	1,200
18	M5S15T0401S03	To consider the EAC Annual Report by June Committee on (GP)	Hiring of Transport Services	3,000	3,000
			Hiring of Conference Facilities	4,200	4,200

			Air ticket-Members	18,000	18,000
			Logistics meetings	1,500	1,500
19	M5S15T0401S02	To undertake oversight activities in line with the realisation of the EAC Political Federation Committee on (LRP)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,600	3,600
			Air ticket-Members	18,000	18,000
			Logistics meetings	1,200	2,000
20	M5S15T0401S02	To undertake oversight activities related to conflict resolution in line with the Committees Mandate Committee on (RACR)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,600	3,600
			Air ticket-Members	18,000	18,000
			Logistics meetings	1,200	1,200
21	M5S15T0401S03	To consider the annual report on EAC foreign and security policies Committee on (RACR)	Hiring of Transport Services	3,000	3,000
			Hiring of Conference Facilities	4,200	4,200

			Air ticket- Members	18,000	18,000
			Logistics meetings	1,500	1,500
22	M5S15T0101D01	To consider Bills and other legislative matters focusing on Agriculture, Tourism and Natural Resources(ATNR)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,000	3,000
			Air ticket- Members	18,000	18,000
			Logistics meetings	750	750
23	M5S15T0101D01	To consider Bills and legislative matters focusing on the regions productive and social sectors (specifically on population, health and development) Committee on (GP)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,000	3,000
			Air ticket- Members	18,000	18,000
			Logistics meetings	750	750
24	M5S15T0101D01	To consider Bills and legislative matters focusing on governance, regional affairs and conflict	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,000	3,000

		resolution Committee on (RACR)	Air ticket- Members	18,000	18,000
			Logistics meetings	750	750
25	M5S15T0101D01	To consider Bills and legislative matters focusing on legal governance matters, rules, rule of law, privileges and human rights committee on (LRP)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,000	3,000
			Air ticket- Members	18,000	18,000
			Logistics meetings	750	750
26	M5S15T0101D01	To consider Bills and legislative matters focusing committee on (CTI)	Hiring of Transport Services	2,500	2,500
			Hiring of Conference Facilities	3,000	3,000
			Air ticket- Members	18,000	18,000
			Logistics meetings	750	750
					1,449,310
	TOTAL				