



EAC WEEKLY HIGHLIGHTS

DEEPENING INTEGRATION, WIDENING COOPERATION

19th JUNE, 2023



Latest from the Office of the Secretary General

- EAC tables US\$103,842,880 Budget Estimates before EALA for the 2023/2024 Financial Year
- EAC rolls out campaign to grow agri-export trade
- Members of EALA from DRC pay a courtesy call on EAC Secretary General

EAC TABLES US\$103,842,880 BUDGET ESTIMATES BEFORE EALA FOR THE 2023/2024 FINANCIAL YEAR



The East African Community (EAC) has tabled before the East African Legislative Assembly (EALA) the budget estimates for the 2023/2024 Financial Year totaling US\$103,842,880 for the 2023/2024 Financial Year.

Tabling the speech before the Assembly, the Chairperson of the Council of Ministers and Burundi's Minister for EAC Affairs, Youth, Sports and Culture, Hon. Amb. Dr. Ezéchiel Nibigira, said that the budget estimates for the Financial Year 2023/2024 were being presented at a time when the EAC economies were experiencing global shocks arising from the on-going Russia-Ukraine war, tight global financial conditions, lingering effects of Covid-19 and the impact of climate change.

“Despite these challenges, economic growth in the region improved to 4.8 percent in 2022 from 3.5 percent in 2021. The strong growth in the region was supported by the good performance of the industry, services, construction, mining and manufacturing sectors,” said Dr. Nibigira.

“Global economic growth is expected to remain weak, mainly due to anti-inflationary measures and geopolitical risks,” added the Minister.

Hon. Nibigira projected a positive outlook for EAC economies, largely driven by the strong performance of the services sector, prudent government policies and increased public and private investment.

“However, downside risks remain, attributed to weaker global growth, tight financial conditions and climate change risks,” said the Minister.

Hon. Nibigira disclosed that the EAC total trade increased by 13.4 percent to US\$74.03 billion in 2022 from US\$65.268 billion in 2021.

“In 2022, EAC total exports to the rest of the world were valued at US\$20.139 billion, while total imports from the rest of the world into the EAC amounted to US\$53.891 billion. Further, total intra-EAC trade grew by 11.2 percent to US\$10.910 billion in 2022 from US\$9.810 billion in 2021,” said the Minister.

“The major Intra-EAC traded products are cereals, cement, iron and steel, live animals, petroleum products, sugar, foods and beverages, which signify that our economies are agro-based with good signs of moving to industry-based.”

The 2023/2024 Budget is themed “Accelerating Economic Recovery, Climate Change Mitigation and Enhancing Productive Sectors for Improved Livelihoods.”

On priorities for the 2023/2024 FY, Hon. Nibigira said that the Community would focus on nine (9) priority areas, namely: strengthening of regional governance processes, and domestication of regional and international commitments for sustainable peace and stability; increasing sensitisation, visibility, knowledge, awareness and participation of the private sector, citizens and other stakeholders in the EAC integration process, and; harmonisation of trade related policies, laws and regulations, and streamlining of customs and trade facilitation systems for increased trade and investment.

Other priority areas are: harmonisation of fiscal and monetary policies, and establishment of requisite institutions towards the realisation of the East African Monetary Union, and; leveraging modern technologies to enhance productivity, value addition, and to promote regional supply and value chains and digital platforms;

Also under focus will be the: enhancement of the regional productive capacity and increase in value addition to improve the economic welfare of East Africans; strengthening of the social sectors to improve the social welfare of East Africans; improvement and expansion of quality multi-modal and multi-sectoral infrastructure to support free cross-border movement, and; strengthening of the capacity of all EAC Organs and Institutions to effectively discharge their mandate.





The 2023/2024 Budget has been allocated to the EAC Organs and Institutions as follows: EAC Secretariat - US\$50,931,553; East African Court of Justice - US\$4,450,488; East African Legislative Assembly - US\$17,681,365; Lake Victoria Basin Commission - US\$8,471,980; Inter-University Council for East Africa - US\$12,394,945; Lake Victoria Fisheries Organisation: US\$2,807,993; East African Science and Technology Commission - US\$2,016,543; East African Kiswahili Commission - US\$1,502,535; East African Health Research Commission - US\$2,193,811, and; East African Competition Authority - US\$1,391,667.

This year's budget is an increase from the amount of US\$91,579,215 approved by the August House for the 2022/2023 Financial Year.

On the EAC Single Customs Territory, the Minister said that enhancement and interconnectivity of Customs Systems is at the forefront to facilitate seamless exchange of trade information and faster clearance of goods across borders.

“All processes relating to the accreditation of Regional Authorized Economic Operator Programme, and the issuance of the EAC electronic certificate of origin have been automated.”

“In the 2023/2024 FY, Customs will, among other things, focus on: the consolidation and updating of the regulatory framework for the Single Customs Territory to ensure sustainability of the gains made so far; integrating the Electronic Cargo Tracking Systems along the Transit Corridors, and; enhancement of interconnectivity of systems in key sectors to facilitate information exchange;

On trade, the Minister disclosed that the EAC has continued to put in place mechanisms to enhance intra-EAC trade and, at the same time, actively participating in the negotiations at the Tripartite (COMESA, EAC and SADC) and at the African Continental Free Trade Area (AfCFTA).

Among the achievements in the 2022/2023 FY were the resolution of 23 out of 32 Non-Tariff Barriers (NTBs) that were reported with the remaining nine (9) NTBs at different stages of resolution. The Community also finalised and submitted to the African Continental Free Trade Area (AfCFTA) Secretariat the EAC offers for tariff and services liberalisation.

“This facilitates trade between the EAC Partner States with other African countries under the AfCFTA framework. Additionally, three of the EAC Partner States are participating in the AfCFTA Guided Trade Regime which involves match-making of firms ready to trade within the AfCFTA framework,” he said.

On the implementation of the Common Market Protocol, Hon. Nibigira said that in the FY 2023/2024, the Secretariat will continue tracking Partner States' progress in amending identified noncompliant laws, regulations and administrative guidelines impacting on the key freedoms and rights under the EAC Common Market Protocol.

On the Monetary Union, the Minister informed the Assembly that during the FY 2022/2023, the EAC Statistics Development and Harmonisation Regional Project was restructured into the EAC Project of the Eastern Africa Regional Statistics Program for Results (EARSPrR).

“The project is supporting the production of harmonised and quality statistics through capacity building of the National Statistical Offices (NSOs) and the EAC Secretariat and the delivery of the statistical requirements for monitoring the progress towards attaining the macroeconomic convergence criteria as set out in the East African Monetary Union (EAMU) Protocol.”

On the establishment of institutions to support the EAMU, the Dr. Nibigira said that the Council of Ministers had approved the organisational structure for the East African Monetary Institute (EAMI) and initiated the administrative process for identifying the host Partner State for the EAMI, adding that the EAMI is expected to carry out the preparatory work for the creation of the EAMU.

On the establishment of payment and settlement systems in the region, the Minister said that the EAC Secretariat continues to support the Partner States' Central Banks in implementing a secure, efficient, and reliable payment and settlement system to ensure efficient flow of transactions within the region through the EAC Payment and Settlement System Integration Project (EAC-PSSIP).

“The EAC-PSSIP is supporting the modernisation of financial market infrastructure, including: putting in place business continuity and disaster recovery sites for Central Banks; upgrading the high value payment systems (real time gross systems); implementing Automated Clearing House (ACH) for retail payments systems; and capacity building for staff through training and exchange programmes in financial institutions with advanced payment systems operations.”

With regard to conducting national consultations for the drafting of the Constitution of the EAC Political Confederation, Hon. Nibigira said that the consultations in Kenya were held in May 2023.

“Consultations have already been undertaken in Burundi and Uganda. In the FY 2023/2024, the national consultations will be undertaken in the remaining Partner States.”





On the East African Legislative Assembly (EALA), the Minister said that the Assembly had recorded many achievements including the: passage of the EAC Customs Management (Amendment) Bill, 2022 to enhance seamless operations of the EAC Single Customs Territory; the EAC Financial Service Commission Bill, 2022 and the EAC Surveillance, Compliance and Enforcement Commission Bill, 2022 which further lays the foundation for the establishment of the EAC Monetary Union; and the EAC Supplementary Appropriation No.3 Bill, 2022 which provided the legal framework for the Supplementary Budget.

“In the FY’ 2023/2024, the Assembly will prioritise enactment of the remaining Bills that are a prerequisite for the establishment of the Monetary Union, and enactment of the following pending bills from the 4th Assembly: The Persons with Disabilities (PWDs) Bill; The EAC Youth Bill; The EAC Cross Border Trade in Professional Services Bill; The EAC Pharmaceuticals Bill, The EAC Emblems (Amendment) Bill; The EAC Sexual and Reproductive Health Bill; The EAC Cultural Heritage Bill; and The EAC Standardization, Accreditation and Conformity Assessment Bill” said the Minister.

On the East African Court of Justice, the Minister disclosed that the Court had seen an increased number of matters filed before it, as a result of its enhanced visibility and the rising confidence among East Africans in the its operations.

“During the FY 2022/2023, 105 matters were filed before the Court compared to the 77 matters filed in the FY 2021/2022.”

Dr. Nibigira said that though the Court has seen an increase in the number of matters filed, it has also seen a considerable increase in its case backlog. The case backlog increased from 183 matters in FY 2021/2022 to 265 matters in FY 2022/2023.

The Minister said that the Court's priority interventions in the FY 2023/2024 will be to increase the number of days for its sittings, conclude more cases in a timely manner, enhance the skills of Judges and staff for efficient delivery of justice, conduct sensitisation and awareness programmes in the Partner States, and enhance collaboration with other regional and international Courts.

EAC ROLLS OUT CAMPAIGN TO GROW AGRI-EXPORT TRADE



The East African Community (EAC) has launched a campaign aimed at creating awareness on the agri-export trade opportunities that have been created through the [EU-EAC Market Access Upgrade Programme \(MARKUP\)](#).

Through the campaign, small and medium-sized enterprises (SMEs) in the agricultural value chain, co-operatives and farmers, as well as government entities in the EAC will access information and tools on agri-export trade.

Speaking at the 14th June, 2023 launch of the campaign, Ms. Flavia Busingye, the Acting Director of Customs at the EAC Secretariat, said that MARKUP had created numerous trade opportunities for agri-SMEs in the region.

“The campaign ‘MARKUP: Growing agri-export markets’ aims to raise awareness of the opportunities in agricultural trade, and to demonstrate that international markets are within reach of East African exporters,” said Ms. Busingye.

Ms. Busingye that since its inception in 2018, MARKUP had generated useful resources for growth of agri-exports in five EAC Partner States, namely Burundi, Kenya, Rwanda, Uganda and Tanzania.

She said that the programme, which is a collaborative initiative of the EAC, the EU, the German government and other development partners, has generated resources such as the EAC Quality Portal, the Financing Gateway and the Burundi Trade Information Portal.

Market studies, practical guides and handbooks as well as policy briefs have also been produced in the EAC-EU initiative, she said, and added, “MARKUP has contributed to stronger quality infrastructure in the region, including harmonization of standards and frameworks for intra-regional trade in food products.”

“I urge you to actively participate in the campaign through the various channels and platforms,” she said.

She said that SMEs in the agriculture sector face numerous constraints in trading within the EAC region.

She highlighted constraints such as lack of access to market information, including on standards and quality requirements; cumbersome and sometimes costly customs procedures; poor connectivity, among other things.

“The scale and impact of these challenges rises exponentially when it comes to accessing markets outside the EAC. This is one of the reasons that we at the EAC Secretariat worked in partnership with the EU to design and roll out MARKUP,” she said.

Also working on the programme which is being implemented by GIZ are the International Trade Centre, United Nations Industrial Development Organisation, Uganda Coffee Development Authority, Solidaridad East Africa, Oxfam and the Institute for University Co-operation.

Mr. Max Middeke, the Deputy Programme Manager at German Development Cooperation (GIZ) – EAC Programme said that the MARKUP campaign comes at a time when the bulk of activities of the program are drawing to a close.



MEMBERS OF EALA FROM DRC PAY A COURTESY CALL ON EAC SECRETARY GENERAL



Members of the East African Legislative Assembly (EALA) from the Democratic Republic of Congo (DRC) paid a courtesy call on the EAC Secretary General, Hon. Dr. Peter Mathuki, on the sidelines of the ongoing 4th Meeting of the 1st Session of the 5th EALA.

The Members of Parliament and the Secretary General discussed various matters pertaining to the integration of DRC into the East African Community.

CONDOLENCE MESSAGE FOLLOWING THE DEMISE OF AT LEAST 41 PEOPLE DUE TO A TERRORIST ATTACK IN WESTERN UGANDA

The EAC conveys its deepest condolences and profound sympathy to the Government and people of the Republic of Uganda following the death of at least 41 people, including 39 students at Mpondwe Lhubiria Secondary School in Nyabugando Parish, Karambi Sub-County, Kasese District in western Uganda on Friday, 16th June, 2023.

The Community notes with concern that scores of students were injured in the attack and others abducted by the Islamic State-linked Allied Democratic Forces (ADF) that operates from the unstable eastern part of the Democratic Republic of Congo (DRC).

Like other terrorist groups, ADF thrives on blood-letting and inflicting misery on innocent civilians based on a warped religious ideology.

The EAC is committed to working with all Partner States and other actors to restore peace and security to eastern DRC to prevent it from becoming a haven for the ADF and other militia groups who have wreaked havoc in the region as a ruse for exploiting its vast mineral wealth.

On behalf of the East African Community and on my own behalf, I wish to convey our heartfelt condolences through Your Excellency, to the immediate families and relatives of the students who lost their lives in the tragedy.

We also wish speedy recovery for the students who sustained injuries in the attack and quick rescue of the abducted students by the Uganda People's Defence Forces.

Please accept, Your Excellency, our deepest condolences on this great loss to our region.

May the souls of the departed rest in eternal peace.

Hon (Dr.) Peter Mutuku Mathuki

SECRETARY GENERAL
EAST AFRICAN COMMUNITY



TOP REGIONAL NEWS HIGHLIGHTS

Budgets: Will intra-regional trade spur nations' growth?

After the devastating Covid-19 and the impact of other global dynamics, will increased intra-regional trade boost growth in East Africa this time around? Four members of the East African Community (EAC) tabled their annual budgets for 2023/24 financial year on Thursday with optimism about recovery. Tanzania, the second-largest economy, anticipates 5.2 percent growth in 2023/24 while Uganda is projecting six percent growth. On the other hand, the Kenyan economy is expected to grow by 5.5 percent in 2023, supported by private sector growth. [MORE](#)

Regional troops in Rwanda for military drills

Global human security has recently become so fragile and unpredictable due to fast-changing political, economic, and social dynamics. This calls for concerted efforts to prepare for and address any security concerns. The remarks were made by Juvenal Marizamunda, Minister of Defence, while presiding over the opening of the Eastern African Community (EAC) Armed Forces exercise, codenamed "Ushirikiano Imara 2023." "Our region's operating environment remains one of the most affected areas with recurring conflicts, many of which are cross-border and asymmetric in nature," Minister Marizamunda told over 600 participants from five countries in the East African Community.

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Hard times lie ahead for EA citizens as states raise budgets to spur growth

East African governments this week presented their most expensive budgets yet, seeking to reinvigorate their economies, finance expanded government operations and repay ballooning debts. Economists are warning the region's citizens to brace for harder times as the fiscal measures proposed in the 2023/24 budgets are wont to further raise the cost of living, cause investor flight in some countries, and result in job losses. Kenya, the region's biggest economy, has proposed a \$26.3 billion spending plan, while Tanzania has a \$19.2 billion budget. The Democratic Republic of Congo is planning to spend \$16 billion, Uganda \$13.9 billion, Rwanda \$4.7 billion, Burundi \$1.5 billion, and South Sudan \$1.4 billion. [MORE](#)

MPONDWE SCHOOL ATTACK: 41 dead in suspect ADF raid

Reports from Mpondwe indicate suspected Allied Democratic Forces (ADF) rebels attacked Lhubirira secondary school and killed 41, including 38 students. Killed at the school near the Uganda-DRC border Friday night are 38 students, one guard, and two members of the local community who were shot outside the school. "Last night, we registered a terrorist attack by the ADF rebels, on Lhubirira secondary school, in Mpondwe, that is located about 2 kms, from the DRC border," police said in a statement. Police reported a dormitory was burnt and a food store looted. Police said a joint pursuit by the UPDF is ongoing, towards Virunga national park. [MORE](#)

Somalia army's first major test in AU troop drawdown

As the African Union force in Somalia prepares to drawdown 2,000 troops at the end of June, the Somalia National Army faces its first major test when it assumes security responsibilities, with significant vast territory to defend as it takes up seven forward operating bases (FOBs) that the departing foreign forces will handover this month, starting June 15. [MORE](#)

GLOBAL NEWS HIGHLIGHTS

South Africa's Ramaphosa tells Putin Ukraine war must end

South Africa's president, in Russia as part of a delegation pushing for peace between Kyiv and Moscow, told his Russian counterpart Vladimir Putin on Saturday that the fighting had to stop. His delegation put forward a set of principles that the Kremlin deemed "very difficult to implement", a day after Ukrainian President Volodymyr Zelensky ruled out talks with Moscow. The delegation brought the voice of a continent that has badly suffered from repercussions of the Ukraine conflict, particularly with rising grain prices. [MORE](#)

China tells US they must choose between 'cooperation or conflict'

China and the United States must choose between "cooperation or conflict", Beijing's top diplomat told US Secretary of State Antony Blinken on Monday, his final day of a trip aimed at improving severely strained ties. [MORE](#)

African delegation visits Russia to promote peace between Moscow, Kiev

An African delegation visited Russia on Saturday, pushing for a peaceful settlement of the Ukraine crisis so as to stop its negative impact on African countries. During a meeting with his Russian counterpart Vladimir Putin in St. Petersburg, South Africa's President Cyril Ramaphosa, also a member of the delegation, said that the Ukraine crisis has caused a price hike in energy and fuel, fertilizers, and food in African nations and the rest of the world. [MORE](#)

US calls Darfur atrocities 'ominous reminder' of genocide

The US State Department on Thursday condemned the violence and rights violations unfolding in Sudan's West Darfur, attributing the atrocities "primarily" to the RSF paramilitary force and saying they are an "ominous reminder" of the region's previous genocide. [MORE](#)

World Bank new chief wants better lending institution

World Bank President Ajay Banga wants to focus on improving the development lender so that he can earn the right to press member states for more capital, as the new chief looks to expand its role in fighting climate change, pandemics and other crises. Banga said in an interview he would wait to seek a capital increase until he has made progress re-focusing the bank's development lending on more impactful projects, made it more nimble and boosted lending with its existing balance sheet.

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UPCOMING EVENTS

- 6th Meeting of the Sectoral Council on Gender, Youth, Children, Social Protection and Community Development - 19-23 June, 2023, Bujumbura, Burundi



EAST AFRICAN COMMUNITY

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