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New reforms were introduced in the East African Community to boost its running.

What the EAC reforms mean to the community

BY FRANKLIN DRAKU

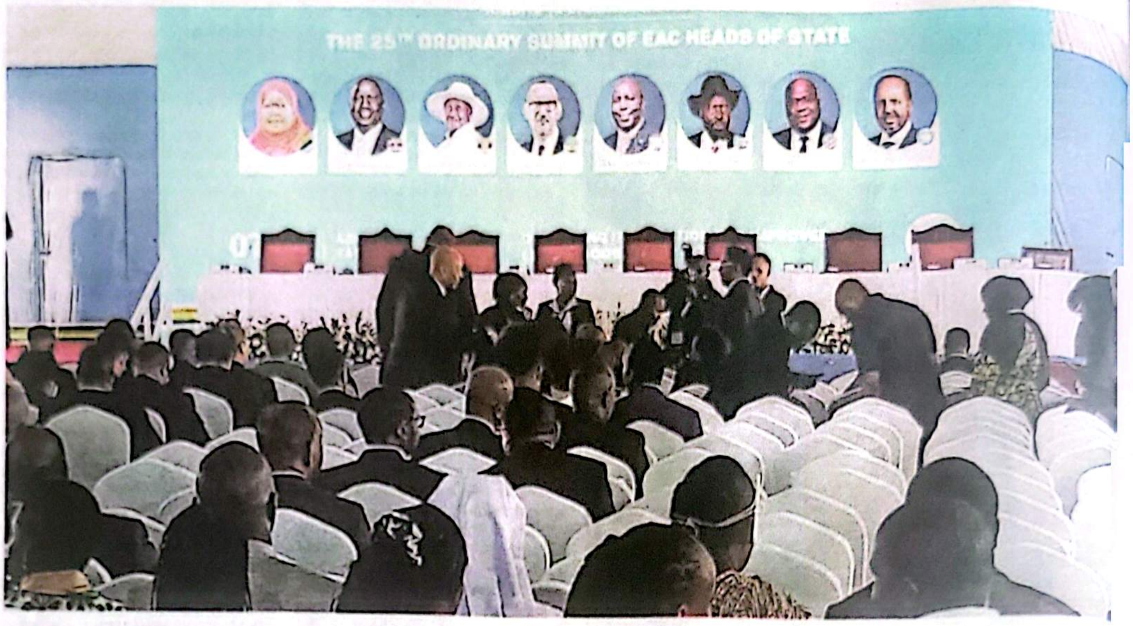
The heads of State of the East African Community (EAC) have introduced sweeping reforms, which they say will boost efficiency and ensure the smooth running of the Secretariat in Arusha, Tanzania.

A key highlight in the final communique delivered after the Saturday Arusha summit was the reversal of the 65 percent-35 percent financing formula adopted at the 23rd Summit. Instead, leaders agreed on a new 50-50 formula, half from equal partner contributions and half from assessed contributions, effective July 1, 2026. This change, they argued, will level the playing field and prevent smaller economies from being left behind.

For much of its existence, the EAC has wrestled with quorum challenges that slowed decision-making to a crawl. Sources say heavily indebted countries such as the Democratic Republic of Congo, Burundi, and South Sudan often dragged their feet, stalling progress. In response, presidents decreed that quorum for all meetings shall now be two-thirds of partner states, a move designed to cut through the red tape and speed up execution.

Another milestone was the conclusion of negotiations on the roadmap for DRC's integration before June 30, 2026, alongside fast-tracking the integration of South Sudan and Somalia.

"The Republic of Rwanda, the Republic of South Sudan, the United Republic of Tanzania, the Democratic Republic of Congo and the Federal Republic of Somalia to conclude national consultations on the EAC political confederation constitution by June 30, 2026," the communique states.



Guests attend East African Community heads of state summit in Arusha, Tanzania on March 7, 2026. PHOTO/FILE

Leadership

Nominations for top positions, including Speaker, Judge President, Secretary General, and Deputy Secretaries General, will now be tied to ratification of all legal instruments, domestication of the treaty, and full implementation of integration roadmaps. In addition, members of the East African Legislative Assembly (Eala) will, from December 2027, be paid by their respective national assemblies, a move hailed as a sign of real skin in the game.

Yet, domestication of the treaty remains a thorn in the side. Countries like South Sudan, Somalia, and DRC were directed to complete this process to ensure regional agreements don't remain dead letters at home.

Financial woes also took centre stage. With a $109 million budget for 2025/2026, the Secretariat has been running on a shoestring after only Kenya and Tanzania cleared their dues.

The remaining five countries owe a staggering $89m (Shs326.29b). DRC tops the list with $27m (about Shs99b) in arrears, followed by Burundi - $22.7m (Shs83b), South Sudan - $21.8m (Shs80b), Somalia - $10.5m (Shs39b), Rwanda - $5.2m (Shs19b), and Uganda - $1.1m (Shs4b)). To ease the burden, the presidents waived 50 percent of arrears on condition the balance is paid within two years from March 7, 2026.

Outgoing chairperson, Kenyan President William Ruto, defended the move, noting that "Member States with bigger economies and benefit more from the EAC should pay more."

This means Kenya and Tanzania will shoulder the lion's share, while smaller economies like Burundi and South Sudan will carry lighter loads.

"The consequential decisions taken by the Summit today are not subject to review or discussion, they are the decisions of the Summit, and, therefore, final," the communique emphasised.

Meanwhile, to keep staff morale from hitting rock bottom, leaders approved a two percent salary increase for employees in EAC organs and institutions, effective January 2027.

What Eala MPs say

Members of Eala welcomed the reforms, saying they will steer the community in the right direction.

Mr James Kakooza, Uganda's representative to Eala, praised the move, noting it would tackle persistent challenges faced by smaller economies that have long struggled to keep their heads above water.

He explained that newer member states have often found it difficult to meet their obligations, and the introduction of a 50 percent compulsory payment with the remaining 50 percent based on Gross Per Capita income is a fair formula.

"There was a persistent challenge with this new partner state as they have not been contributing the budget of the East African community. So they are trying to find a convenient measure so that all colleagues who are not on the same footing in terms of economic growth, they are trying to make a way that they can participate," he said.

Mr Kakooza also agreed that each member state should pay its representatives to Eala, arguing that this is the only way to show commitment. "It's not bad at all because even in Pan African Parliament, each of the 52 member states sponsor their own representatives because that's one of the ways a country shows commitment," he said.

> **CONTRIBUTIONS**
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> **East African Community member States with bigger economies and benefit more from the EAC should pay more. This means Kenya and Tanzania will shoulder the lion's share, while smaller economies like Burundi and South Sudan will carry lighter loads.**

Defending the admission of new member states such as South Sudan, DRC, and Somalia, Mr Kakooza stressed that the process was not rushed but followed agreed procedures.

"By the time you accept to go in marriage, you are ready for it. So you cannot somersault. There are criteria to be admitted and when you meet the standards, you are given a chance to come in. That means when you come in you must accept the rules of the game," he said.

Ms Mary Mugyenyi, another Ugandan representative, also backed the reforms, saying they reflect realities on the ground. She noted that while heads of state were silent on payment modalities for legislators, she assumed the EAC Secretariat would set uniform rates to avoid disparities. "It means that each member state will pay its own members of parliament's salaries, wages and monuments. Then Eala will pay sitting allowances, transport and per diems," she said.

"I definitely welcome being paid by Uganda Parliament than Eala because my country is more consistent in paying its members than what the East African community has been doing to us," she added. Mugyenyi further explained that the salary scale will be set by Eala and endorsed by the Summit, ensuring all partner states abide by it.

She also supported the new contribution formula, arguing that bigger economies benefit more from integration and should therefore carry the lion's share.

"When you look at it from a deeper economic point of view, you realize that the bigger economies are also benefiting more from the integration economically because they are able to sell more to the market, to the bigger market. By being a bigger economy, it also means that they are producing more and so they are selling more. So they are supplying a bigger portion of the market than the smaller economies. So I think there is fairness there," she said.

What EAC heads of state said

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During the same summit, leaders outlined both challenges and opportunities for the region. President Ruto of Kenya, who handed over the chairmanship to President Museveni of Uganda, highlighted achievements during his 15-month tenure, including efforts to resolve conflict in the DRC.

He noted that intra-EAC trade had risen by nearly 22 percent, from $33b in 2024 to $40.3b in 2025.

"Exports from the region grew significantly by 32 percent to $19.6b, while imports rose more moderately by 13 percent to $20.6b. This narrowed the region's trade deficit from $3.4b to $1.0b," he said.

Ruto cautioned against resting on laurels, urging member states to explore new cooperation frontiers, particularly in digital infrastructure and te...

"There is a need to explore new... eration frontiers that address ou... ple's growing needs. The Comm... has an opportunity to leverage ... ing technologies to drive eco... transformation for its youthful p... tion," he said.

He added: "A deliberate and st... focus on the development of int... digital infrastructure, harmonisa... ICT policies and promotion of... literacy across the region can le... the development of our region... necting businesses and gover... while creating immense oppor... for our people."

Ruto also emphasised harm... textile standards and jointly ma... EAC textiles to global buyers. "T... pean, Asian, and African mark... combined opportunities wor... annually if we position ourse... tegically," he said.

President Museveni, in his ac... speech, called for increa... within the bloc and... stressing that with... and reliable mar... nesses cannot exp... ate jobs, or pay ta... do not create a big... able market for o... creators, how do b... expand to produce n... ucts, create more job... more taxes?" he asked.

Museveni urged leaders ar... to treat integration as a nec... an option. "Let us fully impl... charter of the East African C... ty and the roadmap. How ab... SA and the CFTA (the Contin... Trade Area)? Some actors se... this integration as optional. I have always held that it is n... to unite or risk perpetual m... tion," he said.