



**EAST AFRICAN COMMUNITY  
DRAFT**

**REPORT OF THE 4<sup>TH</sup> EAC ANNUAL SECRETARY GENERAL'S FORUM  
3<sup>RD</sup> TO 4<sup>TH</sup> MARCH, 2016**

**HYATT HOTEL  
DAR ES SALAAM, TANZANIA**

***THEME: "GOOD GOVERNANCE AND CONSTITUTIONALISM IN THE EAST  
AFRICAN COMMUNITY"***

**EAC Secretariat  
Arusha-Tanzania  
P.O. Box 1096  
March, 2016**

## **ABBREVIATION/SYNONYMS**

AGOA	African Growth Opportunity Act
APSEA	Association of Professional Societies in East Africa
CDF	Consultative Dialogue Framework
CSR	Cooperate Social Responsibility
EABC	East African Business Council
EAC	East African Community
EACSOFF	East African Civil Society Organization Forum
EITI	Extractive Industry and Transparency Initiatives
EALGA	East African Local Government Association
EALS	East African Law Society
EATUC	East African Trade Union Council
EPA	Economic Partnership Agreements
GIZ	German Technical Cooperation
IRI	International Republican Institute
MEAC	Ministry of East African Community
PSO	Private Sector Organizations
PPP	Public Private Partnerships
RDC	Regional Dialogue Committee
SCT	Single Customs Union
SG	Secretary General
UNSCR	United Nations Security Council Resolution
URT	United Republic of Tanzania
TMEA	Trade Mark East Africa

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## 1.0 INTRODUCTION

The 4<sup>th</sup> Secretary General's Forum was held at Hyatt Hotel, Dar es Salaam, Tanzania from 3<sup>rd</sup> to 4<sup>th</sup> March, 2016. The Forum provided an opportunity to widen and deepen the EAC integration process especially in the area of Good Governance and Constitutionalism.

The Forum was organized by the EAC Secretariat in collaboration with Regional Dialogue Committee (RDC) and supported by the Germany International Development Agency (GIZ), Trademark East Africa (TMEA) and International Republic Institute (IRI) and attended by approximately, 150 delegates.

The list of attendance is hereto attached as **Annex I**.

## 1.1 Objectives

The overall objective of the 4<sup>th</sup> Annual SG's Forum was to provide an opportunity for the Private Sector, Civil Society and other interest groups to share experiences and good practices geared towards promotion of good governance and constitutionalism to inform the development of policies and programmes in the region.

The specific objectives of the Forum were to:

- a) Discuss the status of Electoral Reforms in the region and their implications on peace and stability in the region
- b) Deliberate on how the civic space of EAC Citizens can be protected
- c) Assess the effectiveness of decentralization policies and their implications on regional integration
- d) Discuss the attainment of Universal Health Coverage in the EAC
- e) Assess the extractive industries vis a vis the rights of local Communities in the region

## 1.2 Theme and Sub-themes

The Theme for the 4th SGs Forum was: **'Good Governance and Constitutionalism in the East African Community'** with a focus on the following sub-themes;

- i) **Electoral Reforms in East Africa:** *Topic- Electoral reforms in the region and their implications on Peace and stability;*
- ii) **Protecting the Civic Space in the EAC:** *Topic- The place of EAC Citizens in determining the affairs that affects them;*
- iii) **Fiscal decentralization:** *Topic- The effectiveness of decentralization policies and their implications on regional integration;*
- iv) **EAC Electoral Processes vis a vis trade and Investment:** *Topic - The economic impact of electoral processes in East Africa;*
- v) **Social Protection agenda in the EAC:** *Topic- Universal Health coverage: Rights based approach to universal Health Coverage in the EAC;*
- vi) **Extractive Industries and marginalization:** *Topic- Assessing extractive industries Vis a Vis the rights of local communities;and*
- vii) **Corruption and its impact on business in the EAC:** *Topic- the Role of the Private Sector in fighting corruption; a case of Tanzania.*

## 1.3 Methodology

The Forum employed the **Open Space** approach with session facilitators leading concurrent sessions. There was a Keynote Speaker to give an overview on the theme to guide the subtheme discussions.

## **DAY ONE: 3<sup>RD</sup> MARCH, 2016**

### **2.0 SESSION ONE**

*Master of Ceremony: Mr. Zaa Twalangeti from the Tanzania Non- Governmental Organizations (TANGO) assisted by Dr. Collins Odote, Consultant.*

#### **2.1 Opening Ceremony**

**REMARKS BY MR. FREDRICK NGUME, CHAIRPERSON EAST AFRICAN LOCAL GOVERNMENT ASSOCIATION (EALGA).**

On behalf of the Dialogue Parties, Mr. Fredrick Ngume welcomed delegates to the Forum and underscored the importance of good governance as a key pillar to economic growth. He observed that local governments represent different interest groups and therefore should participate in the integration process as equal partners.

He stated that *EALGA* has undertaken several policy initiatives to address the concerns of the Citizens both nationally and at regional level. He stressed the need to embrace integration considering that interactions between border communities were inevitable. He observed that there is a tendency of disintegrated communities to experience wastage of resources due to unnecessary bureaucracies.

He called upon the delegates to take advantage of the opportunities availed under the Consultative Dialogue Framework (CDF) to engage with the Secretary General for the greater good of the EAC Citizens. He urged the Local governments to play their dual role as observers and participants in the EAC Integration process.

The Dialogue Parties representative expressed gratitude towards the support the Forum received from the development Partners, namely GIZ, TMEA and IRI. He also thanked the Secretary General for making it possible for the delegates to assemble. He finally thanks the participants for honouring the invitations and wished them fruitful deliberations.

*WELCOME REMARKS BY DR. AZIZ MLIMA PRINCIPAL SECRETARY, MINISTRY OF FOREIGN AFFAIRS, EAST AFRICAN, REGIONAL AND INTERNATIONAL COOPERATION, UNITED REPUBLIC OF TANZANIA DELIVERED BY MR. AMAN MWATONOKA, ASSISTANT DIRECTOR POLITICAL AFFAIRS, DEPARTMENT OF POLITICAL, DEFENCE AND SECURITY*

In his opening remarks, *Mr. Aman Mwatonoka* on behalf of the Permanent Secretary welcomed the delegates to the United Republic of Tanzania. He thanked the East African Community Secretariat for choosing Tanzania as the host Country.

He applauded the diversity of the stakeholders present in heeding the invitation to attend the Forum to ensure promotion of good governance in the EAC integration. He said that this was an indication of their commitment towards the implementation and follow up of SG forums recommendations which are geared towards realization of the integration agenda.

He commended the efforts of the Regional Dialogue Committee in ensuring the Forum is held. He also extended his gratitude to the EAC Secretariat for convening the Forum and the Development Partners for funding the activities of the Forum. He recalled that the choice of Dar es Salaam as the host city came at short notice but efforts were made by the organizers to ensure the Forum is successful.

The Assistant Director reminded the delegates that the EAC integration is premised on the fundamental principles set out under Article 6 of the Treaty establishing the Community where Partner States are guided by the principles of good governance, adherence to the principle of democracy, the rule of law, social justice, transparency and accountability and maintenance of universally accepted standards of human rights.

He reiterated that it was only through cooperation, collaboration, networking among the institutions responsible for promoting good governance that we, as a region, can identify common values and develop a culture of promoting good governance, transparency and accountability.

He further observed that the SG Forum was indeed a platform of choice in the region which brings together stakeholders from diverse backgrounds ranging from

knowledge, experience and professions. He expressed hope that this forum will come up with positive and practical recommendations that will help the community to address the challenges the Community is facing with regard to issues of good governance and constitutionalism.

He congratulated the EAC Leaders for their bold step in admitting South Sudan as a new member and urged members for their support in ensuring that the new member is welcomed and is part of the next Forum.

He concluded his remarks by wishing the delegates fruitful deliberations and a wonderful stay in the city of Dar es Salaam.

*WELCOME REMARKS BY HON. JESCA ERIYO- DEPUTY SECRETARY GENERAL PRODUCTIVE AND SOCIAL SECTORS*

On behalf of the EAC Secretary General, management and staff of the EAC Secretariat the Deputy Secretary General Productive and Social Sector welcomed delegates to the 4<sup>th</sup> EAC Annual Secretary General's Forum under the theme **“Good Governance and Constitutionalism in the East African Community”** She expressed her appreciation to the United Republic of Tanzania for the hospitality accorded to all the delegates and the excellent support in the coordination and hosting of the Forum at short notice. She took note of the difficulties faced in preparations which ranged from change of venue to the clashing of the agreed dates with those of the Summit. She further acknowledged the resilience of the participants in addressing the posed challenges.

The Deputy Secretary General noted that the Forum theme was well thought out and the participants who were present were a good representation of the topics under discussion. She urged the delegates to ensure issues adequately addressed in line with the EAC integration agenda.

She reminded the delegates that good governance and constitutionalism are tenets for good justice .She recalled that the Treaty Establishing the East African Community was people-centred and private Sector driven. She reported that the recently concluded 17<sup>th</sup> EAC Heads of State Summit had admitted the Republic of

South Sudan into the Community and launch of EAC vision 2050. This inclusion means the Community was growing and expanding the market.

The Deputy Secretary General challenged the delegates to make use of the available communication channels such as the Social media and EAC website to engage with the Community.

She congratulated the delegates for turning up in big numbers to attend the Forum and was hopeful that the Forum will be a success.

### **3.0 SESSION TWO**

#### ***3.1 Keynote address: Good Governance and Constitutionalism in the East African Community by Professor Adebayo Olukoshi, Director for East Africa Institute for Democracy and Electoral Assistance***

Professor Adebayo Olukoshi discussed the topic under the following sub-headings:

- a) The Road to Political Reforms in Eastern Africa
- b) Broad Outlines of Reform in Eastern Africa
- c) Discontents of Reform in Eastern Africa
- d) Towards a Democratic Rule of Law and Constitutionalism in East Africa

#### ***The Road to Political Reforms in Eastern Africa***

Professor Adebayo Olukoshi explained that East Africa has witnessed domestic pressures for the opening up of national and local political spaces that enveloped the bulk of the African continent during the 1990s. He noted that contestations of narrow political monopoly, exclusion and marginalization in most of the countries of the sub-region went hand-in-hand with demands for the abolition of the long-running single party systems in Kenya and Tanzania and the de facto military-civilian diarchies in Burundi, Rwanda and Somalia in favour of the restoration of open political competition.

He observed that two key factors played a role in the transformation namely; i) the context of economic crisis and IMF/World Bank structural adjustment which African countries almost without exception experienced during the 1980s into the 1990s;

ii) the end of the historic East-West Cold War and the refraction of that development and some of the consequences flowing from it into global geo-political calculations about the continent in the super power competition for strategic advantage and opportunity.

### **Broad Outlines of Reform in Eastern Africa**

The speaker listed the key elements of the reforms namely: the amendment of existing constitutions to remove clauses which only allowed a single party system in countries such as Kenya and Tanzania, and to formally enable the operation of multiparty political systems; the promulgation of new constitutions that provided for an institutionalized multi-party system in Burundi and Rwanda; the introduction of electoral reforms, including the appointment of election management bodies labeled in some cases as "independent"; the de-concentration of decision-making and the decentralization of power, including the devolution of authority to lower tiers of government; efforts to tame excessive executive power, through measures to reinforce the separation of powers in the judiciary, executive and parliaments; attempts to effectively manage diversity, especially ethno-regional ones; the accommodation of autonomous associational life as represented by diverse civil society groupings; and a broad commitment to the promotion of the rule of law with a view to avoiding a repeat of the excesses of previous dictatorships in the sub-region that took a huge toll in lives and lost opportunity.

### **Discontents of Reform in Eastern Africa**

He observed that despite the gains made in the political arena, some issues still need to be addressed to enable the citizens get more benefits from the democratic processes. They include: significant improvements in the all-round integrity of elections, with autonomy of election management bodies to level of the playing field for electoral competition; the transformation of political parties to allow for more inclusive representation; Exclusive separation of powers designed to enable parliaments and the judiciary to more effectively perform their duties; enhance the participation of women and the youth in the political process; lack of adherence to the values and provisions of the constitution by the elected governments; and rising attacks on basic human rights and efforts to curb civil society space

## **Towards a Democratic Rule of Law and Constitutionalism in East Africa**

The speaker observed that at the heart of the sustainable building of all political communities lies an initial question which must be answered in a credible way: “What is the bargain for citizens, individually and collectively in being members of the political community and what are the reciprocal state-society relations that flow from the bargain? This question has remained an open, largely unanswered or poorly answered one across much of Africa with the consequence that, in the absence of the sense of a social contract that is crafted for each phase of the national development process, leaders and followers have trudged along almost without a compass for the desired destination. He emphasized that democracy building and deepening in Eastern Africa, as must address the question of what the contemporary social bargain must be for successful governance to be achieved. Of equal importance, he stated is the necessity to make a break with the widespread idea, frequently fostered by politicians, that democracy is an episodic event that happens only once in every four years around election time with the period in-between elections unaccounted for. Instead he noted, it is precisely the period in-between elections that democracy-building and renewal should continue.

The full presentation of the keynote address is hereto attached as **Annex II**.

### **Observations**

- i) Democracy is defined by the context and realities we live in and therefore there is no one road to democracy. It is a product of the context of history and the environment in which we operate;**
- ii) More emphasis should be put on sustainable and equitable development as opposed to economic development which is not inclusive in order to promote the principles of good governance and human dignity;**
- iii) Elites should support ideals of good governance and set the minimum acceptable standards for the political leaders;**
- iv) There is lack of discourse on democracy resulting in suppression of the citizens;**
- v) Citizens lack the capacity to bargain for their rights from the elected leaders due to poverty and disempowerment;**
- vi) There is dilemma on regionalism and globalization as to how the citizens can benefit from these processes;**

- vii) **There is need to have Elite Consensus in order to have a progressive society. The elites should then develop a nationalist concept on developing the society;**
- viii) **Peaceful ways should be used to bring change in the society;**
- ix) **Corruptions needs to be recognized and addressed; and**
- x) **Locals are not immune to immorality leading to them being corrupted by the political class through voter bribery.**

***3.2 Presentation on measures taken by the EAC Secretariat in promoting Good Governance in the EAC by Mr. Leonard Onyonyi, EAC Secretariat: Rapporteur, Mr. Tito Byenkya, East African Law Society***

Mr. Onyonyi highlighted the legal platform of good governance as provided for in Articles 3 (b), 6(d) and Article 123(c) of the Treaty for the Establishment of the East African Community. The articles require Partner States to adhere to the principles of good governance, rule of law, social justice, social and gender equity, as well as to the establishment of common foreign and security policies, among others.

He explained that the Community has addressed governance related issues from a multifaceted approach that embraces Political, Social and Economic policies and frameworks. This has been done through: promoting Accountability; establishing governance (oversight) institutions; contributing to human security by addressing fear and freedom from want; reducing under or non-governed space in a negotiated context.

He spelt out the four pillars upon which the EAC governance program is based, as follows:

- (a) Democratization and Electoral Processes.** the EAC has established a forum for National Electoral Commissions, organized and undertaken Election Observation Missions based on EAC electoral values; and promotes capacity building in electoral management across the EAC partner states
- (b) Protection of Human Rights:** the EAC has established a forum of Human Rights Commissions, developed a Plan of Action for Human Rights; and continues to undertake capacity building of national institutions and agencies focusing on promoting and protecting human rights.

**(c) Anti-corruption, Ethics and Integrity:** the EAC has established a Sectoral Committee on anti-corruption; signed off a Protocol on combating corruption ; regularly undertakes capacity building programs for fighting corruption within the Partner States; and is presently implementing an Action Plan aimed at fighting corruption.

**(d) Promoting Constitutionalism, Rule of Law and Access to Justice.** This pillar is overseen the EAC Committee on Rule of law and Access to Justice, which consists of the Chief Justices from the EAC States.

In addition, the EAC Secretariat has undertaken the following activities: convened several stakeholder forums to discuss aspects of the proposed EAC political integration agenda; held annual EAC Conferences on good governance and Annual EAC political parties meetings; organized EAC university students' debates; and undertakes regular peace and governance related research through the Nyerere Centre. Nine (9) Situational papers have been published this far by the Institute, aimed at enhancing regional debate and discussion on governance and political integration.

## **Challenges**

The following challenges were cited as affecting the promotion of good governance in the Community:

- i. The Protocol on Good Governance is being considered by the Sectoral Council on Legal and Judicial Affairs;
- ii. Governance issues are of political nature and tend to be subjective. This affects the pace at which the ideals on governance can be achieved within the Community; and
- iii. Inadequate financing of activities that are heavily donor funded.

## **Observations**

- i) The Private Sector and Civil Society were involved in the development of the peace and security architecture as well as in other sector specific activities. However, Civil Society should also ensure that it claims its place; and also utilizes all possible avenues, including social media, of engaging with the EAC;

- ii) Gender has been Mainstreamed in the discussions of a regional Implementation Strategy on peace and Security based on UN Security Council Resolution 1325;
- iii) State of EAC Partner State Membership contributions is a challenge with contributions from the partner states at 45% for current FY, and those from development partners at 26%.;
- iv) On the Protracted time to assent to EAC Bills the Summit resolved that it will consider Assent to EAC Bills as part of its business during the EAC Ordinary Summits. For all pending EAC Bills, a deadline of June 2016 was set as the time within which the Presidents should sign or indicate any reservations that they may have with pending Bills. The Summit also agreed to delegate assent powers to the Chair of the summit to sign off 'Non contentious' documents on their behalf; and
- v) Where there is conflict with domestic laws and policies, the EAC undertaking a harmonization process of domestic laws and policies.

## **OPEN SPACE SESSIONS**

### **4.0 SESSION THREE**

#### ***4.1 Sub-theme Electoral Reforms in East Africa***

*Topic 1: Electoral reforms in the region and their implications on Peace and Claire Kyasiimire, UNNOGOF stability: Facilitator Hon. Francois Bizimana, Former EALA member; Rapporteur Mr. David Etyang- EATUC*

#### **Introduction**

The facilitator noted that the Forum had provided an opportunity to widen and deepen the EAC integration process especially in area of good governance and constitutionalism. He further observed that some of the EAC Partner States were currently reviewing their constitutional frameworks and undergoing electoral processes. He stressed that these processes ought to be people-driven since poorly managed electoral processes usually culminate into internal conflicts with adverse effects on the social cohesion and business environment in the region.

The group observed that the following Electoral Reforms have taken place in the Partner States:

- i. Restructuring of the electoral bodies in Kenya and Uganda;
- ii. A power-sharing coalition government in Kenya after the 2007 Post Election Violence;
- iii. The new Kenyan Constitution was passed through a referendum in August 2010 with two thirds of the popular vote;
- iv. The Democratic Green Party of Rwanda on 10<sup>th</sup> of February 2016, submitted its petition to the Rwandan Parliament, calling for revisions in the national election laws and the political parties Act. These political reforms are necessary before the 2017 Presidential Elections and the 2018 Parliamentary elections to enable a level playing field;
- v. Inclusivity of tribes, gender and other marginalized groups in the election process;
- vi. Technology in the electoral process; biometric system has been embraced by most Partner States during elections but not without challenges; and
- vii. Establishment of multi-party system in the United Republic of Tanzania

### **Emerging issues**

- i) Exclusion and discrimination among tribes, gender and other marginalized groups in the election process as the source of conflict in most EAC States;
- ii) Gaps in the laws establishing the national Electoral bodies, for example, the leadership being appointed by the heads of state which affects independence;
- iii) Contradictions between the national constitutions and regional agreements, for example, the national constitution of Burundi and the Arusha Peace Agreement; and
- iv) Delay in the Enactment of the EAC Good Governance Protocol. This has crippled efforts towards democracy and good governance in the region

### **Recommendations**

- a) ***The East Africa Legislative Assembly should expeditiously pass the EAC Good Governance Protocol. This will facilitate the recognition of good governance as a prerequisite for successful regional peace and stability;***

- b) EAC Partner States should consider restoring Presidential Term limits to enhance trust between the EAC partner states and nationals, which is a necessary foundation for establishing a political federation and a cornerstone to democracy and good governance;**
- c) EAC should measure and promote transparency and accountability among the Partner States;**
- d) The EAC should consider having a sharing arrangement of electoral gadgets for elections among the Partner States; and**
- e) EAC should work with Partner States to undertake regional sensitization activities on the use of electoral gadgets to promote better understanding among citizens.**

#### **4.2 Sub-theme: Protecting the civic space in the EAC**

*Topic 1: The place of EAC Partner States Citizens in determining the affairs that affect them by EACSOF; Rapporteur David Etyang-EATUC*

##### **Introduction**

The facilitated pointed out that Civic space should be treated as a right emanating from citizenship. It should be guaranteed and protected by each country's constitution and the Treaty at the regional level.

The group members considered the roles of the different organs of EAC, the political, legal, and social environments for citizens of East Africa and how citizens are organised around these factors. They also discussed the role of the 'invited spaces' in the region such as the Consultative Dialogue Framework (CDF). In regard to the political and legal environments, it was noted that some countries continue to experience violence in various forms including political violence, gender based violence, etc.

It was observed that some countries have enacted laws that restrict the civic space. Most recently this has happened in Uganda with the passage of the NGO Act 2015. In Kenya, the state has continued with attempts to amend the Public Benefits

Organisations Act of 2013 and has not yet implemented it. The effect of all this is to cause uncertainty for the people of EAC and their organisations and associations.

The group underscored the importance of providing timely information to citizens. It was appreciated that without information, citizens cannot engage and benefit from integration. The members reflected on the role of organised civil society organisations in the region. They noted that although civil society organisations provide mechanisms for defending the rights of citizens, such mechanisms may not be accessible to all citizens as marginalisation of some groups is still evident.

### **Emerging Issues**

The group summarized in to three factors to consider for provision of space for citizens participation in influencing the affairs that affect them:

- i) Whether the state and its institutions (and the EAC and its institutions in the case of the integration process) provide avenues for citizens to raise their voices on matters that concern them ;
- ii) Whether the state and its institutions are responsive to issues raised by citizens; and
- iii) Whether the outcomes from the engagement accrue tangible benefits to the citizens in terms of opportunities to organize their livelihoods.

### **Recommendations**

- a) There is need for a framework for defending human rights defenders in the region;***
- b) EAC should fast track the finalization of the good governance protocol which provides some safeguards against narrowing or closing down of the civic space;***
- c) EACSOE and EALA to work together to finalize the EALA/CSO's engagement framework;***
- d) EACSOE and EALA to work together towards a model law to support the activities of CSOs in the region;and***
- e) EACSOE/EALS and EALA to work together on a model Freedom of Information law.***

*Topic 2: Interrogating the place of women in the EAC Peace and Security Architecture by Ms. Marren Akatsa, EASSI: Rapporteur, Jessica Njui, African Youth Trust.*

### **Key Points of Discussion**

The discussion was focused on the following areas;

- i. EAC Standby Force Brigade
- ii. Women in peace negotiations
- iii. Framework for implementation of UNSCR 1325
- iv. Small arms and light weapons

### **Emerging Issues**

- i) EAC Peace and Security Protocol does not take into the consideration gender and human security dimensions
- ii) Representation of women in EAC Standby brigade is low
- iii) Exclusion of women in peace negotiations
- iv) Lack of support to civil society actors on small arms

### **Recommendations**

- a) EAC Secretariat to carry out an independent gender analysis of the protocol and develop a comprehensive gender and human rights training manual targeting the security sector in the partner states including the standby force brigade, police, peacekeeping forces and humanitarian personnel;**
- b) Ensure equal representation of women and men in the leadership of the Standby Force Brigade;**
- c) Institutionalization of gender parity in peace negotiations;**
- d) The EAC Secretariat to train a pool of women mediators and election observers;**
- e) Institutionalization of the EAC Women, Peace and Security Network within the East African Community;**

- f) Organize an annual forum of the Women's Peace and Security Forum;  
and**
- g) Monitor and evaluate the implementation the EAC UNSCR 1325 regional  
Framework.**

#### **4.3 Sub-theme on EAC Electoral Processes on Trade and Investment**

*Topic: The Impact of electoral processes on Trade and investment in East Africa by the East African Business Council; Rapporteur, Mr. Lamech Wesonga, Private Sector Foundation Uganda*

##### **Overview**

This topic was premised on Kenya's Post-Election Violence (PEV) of 2007/2008 where the Private sector lost huge sums of money and property and also in anticipation of the Burundi elections that were conducted in 2015. The members reflected on the effects of the PEV on the Kenyan Business Community.

##### **Emerging issues**

- i) Elections should be about choosing leaders such that the business community in turn are able to pay taxes in order to get a good service;
- ii) Electoral processes create anxiety which in most instances retards business;
- iii) Regional stability is important to promote Trade and Investment but election
- iv) EAC is marketing itself as a one investment and trade destination and whatever happens in one Partner State has implications on the neighbouring states;
- v) Private sector is one of the biggest stakeholders in an economy but have not engaged the governments adequately towards election period and have only left it to the religious leaders;
- vi) Elections to a certain extent negatively impact on business in terms of macroeconomic stability such as inflation, foreign exchange etc and also the number of public holidays that are declared during the process;
- vii) Unfounded rumours, negative stories in the media (social media etc) during election period affects business;

- viii) Investment and Trade is a collective responsibility of the EAC Partner States since we are marketing EAC as one. Initiatives that could be lost during electioneering in the region could be such as AGOA for the case of Burundi;
- ix) Business people who supply government closer to an election period normally have their capital tied and are unable to transact as this is also the period when inflation tends to rise;
- x) There is a role for professionals to influence positively the conduct. Observation and review of election processes and sensitization of the electorate in various strata of society to identify and remove any malpractices; and
- xi) There is a role for the mediator owners and professionals to regulate the conduct of its broadcasts to impact positively on national and moral values that target to eradicate corruption and other undesirable conduct prior to, during and after elections.

### **Recommendations**

- a) There is need to set up credible institutions to handle credible elections and stability to promote trade and investment;***
- b) Professionals should be organized into strong nationwide and Regional Umbrella bodies like APSEA( Association of Professional Societies in East Africa) to sensitize all professionals on their roles and regulate their conducts (code of Conduct) and their roles in Elections of all kinds from local level to National and regional level by working with EAC and Electoral bodies;***
- h) There is need for the Media Owners and Media Professionals to be regulated in terms of the contents of broadcasts and to regulate the conduct of media Professionals through a relevant media law or reform;***
- i) PSOs and CSOs should conduct advocacy at regional and national levels for the implementation of regional policies and legislation by Partner States on electoral processes to promote trade and investment;***
- j) A forum should be established for private sector to discuss issues with the political leaders on electoral processes to promote trade and investment in East Africa;***

- k) Private Sector Organizations (PSOs) should play a key role in influencing the electoral process before an election as it affects them negatively. For example the confidence that the Private sector in the EU and US get prior to an election creates trust among the business community;*
- l) Educate the foreign investors on the process and importance of elections in Africa and let them receive assurances on peace and stability;*
- m) Private Sector should develop a charter on their needs to Government;*
- n) Legal reforms should be in place for citizens to report wrong acts such as massive corruption by compromised business leaders;*
- o) The private sector should be consulted at all levels of electoral processes as the case in Rwanda to ensure a conducive environment for private sector to think and participate in policy formulations;*
- p) Develop a regional business guidelines/code on electoral process to promote effective elections;*
- q) Elections need to be open, transparent and participatory to avoid the uncertainty that accompanies it; and*
- r) Policy makers/ economic managers should plan and budget adequately to avoid macroeconomic instabilities that happen immediately after elections.*

## **DAY TWO: 4<sup>TH</sup> MARCH, 2016:**

*OPENING REMARKS BY THE SECRETARY GENERAL OF THE EAST AFRICAN COMMUNITY, AMB. DR. RICHARD SEZIBERA.*

The Secretary General welcomed the delegates to the Forum and apologized for not being present during the opening of the Forum as he was attending the Heads of State Summit in Arusha. He noted that EAC integration was about making impact on the ground and hence the objective of the Forum.

Amb. Sezibera pointed out that several governance documents are now in place amongst them, the protocol on Peace and Security. The Consultative Dialogue

Framework on the other hand can also be used to reach an average East African to make them understand the meaning of Governance and Constitutionalism.

He took note of the developed code of conduct for the business community and underscored its importance in influencing election outcomes. He decried fights that occur between the elites during elections and called for democratic choices by the electorate. He urged the delegates to cause change through developing a code of conduct that will outlaw unethical governance behaviour.

He observed that change in East Africa revolves around empowering of the communities and not making them victims. He noted that Multi-party democracy is not a solution to achieving good governance in East Africa. He challenged the dialogue to transform the public life at household through holding their leaders accountable to the electorate and punish them when they fail to meet the standards.

The speech is hereto attached as **Annex III**.

## **5.0 SESSION FOUR**

### ***5.1 Sub-theme Social Protection Agenda in the EAC-Universal Health Coverage***

*Topic on Rights Based Approach to Universal by Ms. Christine Murundu, Uganda with Joyce Kevin Abalo, East African Health Platform as Rapporteur.*

#### **Overview**

The group recalled the on-going initiatives to harmonize services across the EAC Partner States and observed the issue of harmonizing social health protection systems is critical.

This session sought to discuss the role of the principles of transparency, accountability and participation in making Universal health coverage a reality.

The discussion was broken down in to the following sub-titles;

- i. Community empowerment, engagement and participation in all aspects of the project;
- ii. Financing of universal health coverage (the role of government and international bodies should be defined in attaining universal health is not

- defined). This roles and responsibilities of government and donors should be clearly spent in order to attain universal health coverage in the region;
- iii. Legal and policy frameworks required to facilitate the provision of the Universal Health Coverage in the region;
  - iv. The loss of money through corruption and mismanagement in the healthcare system; and
  - v. Evidence -based study on the return on investment on health

### **Recommendations**

- (a) The EAC Partner States to abide by the Abuja declaration health financing of 15 % budget allocation to health in order to attain the universal health coverage in the region;**
- (b) The East African Community Partner States to abide by the Kigali Declaration on Universal Health Coverage;**
- (c) The development of the legal and policy frameworks related to universal health coverage at regional and national level should ensure that the principles of participation, transparency and accountability are taken in to account through the all process;**
- (d) The EAC Partner to review their national constitution to include the right to health;**
- (e) The East African Community to developed model framework for community empowerment, participation and engagement for attaining universal health coverage;**
- (f) The East African Community to define the role and responsibilities of the Partner States, the international development partners donors and the premium payers in financing universal health coverage in the region; and**
- (g) The EAC to develop a regional framework on Public Private Partnerships (PPP) in attaining UHC.**

## **5.2 Sub-theme on Fiscal decentralization.**

*Topic; the effectiveness of decentralizing of policies and their implication on regional integration by Dr. Juma Nyende and rapporteur, Mr. Fredrick Owiti*

The group met in a warm and cordial environment and discussed widely on fiscal decentralization and its effect on regional integration.

### **Highlights:**

- A. All Partner States were represented in the group;
- B. Interpreted the topic in terms of measuring, assessing and evaluating processes of decentralization as decongestion, devolution and delegation of system;

In line with the Treaty aspiration, the principle of subsidiarity the idea of multi-level participation of EAC citizenry is implied. It refers to the social contract between the electorate and leaders in terms of collection taxes (revenue) and expenditure of taxes. This is received at the decentralized unit as equalization grants and transfers for purposes of improving service delivery

### **Key points of discussion:**

- i) The link between decentralization and regional integration;
- ii) EAC integration is a market driven and people centered so when market system fails it is the work of the central governments to redistribute resources through equity provisions to ensure efficiency of systems and this is done through decentralized government. This will ensure service delivery at the grassroots level;
- iii) The group observed the disparities of levels of development of decentralization. It was noted the fiscal base at the decentralized unit is very low making tax administration extremely difficult at the local government level. It was further observed that local government are left with a difficult task of collection of taxes which are easily to avoid and evade ;
- iv) The group further noted the four pillars of integration. That is Customs Union, Common Market, Monetary Union and Political Federation all have implications on fiscal decentralization. Some of the pillars may lead to

revenue losses and require very strict fiscal discipline in return this might affect businesses at the county levels due to increased competition and the death of infant industries that need to be protected. One study has revealed that most border county councils loose revenue as a result of implementation of the Common Market Protocol;

- v) Harmonization of domestic taxes at the regional level has become a major issue. It was noted the different levels of VAT across the region;
- vi) Disbursement of grants or transfers to the decentralized units is done with conditions from the central government across the region and this may be harmful to the citizens at the grassroots level

***Recommendations:***

- a) There is need to increase the fiscal base at the decentralized units of governments to increase trade and investment;***
- b) Tax reforms are required to ensure good governance at all levels across the region;***
- c) Regional peer review mechanism should be implemented so as to learn good practices from EAC other and ultimately harmonize tax system in the region;***
- d) Elected leaders as custodians of public resources at the decentralized level should exercise fiscal jurisprudence in order to ensure maximization of social welfare through accountability and transparency;***
- e) There is need to increase the fiscal base at the decentralized unit to increase trade and investment; and***
- f) EAC should set-up a policy on decentralization albeit the current problems of harmonization of domestic taxes to give direction to the Partner States. In this respect the Secretariat was requested to present a report basing on the studies already done with recommendations to Council;***

### **5.3 Sub-theme; Extractive Industries and Marginalization.**

*Topic: the State of play of the Extractive Industry in East Africa by the East African Civil Society Organisations Forum*

Facillitator : Dennis Mendwa Oil and Natural Gas Environmental Organisation (ONGEA)  
*Rappoteur- Patrick Moshi*

#### **Introduction**

The group observed that there have been several discoveries of minerals including gas, petroleum oil among others in the region. This is seen as a breakthrough for the EAC region which has been a net importer of petroleum products. The discovery therefore calls to the countries to ensure communities are involved in the management of the resources with maximum benefits.

The group discussion noted that big companies come in with huge Capital investments resulting in marginalization of the local miners.

#### **Emerging Issues**

- i) Environmental degradation forces the communities to change their ways of lives.
- ii) Extractive Industry is known to attract capital for Development
- iii) Since the mining industry pays better than other business sectors there is brain drain trend;
- iv) Taxes and Corporate Social Responsibility should ensure Communities benefit either directly or indirectly;
- v) There are Illicit financial flows leading to Corruption;
- vi) Establish a framework for foreign companies to partner with local companies;
- vii) In most Countries , Small scale miners are organized as cooperatives in order to access loans from banks; and
- viii) The Extractive industries in the region face similar challenges such as weak governing of their operations.

## **Recommendations**

- a) Harmonization of taxes and fiscal policies in the Extractive industry at Regional level to avoid unfair competition among partner states;**
- b) There should be transparency in awarding of contracts especially to the foreign companies to ensure the local communities are not exploited;**
- c) Partner States who have not joined the Extractive Industry and Transparency initiatives (EITI) should be urged to join;**
- d) Private Sector CSR Code of Conduct for companies in Sustainable Development Approach;**
- e) EAC should ensure knowledge transfer in the mining sector across Partner States;**
- f) There should be equitable distribution of compensation and benefits from extractive activities.**

**5.4 Sub-theme; Corruption and its impact on Business in the EAC: Topic; the role of the private Sector in fighting Corruption a case of URT**

## **Overview**

Corruption is a product of inefficiency and lack of integrity has hindered the economic growth of our partner states in various ways and every one of you can state one or more examples you may be aware of.

## **Emerging Issues**

The group discussion noted that Corruption;

- i) Kills competitiveness in business;
- ii) Compromises the standard or quality of goods and services;
- iii) Results into comprised leadership
- iv) Increases cost of goods as business men recover them same in the price of goods;
- v) Increases the cost of doing business in general;

- vi) Limits the flow of foreign direct investment; and
- vii) Loss of public funds due to corrupt government officials.

### **Recommendations**

**Partner States should embrace the following measures in their respective Countries;**

- a) There should be transparency in procuring public tender services. (e-Procurement system);**
- b) Speeding up the trial corruption cases to ensure they are concluded in good time;**
- c) Clear legal framework on corruption should be put in place;**
- d) Conduct lifestyle audit of elected leaders , public and state officers;**
- e) Fighting, prosecuting, freezing properties of the corruption victims and selling off their properties to recover public funds when proven guilty;**
- f) Paperless border transaction should be fast –tracked;**
- g) Rewarding the business people with high integrity or those that adhere to the code of conduct;**
- h) Media campaigns of naming and shaming the culprits of corruption; and**
- i) Victims of corruption shouldn't hold any public office until proven not guilty.**

### **5.5 Three Years of Engagement between the Dialogue Parties and the Secretary General by a Consultant; Dr. Collins Odote.**

The presenter anchored his discussion on the study that was undertaken to assess the impact of the Consultative Dialogue Framework (CDF) on the EAC Citizens after three years of its implementation whose specific objectives were to:

- a) Assess the State of implementation of the CDF at national and regional level;
- b) Identify good practice and bottlenecks at national and regional level;
- c) Generate lessons from dialogue Parties on experience with CDF; and
- d) Discuss possible changes to CDF structure and process so as improve dialogue process

The study established several lessons to be learnt for improvement, namely: that where as CDF is supposed to be *continuous dialogue*, it has been implemented

more as an event rather than a process; SG's forum has provided useful opportunity for voice of dialogue parties to be heard in integration process; that preparations by dialogue parties to SG's forum has continuously improved from 1<sup>st</sup> SGs Forum; there is lack of a robust M&E framework to help track progress; RDC is effective as preparatory but not monitoring arm of CDF implementation; National meetings held largely to prepare for SG's forum; CDF has helped improve link between EAC Ministry and Private Sector and Civil Society, but CSO/Private Sector relationship not very strong; and lastly that levels of awareness on CDF still low, but improving.

According to the Study, several achievements have been realized from the engagement, namely: improvement in the organization of Annual SG's forum due to a supportive SG and active RDC; improved engagement of diverse groups in EAC integration processes; improved collaboration between CSOs/PSOs/ MEAC and EAC secretariat; and improving ownership of EAC processes due to awareness on EAC and its processes due to CDF

#### ***Key Recommendations of the Study***

- a) Enhance cyclic and continuous nature of CDF & Bottom up generation of Agenda of SG's Forum;***
- b) Develop a robust M& E Framework***
- c) Enhance diversity and quality of participants to SG's forum;***
- d) Anchor CDF within SG's office;***
- e) Sustain and enhance funding for CDF implementation;***
- f) Ensure National Dialogue Forums are active throughout the calendar year; and***
- g) More awareness creation on CDF should be carried out by Partner States.***

Full presentation hereto attached as **Annex IV**

***5.6 Status of implementation of the Recommendations of the SG Forum since its implementation by Ms. Generose Minani, the Principal Gender and Community Development Officer, EAC Secretariat.***

The matrix was presented in analysed form using the traffic lights reporting system and is hereto attached as **Annex V**.

***5.7 Presentation and adoption of prioritized Recommendations by Hon. Jessica Eriyo, Deputy Secretary General, Productive and Social sectors, East African Community***

The recommendations were presented by Hon. Jessica Eriyo and adopted and an Action plan developed by the EAC Secretariat for implementation.

The Action Plan hereto attached as **Annex VI**.

***REMARKS BY DEVELOPMENT PARTNERS, TRADE MARK EAST AFRICA (TMEA), MR. JASON KAPKIRWOK.***

On behalf of the development Partners, Mr. Jason Kipkirwork thanked the Secretary General for his stewardship in the achievements of the Community. He recalled that during his tenure, a lot of progress was made including successful Tripartite and EPA negotiations, accelerated implementation of the Single Customs Union ( SCT), implementation of robust infrastructure projects and the recent admission of the Republic of South Sudan to the Community.

He re-affirmed Trade Mark East Africa support and commitment to activities of the Community. He further pledged that TMEA will at participate in the affairs of the Community for the next seven Years.

He urged the delegates to make use of the Consultative Dialogue Framework through continuous engagement with the Secretary General in order for them to reap maximum benefits from the integration process.

***REMARKS BY H.E. GERMAN AMBASSADOR HON. EGON KOCHANKE***

Hon. Kochanke thanked the Secretary General and his team for consistently inviting the Federal Republic of Germany to be part of the Forum since 2012. He commended the EAC Secretariat and the Regional Dialogue Partners for having institutionalized the Forum as an annual event, and took cognizance of the positive outcomes of the dialogue process. He commended the institutionalization of the

forum not just as an annual event, but ensuring the resolutions were brought forward to the relevant policy making organs. He lauded the fact that out of the 76 Resolutions emanating from the dialogue over the past three years, more than twenty resolutions had already been fully implemented and implementation of another forty was well on track.

Taking note of the long-standing partnership between the EAC and The Federal Republic of Germany the Ambassador appreciated the commitment of the EAC in promoting a people centered and market driven Community and was certain that these efforts would help build the EAC Integration on the interests of the citizens, thereby avoiding the fate that befell the 1<sup>st</sup> Community. He congratulated Ambassador Dr. Richard Sezibera for the great results achieved and the firm commitment from all parties. He took cognizance of the Regional Dialogue Committee, as a critical player in ensuring sustained dialogue between the non-state actors and the EAC, and encouraged them to take the same vigor into the future.

He added that the theme of the forum “*Good Governance and Constitutionalism in the East African Community*” was very timely, given the electoral processes and ongoing dialogues across the East African Community Partner States and was happy to see the region open for this all important dialogue.

He was impressed with the rich discussion that transpired and the diversity of citizen representatives from all spheres of the EAC and hoped that the recommendations would be implemented. He congratulated the EAC on the appointment of a new Secretary General, whom he believed would take over this noble initiative and facilitate the sustenance of the vibrant dialogue between the EAC and non-state actors as the region works towards deepening and widening the EAC integration.

*REMARKS AND OFFICIAL CLOSING BY THE HON. MINISTER, AMB.  
AUGUSTINE MAHIGA, MINISTRY OF FOREIGN AFFAIRS, EAST AFRICAN,  
REGIONAL AND INTERNATIONAL COOPERATION.*

The Hon. Minister was represented by Ambassador Ramadhan Mwinyi Deputy Permanent Secretary, Ministry of Foreign Affairs, East African, Regional and International cooperation. He thanked the EAC Secretariat and other the dialoguing parties for organizing a successful Forum. He took cognizance of the Forum with the

*Report of the 4<sup>th</sup> EAC Annual Secretary General's Forum, 3<sup>rd</sup>-4<sup>th</sup> March, 2016*

theme on '**GOOD GOVERNANCE AND CONSTITUTIONALISM IN THE EAST AFRICAN COMMUNITY**' and acknowledged that was timely since most of the Partner States are ushering in new governments and leaders. He recalled that the EAC had admitted the Republic of South Sudan as the sixth Partner State. It thus signified growth not only in landmass but also in terms of economic development and social integration. He pointed out that the new dynamics will new challenges and therefore good leadership and effective governance is paramount to the Community.

He re-echoed the remarks made by the vice President of the United Republic of Tanzania at the opening of the 9<sup>th</sup> Inter- Parliamentary Relations Seminar (Nanyuki IX) that the United Republic of Tanzania was in the process of signing the African Charter on Democracy, elections and Governance and called on the Other EAC States to do the same.

He decried the conflicts plaguing the region resulting from governance deficits and underscored the importance of the region standing together and upholding democracy. He added that the Forum should be a platform to promote good practices and lessons and hoped that participants had learnt lessons on democracy and would be agents for change. He hoped that the recommendations would be used to set standards on good governance so that a firm foundation could be laid for a competitive, prosperous, secure and politically united Community. He emphasized that doing so would ensure that a firm foundation is laid for an East Africa that is competitive, prosperous, secure and politically united.

## **ANNEXES**

- Annex I List of delegates
- Annex II Presentation of Keynote address by Proffessor Olukoshi
- Annex III Presentation on Three Years Engagement between the Dialogue Parties and the Secretary General by Collins Odote
- Annex IV EAC Secretary General's Speech
- Annex V Status of implementation of the recommendations of the SG Forum since its inception.

Annex VI Action plan for key recommendations