



EAST AFRICAN COMMUNITY

EAST AFRICAN LEGISLATIVE ASSEMBLY (EALA)

The Official Report of the Proceedings of the East African Legislative Assembly

34TH SITTING – FOURTH MEETING – SECOND SESSION: FIFTH ASSEMBLY

Thursday, 27th June, 2024

(Special Sitting)

The East African Legislative Assembly met at 2.43 p.m. in the EAC Chamber, Arusha, Tanzania

PRAYER

(The Speaker, Mr Joseph Ntakirutimana, in the Chair)

(The Assembly was called to order)

COMMUNICATION FROM THE CHAIR

The Speaker: Honourable members, good afternoon. We have a busy afternoon today. As you can see, on my right hand, we have two ministers and the Counsel to the Community (CTC) with us. We have the Chair the honourable minister of Tanzania and the CTC.

Since we have a busy day and as I do not have any communication today, we can proceed.

LAYING OF PAPERS

REPORT OF THE COMMITTEE ON GENERAL PURPOSE ON THE SUPPLEMENTARY BUDGET REQUEST AND THE EAC SUPPLEMENTARY APPROPRIATION BILL, 2024

The Speaker: I call the Chairperson of the Committee on General Purpose to lay the report on the Table.

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2.47

Mr Kennedy Ayason Mukulia (The Chairperson Committee on General Purpose, South Sudan): Mr Speaker, I would like to lay on the Table the report of the Committee on General Purpose on the Supplementary Budget Requests and the EAC Supplementary Appropriation Bill, 2024. I beg to lay.

The Speaker: Thank you.

REPORT OF THE COMMITTEE ON GENERAL PURPOSE ON THE ASSESSMENT OF
THE IMPLEMENTATION OF THE EAST AFRICAN COMMUNITY BUDGET FOR THE
FINANCIAL YEAR 2023/2024

The Speaker: Chairperson of the Committee on General Purpose, please lay your paper.

Mr Mukulia: Mr Speaker, I would like to lay on the Table the report of the Committee on General Purpose on the assessment of the implementation of the East African Community Budget for the Financial Year 2023/2024. I beg to lay.

BILLS SECOND READING

THE EAST AFRICAN COMMUNITY SUPPLEMENTARY
APPROPRIATION BILL, 2024

The Speaker: Chair of the Council of Ministers, please move your motion on the East African Community Supplementary Appropriation Bill, 2024.

Mr Sankok: Thank you. It is okay because he has stood. I was worried that he was going to address us while sitting down. However, since he has stood, thank you very much and congratulations.

2.49

Mr Deng Alor Kuol (Chairperson of the Council of Ministers and the Minister of East African Community Affairs, South Sudan): Mr Speaker, in accordance with Rule 68(1), I beg to move that the East African Community Appropriation Bill, 2024 be read for the second time.

The Speaker: Do you have seconders? The motion is seconded by Hon. Sankok, the CTC, your colleague, Hon. Amb. Ndangiza, and Hon. Kanini Kega, and everyone. Thank you. Honourable minister, now we need your justification of the Bill. Maybe you could use this.

Mr Deng Alor Kuol: Mr Speaker, you may recall that this House approved the EAC budget for this current financial year in October 2023. In the course of the financial year, a number of new financing arrangements or agreements from developing partners were signed by the Community.

In addition, the Council also authorised additional expenditure from the General Reserve. It is in this spirit that the Council introduced the Supplementary Bill, 2024 to give a legal framework to the additional funds coming into the EAC Budget for Financial Year 2023/2024. I submit.

The Speaker: Honourable minister, have you finished your justification? Honourable members, as we have the justification of the Bill, I propose the question that the East African Community Supplementary Appropriation Bill, 2024 be read a second time.

(Question put and agreed to.)

The Chairperson of the Committee on General Purpose, please present the report of the committee.

Dr Makame: Mr Speaker, as you have proposed the motion, now it is time to put the question so that the Chair can proceed with the reading of the report.

The Speaker: I clearly put the question at the end, Hon. Makame. Now we give the Floor to the Chair of the Committee on GP.

2.53

Mr Kennedy Ayason Mukulia (The Chairperson, Committee on General Purpose, South Sudan): Thank you. Mr Speaker, I wish to move the motion that the report of the Committee on General Purpose on the Supplementary Budget Request and the EAC Supplementary Appropriation Bill, 2024 be read.

The Speaker: Chair, please present the report. In addition, you can join this.

Mr Mukulia: In accordance with the provisions of Articles 49(2)(b) and 132 of the Treaty for the Establishment of the East African Community, Sections 4 and 7 of the East African Community Budget Act, 2009, and Rules 78 (1) (b) and Annex 5 (f) of the Rules of Procedure of the Assembly,

I beg to present to the House the report of the Committee on General Purpose on the Supplementary Budget requests for the Financial Year 2023/2024 for consideration and adoption.

2.0 Background

At its sitting held on 3rd October 2023 in Arusha, Tanzania, the Assembly passed the East African Appropriation Bill, 2023 with a total sum of US\$ 103,882,880 as the budget of the Community for the Financial Year 2023/2024.

At its 53rd Extra Ordinary Meeting held on 23– 25 April 2024 in Arusha, Tanzania, the Council of Ministers reviewed and adopted a supplementary budget amounting to US\$ 11,148,996. According to the Council, these funds arose from additional resources acquired from development partners and other sources of funding during the Financial Year 2023/2024.

Subsequent to the above, on 30 April 2024, the Chairperson Council of Ministers tabled before the Assembly a request for the above supplementary budget for the Financial Year 2023/2024 and also presented the EAC Supplementary Appropriation Bill, 2024 for the First Reading.

The Rt Hon. Speaker referred the supplementary budget request and Supplementary Appropriation Bill to the Committee on General Purpose for consideration.

According to the financial statements presented to the Assembly by the Chairperson, Council of Ministers, the source of funding for this supplementary budget will be as follows-

- (i) EAC General Reserve Fund – US\$ 377,407

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- (ii) The Lake Victoria Basin Commission Special Fund – 1,263,679
 - (iii) The Inter-University Council of East Africa – Arrears Fund – 3,799,260
 - (iv) The Lake Victoria Fisheries Organisation – General Reserve Fund – 88,900
 - (v) The East African Health Research Commission – Unutilised Funds – 285,122
 - (vi) Miscellaneous income – 156,440
 - (vii) Special Contribution from the Republic of Kenya – 480,000 (*Applause*)
 - (viii) Development Partners – 6,603,932
- Total – 11,148,996

2.0 METHODOLOGY

During the consideration of the supplementary budget, the committee:

- (a) Held meetings in Arusha, Tanzania from 6 – 8 June 2024 and interfaced with the Heads of Organs and Institutions and other relevant staff of the Community.
- (b) Interacted with the Chairperson, Council of Ministers and the Secretary-General on 25 June 2024.
- (c) Scrutinised the detailed supplementary budget request, the financial statements and the Bill.
- (d) Received and reviewed submissions by the Heads of organs and institutions on the supplementary budget.
- (e) Made reference to the Treaty, the EAC Budget Act and other relevant laws of the Community.
- (f) The committee prepared the report for consideration by the Assembly.

3.0 THE LAW APPLICABLE

1. Article 132 of the Treaty provides for the sources of funding, and the process of initiating and approving the budget of the Community. Article 132(5) specifically provides that “*the resources of the Community shall be utilised to finance activities of the Community as shall be determined by the Assembly on the recommendation of the Council*”.

2. Section 4 of the EAC Budget Act, 2009 mandates the Committee on General Purpose to consider, discuss and review the budget and submit its report to the House.

3. Section 4(5) of the Budget Act further provides that, “*In the exercise of their function under this section, a Committee of the Assembly may call a member of the Council, the Secretary-General, any person holding office in the Community, or any person holding a public office in the Partner States and private individuals to submit memorandum or appear before it to give evidence*”.

4. Section 7(1) of the EAC Budget Act provides that, “*The total supplementary expenditure that requires resources over and above what is appropriated by the Assembly shall not exceed 5*

per cent of the total approved budget for that financial year without prior approval by the Assembly”.

5. Section 7(2) of the same Act further provides that, “*Where funds are expended under subsection (1), supplementary estimates showing the sums spent shall be laid before the Assembly within three months after the money is spent*”.

6. Regulation 19(4) of the EAC Financial Rules and Regulations provides that, “A supplementary budget shall constitute a request submitted by the Secretary General to the Council for additional resources to meet new or existing programmes and activities of the Community within the financial year.

7. The same Regulation 19(5) provides that, “A supplementary budget shall be necessitated by the following events -

a) Where voting of additional resources is so urgent that the provision cannot be delayed until the next annual budget is approved; or

b) Where the financial resources required cannot be obtained through the budget reallocation process.

8. Another guiding principle in budgeting is that, a supplementary budget can be raised upon securing/collecting additional revenues over and above what was initially budgeted for in a given financial year.

4.0 PROJECTS AND PROGRAMS IN THE SUPPLEMENTARY BUDGET

Colleagues, we have a table showing the projects and programmes in the supplementary budget. I do not think I should read through the table. *(Interjections)* Please check your emails for the document. *(Interjections)* At least you have a very expensive phone. *(Laughter)*

Ms Jacqueline Amongin (Uganda): Mr Speaker, I just want to raise a procedural matter, because as far as I am concerned, I have actually also checked my email and I cannot see that. Also, the honourable member should not have been so – in responding to us because from the time I swore in as a Member of Parliament, I have never been supplied either with a computer or an iPad and some of us cannot really strain our eyes reading through the phones.

Therefore, Mr Speaker, are we proceeding well in the event that we do not have these documents? Maybe they can be provided and then we proceed.

The Speaker: I think they are providing them. They are distributing the documents. They have distributed some before and they are going to provide others. You have your document there. Chair, please proceed as they are distributing the documents.

Mr Mukulia: For those who do not have the report in hard copy, they are distributing them. Please, may you allow me to proceed?

The Speaker: Yes, proceed. Let us move to page 9. The rest are just the table showing the requests. Okay?

5.0 OBSERVATIONS AND RECOMMENDATIONS

The committee made the following findings, observations and recommendations:

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1. It was noted that the supplementary budget under consideration represents 10.73 per cent of the approved budget of the Community for the Financial Year 2023/2024.
2. During our interaction with the officers responsible for the implementation of this supplementary budget, they informed the committee that some of the programs will not be implemented in the Financial Year 2023/2024 due to the limitation of time.
3. Regulation 19(5) of the EAC Financial Rules and Regulations provides that, *“A supplementary budget shall be necessitated by the following events: -*
 - a) *Where voting of additional resources is so urgent that the provision cannot be delayed until the next annual budget is approved; or*
 - b) *Where the financial resources required cannot be obtained through the budget reallocation process.*
4. A review of the programmes/activities under the supplementary budget revealed that most of them did not meet the criteria outlined in Regulation 19(5) of the EAC Financial Rules and Regulations. Suffice to note that these activities were not very urgent, and could therefore wait to be implemented in the next financial year. Attached is a list of the activities whose funds had not been committed and cannot therefore be implemented in the Financial Year 2023/2024 as per Annex 1. The total cost of these programmes/projects is US\$ 1,441,400.

The committee therefore recommends that a sum of US\$ 1,441,400 for programmes and projects that cannot be implemented in this supplementary budget be included in the budget for Financial Year 2024/2025 through a corrigendum that will be prepared by the Chair, Council of Ministers.

5. The supplementary budget was presented to the Assembly barely two months to the closure of the financial year. Owing to liquidity challenges in the Community, the Assembly could not commence the consideration of the same until the second week of June 2024, and the Assembly is expected to approve the same on 28 June 2024, which I think is today. Therefore, it is not possible to implement these activities, especially those whose implementation had not commenced at the time of considering this request.

The Committee therefore recommends to the Assembly to urge the Council of Ministers to ensure timely submission of the supplementary budget to the Assembly, preferably not later than February to afford the organs and institutions ample time for programme implementation before the closure of the financial year.

6. The committee noted that there were irregular expenditures made by the Secretariat with respect to the following activities in the supplementary budget.
 - i) Negotiation between EAC and the Federal Republic of Somalia amounting to US\$ 260,246. The EAC Secretariat which spearheaded this exercise had a delegation of 35 staff most of whom did not meet the requisite technical expertise to represent the Community in this high-level engagement. Over 50 per cent of this delegation included general staff such as office attendants, personal assistants, drivers, and security staff. The committee also noted with concern that this delegation did not include representation from Partner States yet the matter under consideration required their input.

The committee recommends that whenever constituting delegations to represent the Community, the Secretary-General should take into account the prudent use of the Community finances, expertise in the subject matter under consideration and the role of Partner States.

- ii) To facilitate the provision of consultancy service in raising the visibility of the EAC through improved media relations, an amount of US\$ 210,085. The committee established that six staff were recruited by the EAC Secretariat without following the established procedure that is provided in the Staff Rules and Regulations. These recruited staff did not have any professional background or expertise in the discipline of communication/public relations. The committee took note that this matter is part of the ongoing investigation by the Committee on Legal Rules and Privileges.

The committee recommends to the Assembly to direct the Committee on Legal, Rules and Privileges to expedite the investigation into the mismanagement of funds of the Community by the former Secretary General.

7. Whereas supplementary budgets are permissible under the EAC Budget Act, it is a violation of prudent planning and budgeting principles for the Community to perennially come up with supplementary budgets to cater for capital development expenditure. This is proof of poor planning and failure by the relevant technical officers to appropriately advise the Council of Ministers.
8. The committee registers its displeasure over the deliberate refusal by the Head of EAHRC and some relevant officers of the EAC Secretariat to appear before the committee to defend their budgets despite the invitation and numerous reminders extended to them. These officers are Mr Jonathan Ssesanga, Principal Customs Officer, Mr Stephen Niyonzima, Principal Labour and Employment Officer, and Mr Davids Etyang, Chef de Cabinet. The actions of these officers tantamount to contempt of the Assembly.

The committee urges the Secretary-General to interest herself in this matter with the view to instituting disciplinary proceedings against the aforementioned officers. However, I also want to say here that the Head of the East African Health Research Commission wrote an apology to the committee. That is a good gesture and therefore I think we should not go in that direction.

9. Owing to the refusal by the above officers to appear before the committee, we could not ascertain the status of the implementation of programmes and projects whose implementation is directly under their control. The committee ascertained the amount of money so far spent on the projects and programmes under their purview as indicated in Table 1.
10. Section 7(1) of the Budget Act provides that “*The total supplementary expenditure that requires additional resources over and above what is appropriated by the Assembly shall not exceed 5 per cent of the total approved budget for that financial year without prior approval by the Assembly*”. The committee was informed that a sum of US\$ 9,707,556 which represents 9.34 per cent of the approved EAC budget for the Financial Year 2023/2024 had been spent at the time of consideration of this supplementary budget. This is gross a violation of Section 7(1) of the Budget Act.

The committee recommends that the Assembly directs the Secretary-General to develop standard operating procedures to ensure that the organs and institutions comply with the requirements of Section 7(2) of the Budget Act.

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In view of the above, the committee recommends that the Assembly adopts this report and passes the East African Community Supplementary Appropriation Bill, 2024 as follows-

Vote	Organ/Institution of the Community	FY 2023/2024
		Amount in US Dollars
001	EAC Secretariat	1,777,942
002	East African Court of Justice (EACJ)	28,050
003	East African Legislative Assembly (EALA)	117,160
004	Lake Victoria Basin Commission (LVBC)	2,502,177
005	Inter-University Council of East Africa (IUCEA)	3,799,260
006	Lake Victoria Fisheries Organisation (LVFO)	1,155,544
007	East African Science and Technology Commission (EASTECO)	25,000
009	East African Health Research Commission (EAHRC)	302,423
	TOTAL	9,707,596

I beg to report.

The Speaker: Thank you, honourable Chair. *(Applause)* And now, the debate is open. We have Hon. Sankok. We have Hon. Rose Akol, Hon. Kakooza, Hon. Ndangiza, Hon. Caroline, Hon. Saidi, and Hon. Amongin. Let us start with Hon. Sankok.

3.12

Mr David Ole Sankok (Kenya): Thank you very much, Mr Speaker, for giving me this opportunity. I thank the Committee on General Purpose led by Hon. Mukulia for a well-presented report.

Before I even start, let me begin by commending the Republic of Kenya, because above their remittances, they gave a special contribution of US\$ 480,000. *(Applause)* This means that Kenya alone, through a special contribution will have hosted and sponsored this House to sit for 10 consecutive days. That deserves a round of applause for Kenya, considering that there are countries which have not yet remitted what their obligatory remission is supposed to be. We are still waiting for them to be able to give the normal remittances, and here is a country, a republic within East Africa that is so dedicated that it gives a special contribution over and above their normal remittances. *(Applause)*

Mr Speaker, in the same vein, please call upon those Members whose countries have not yet contributed to be moral enough and request their states to contribute so that we do not strain

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taxpayers of some countries like the Republic of Kenya. We need all of us to be able to earn from our sweat, from our taxpayers' sweat but not from the taxpayers of other states. That, Mr Speaker, is immoral and not called for: when we earn salaries that we have not – you cannot reap from where you have not sown. I rest my case on that, but it is very important that every state contributes. You get a salary and an allowance and yet you know that it is not from the taxpayers in your country, and it is from taxpayers from other countries. I have a duty and an obligation to protect the taxpayers of Kenya and the taxes of Kenya.

I would like to ask a few questions so that I can be answered by the Council of Ministers:

What is the limit amount of money that the Secretariat can use before it is appropriated and approved by this House? I mean, what is the limit that we can appropriate retrospectively so that we know whether this supplementary budget and the money that has already been used has exceeded the percentage limit that is allowed by our laws; Rules of Procedure and our Treaty and especially when it comes to Rules 78 and 79 of our Rules of Procedure. Mr Speaker, I would like to be advised on that.

With those very many remarks, I rest my case still saying, those countries that have not yet contributed, please today in the evening, call your respective heads of state. They should contribute so that we do not strain individual countries. Thank you, Mr Speaker.

3.17

Ms Rose Akol (Uganda): Thank you, Mr Speaker. From the onset, I would like to say that I am a member of the committee and I would like to make some corrections on the report. On page 13, the total there should read 9,707,556 not 9,707,596. The Chair will take note of that.

Mr Speaker, today is 27 June and we are left with three days to the end of the financial year. It looks like a joke - To those listening to us who understand what a supplementary budget is meant to be, it is a joke for them to see us handling this supplementary on 27 June when it is barely three days to the end of the financial year.

I am saying this for emphasis; section 7(1) and (2) are obligatory. These are the laws of the Community. It is not us as Members of Parliament who would like it that way. These are the laws of the Community and this is the Budget Act that guides the Budget process.

Mr Speaker, section 1 says, *“The total supplementary expenditure that requires additional resources over and above what is appropriated by the Assembly shall not exceed 5 per cent.”* That is obligatory and no one is allowed, by law, to spend anything above 5 per cent as a supplementary. That is 5 per cent of the total approved budget for that financial year.

Two, 7(2) says, *“Where funds are expended under subsection 1, supplementary estimates showing the sum spent shall be laid”* - it is also obligatory - *“before the Assembly within three months after the money is spent.”* This is June and I think some of this money was spent a long time ago.

Retrospective approval that is required is only up to 5 per cent expenditure so I wanted the Members here to take note that we have spent up to 9 per cent and yet our powers are limited up to only 5 per cent by law.

Mr Speaker, it is very important that whenever there is a supplementary request, there should be a timely presentation of the supplementary budget to Parliament so that we process and have it approved within time for even the institutions that are going to spend this money to spend it within the financial year other than approving it on 27 June and then within three days the year is ending. That is very key, Mr Speaker.

I am seeing in this financial year – I am only saying this because I am a member of GPC - there is money allocated for the Secretariat to process a supplementary but a similar amount has not been allocated for Parliaments who are actually going to process it as well and then bring it and get it passed. These are the challenges; that there is a supplementary then they do allocation for Parliament to process the same supplementary.

I would like to appeal to the Council of Ministers and the Secretary-General that whenever there is a supplementary request, let it be timely and two, let there be resources processed immediately for the committee to sit and also for Parliament to pass this supplementary.

All this would actually avoid this issue of expending above 5 per cent if all these supplementary requests by the Council are brought to Parliament in a timely manner. So that is my request, Mr Speaker, to emphasise the need for timely presentation of the supplementary request to Parliament and also for us to process these requests in a timely manner so that the entities and institutions that have these supplementaries are actually able to spend and secondly, to avoid this issue of spending over and above the 5 per cent that is obligated by the Budget Act. I thank you, Rt Hon. Speaker.

The Speaker: Thank you, Hon. Rose.

3.22

Mr James Kakooza (Uganda): Thank you, Mr Speaker. I would like to add my voice to the previous Speakers about budgeting systems being aligned properly with the Budget Act.

Mr Speaker, in times of accountability where you have Budget Acts, it is for proper alignment and abuse of money. I have gotten interested, as a member of the Accounts Committee. Most of the time I have read that the abuse of finance rules and regulations of the Treaty are beyond and some institutions – the auditors have not disqualified their accounts. What I mean in accounts lingo is that they are badly off and do not have a clean report in using money which we appropriate.

I would like to request the new Secretary General that you should interest yourself in officers who are abusing the laws and they must be accountable.

In budgeting systems, apart from the EAC and other Partner States, there are three global budgeting systems that are followed: zero budgeting, mixed budgeting and cash budgeting.

As EAC, we get the source of funding from the remittances of Partner States. But, the money got from our Partner States, once it is abused or misused and we do not follow the rules- the framers of the rules knew that the staff might abuse it. I would like to give information to this House that there are staff – In February when we were debating, we chased away some staff who bought tickets to come to the Accounts Committee. We recommended that these staff must pay back the

money that they used because they had not gotten approval from the executive authority in that institution.

Those staff are putting that institution at ransom using blackmail. They have not paid the suppliers and we are remaining with three days yet that money was appropriated. Can you imagine? Because he came and Parliament recommended that he should refund the money and he said he must be paid back. So Secretary General, according to the Audit Commission request, there are some staff who are making it a habit to misuse the money of the Partner States and that is where your keen interest should go.

Mr Speaker, I would like to – Since the Council of Ministers is here, I think it is high time that all the problems you are getting in the Commission, supplementary budgets - We should think of an alternative financing mechanism because other Partner States are not submitting and that is the only reliable source we have. That means the accuracy of executing our duties when there is no money and the source of income does not add up to our expenditure within the budget and you are wasting time.

I would like to interest the Council of Ministers and the Secretary-General that the economies in the countries of our Partner States are not doing well and we should think outside the box. For instance, if the heads of state sat and agreed with the infrastructure levy of 1.7 per cent of the CR value of goods entering into the East African Common Market, why don't we propose 0.2 per cent which is about \$ 2 per item coming into the East African Community market and we sponsor our budget? That does not need rocket science, I think. Just 2 dollars, who will fail to pay \$ 2 to come into the East African Common market? It is as simple as that instead of struggling with other countries that are not remitting. We are in arrears and we are coming for supplementary which are not worthy.

I think is high time that we think outside the box and execute our duties properly because the remittances have crippled the activities of the Assembly and the institution of EAC if we want to integrate properly. I beg to submit.

The Speaker: Thank you for your contribution.

3.28

Amb. Fatuma Nyirakobwa Ndingiza (Rwanda): Thank you, Mr Speaker. At the onset, I would like to congratulate the Secretary-General for being sworn in recently and I assure her of our support. I also thank the Council members who are here today. We want to appreciate you and call upon other Council members to join because Plenary is critical but the sittings of the Assembly - As ex-officio members, you should be here with us because that is the value of our debate and I want to appreciate you for being here.

I am also a member of this Committee so I just want to comment on one point and that is on page 10 under regulation 19(5) of the EAC Financial Rules and Regulations where we are reminded about where voting of additional resources is so urgent that the provision cannot be delayed until the next annual budget is approved and where the financial resources required cannot be obtained through the budget reallocation process.

I think these are circumstances where we need to go for supplementary but Hon. Members, if you look at annex one, the list of activities that are here to facilitate connectivity and market development, many of them are policy issues and programme issues that can be budgeted for in ordinary budgets.

So, this supplementary - and this is not the first time. I think last financial year, we passed three supplementaries and always, it exceeds the 5 per cent, as Hon. Rose said. This indicates poor planning so I want to urge honourable Council members and the Secretary General to look keenly into the planning process of the Community because it is cross-cutting; it is for all institutions and organs of the Community. We always come up with some of the activities that could have been planned for and then we are always in crisis mode. I think this can be avoided in future so that we minimise supplementaries.

The final point I want to talk about is just a reminder that this Community is growing. We started with three Partner states and we are now eight Partner States and so many institutions. Every time we pass laws, sometimes to create institutions for the Monetary Union, but when you look at the budget of this Community, it keeps on shrinking and yet the Community is growing.

So, I hope we shall have time to debate more on this but the Council should think about this because you have a growing Community but the Budget keeps on shrinking.

The other challenge we have, which has been the elephant in the room, is the issue of non-remittance, which Hon. Geo politician alluded to. We want to urge all the Partner States - I want to start by commending the Partner States that have been paying their remittances but also to challenge the Partner States that are not paying because you join an institution and the Treaty is very clear. Article 132 is clear on our obligations as states. You accede to the Treaty and then you just come, just like you send your children to the neighbour's house and say, okay, feed them for one year, two years, and you are just sitting there. Are you a true parent?

I do not think that countries that are remitting do not have other competing priorities at home. It is a question of commitment otherwise we do not want to have another Community collapsing because there is no funding. I really want to urge honourable Council members that the Treaty is so clear. We have Article 143 on sanctions. Why don't you apply sanctions, if need be? African Union has been applying it and we are also part of the African Union to an extent where at least some members can be observers. If it also calls for not even having a right to field staff and Members, you do it so that people can feel the pinch of not being compliant otherwise if it continues, a time will come when even those paying also say, let us also stop. Where will the trend of this Community be? So honourable members of the Council, please rescue this Community and apply sanctions.

With that, I want to urge honourable members that we pass this supplementary so that we can comply with our timelines. Thank you very much.

The Speaker: Thank you, Hon. Ndangiza.

3.25

Ms Caroline Rwivanga Kayonga (Rwanda): Thank you, Mr Speaker, for allowing me to comment on this report. I would like to thank the General Purpose Committee for a job well done.

I particularly want to draw your attention to something that I did not see in the report to do with funds related to the facilitation of the activities under the environment and natural resources management related to participation in COP 28 in Dubai.

I was informed by some people that I had worked with in my other life when I was Permanent Secretary in the Ministry of Environment and who were aware that I was in this Fifth Assembly that the EAC stand at COP 28 was an embarrassment. It was empty of material, and the staff that were operating the stand would come to the stand very late and this is unacceptable.

We would like to bring this to the attention of the honourable Secretary General that those who attend COP – it is supposed to be a serious affair and not just tourism. It is an opportunity to network and mobilise resources and there should be results from attendance of COP.

The funds that are used to attend COP are earned from taxpayers' money, whether it is Partner States or development partners. I see that here the funds were coming from GIZ. So, going forward, we all know that climate change is a problem. We have seen in the East African Community that all the countries have been affected by climate change so we should treat this very seriously. I submit, Mr Speaker.

The Speaker: Thank you, Hon. Caroline.

3.37

Dr Saidi Kibeya (Burundi): Thank you, Rt Hon. Speaker, for giving me this opportunity to add some comments to this report.

I would like to inform you that I am a member of the Committee on General Purpose and I support the report. However, I have some elements to talk about before the Assembly.

If you read the report, on page two, funds from IUCEA are from arrear funds and they are targeting to pay for the construction of phase two headquarters. You know that these arrear funds are generated from contributions from Partner States that are delayed to be disbursed and those contributions were targeting mainly programmes and projects for IUCEA.

You may also recall that in 2016, the Summit of Heads of State declared the EAC as a common area for higher education and higher education is critical to allow or to empower our Community to develop knowledge-based economies to prepare for skills and common resources that we need for our development.

We need to have headquarters owned by IUCEA and this money should be allocated for increased activities under programmes and projects for the implementation of the common area higher education.

Also, I request more effort from Partner States for IUCEA to have enough money for the construction. An example is a parent who needs to educate his children and he delays to buy books for his children and the next year he says, I do not buy books, I give only clothes. Anytime the children need to wear clothes.

In regard to this strategy taken by the Council, we may recommend to Council regarding Article 5(5) of the EAC Budget Act to recommend a matter of policy to increase the budget of those institutions that need to get their headquarters; the Health Research Commission, Kiswahili Commission that need to have a building for their headquarters. This can be adopted this year but other years to allow IUCEA to get programmes and projects funded from the arrears fund because they were delaying in their programmes and we need to have more done in the implementation of a unique area for higher education.

We are about to have a decade elapsing since 2015 and we have many things to be done and little is done up to now by IUCEA. That is my proposal; if the report can include a recommendation as an amendment to Council to increase this –

The Speaker: Are you a member of GP?

Dr Kibeya: Yes.

The Speaker: So why are you bringing that?

Dr Kibeya: It can be amended.

The Speaker: You would have done it before the report is there. Can you conclude?

Dr Kibeya: I conclude but this may be taken by the Chair, Council as a way of allocating arrears for programmes and projects instead of construction. I submit – (*Interruption*)

Mr Sankok: Procedure, Mr Speaker. It seems as if Hon. Eng. Saidi is bringing a minority report through the back door because he is a member of that particular committee.

Dr Kibeya: Thank you very much, Mr Speaker but once again, congratulations to our SG, the first-ever female Secretary General here. She is a lady of principle, and integrity. Thank you, Mr Speaker.

The Speaker: Thank you. Those who will be given the floor will be those who are not members of GP.

3.43

Ms Jacqueline Amongin (Uganda): Thank you so much, Mr Speaker and honourable members. First of all, before I say anything, I would like to thank you as a House for your prayers when I was very ill. You all really supported me and prayed for me and that is why I am able to talk today. Thank you so much, Mr Speaker and honourable members.

I would also like to take this opportune moment, first of all, to thank the Chair of the Committee on General Purpose for the supplementary budget which has been presented to this House. Also, on the same note, since this is my first day to speak in this plenary during this Second Session of the Fifth Assembly, to congratulate Hon. Veronica Mueni Nduva, the first female Secretary General of the East African Community.

I would like to state that, Madam Secretary General, you have come to this Community at a time when we are facing serious challenges beyond financial. At a time when Uganda, Kenya, Tanzania, Rwanda, DRC, Burundi, and all these East African Community member states are being faced with climate chaos.

Therefore, relating to the presentation that has been put forward by the Chair of the Committee of GP in regard to money being availed for participation of the EAC members in the COPs previous and upcoming. It is very important, Secretary General and the Chair of Council, that we go to COP as an institution, and organise and come back to have harmonised take-homes because worldwide, decisions are being taken in COP that need to be implemented at the regional level and also at the national level. I think the EAC is not any different.

Therefore, going forward, as we appropriate these resources and also when supplementary budgets are brought, irrespective of where these resources are coming from, it is important that these resources have an impact. And so, as we head to COP 29 in Azerbaijan, it is important that the report of the previous COP is fully debated and action areas be taken up by this august House for implementation at the regional and national level of the Member States that we represent in this House.

Mr Speaker, already Members have highlighted the Budget Act and the budget processes. Having been in previous parliaments, it is very disheartening for me to know that this supplementary is presented almost two days before the closure of the financial year. I would not treat this lightly because it is a serious matter. As the Chair of the Council, it would be very prudent that when this House sits, some recommendations are taken seriously by the Council of Ministers.

It would also be very prudent to have the Front Bench present because if a minister is appointed to be a minister for East African Community Affairs – sincerely if the plenary is on and there are recommendations that have to be taken up by the ministers for implementation – for heaven's sake, why wouldn't we have any ministers available? And also, participation in the plenary sitting. It is like we are pleading for the presence of ministers or the front bench. I think this is very disheartening and that is why we are doing things at the last minute.

Lastly, Hon. Sankok has elucidated on the remittances from Member States and I would like to address this to the Council of Ministers and the Secretary-General. It is now high time that we do not just talk to ourselves. It is time to review whether the Member States that came to integrate are really committed to the cause of the integration (*Applause*). This is because our Treaty is very clear on the obligations and the mandates of the Member States and I want to quote Article 132. I also want to talk about Article 143 which talks about sanctions on member states in case of failure to fulfil their obligations.

All this money that we are talking about, if we do not commit our Member States to paying, we are wasting time. Tomorrow, we are going to get Somalia on board. I have been in the Continental

Parliament for the last 10 years. I know the defaulting countries and I know the countries that pay. I anticipate a situation where we are even going for the worst if we do not take action.

Therefore, Secretary General, the Chair of the Council, I would like to call upon you to really constitute a high-level delegation to the Heads of State of these Member States to get the assurance whether they are still committed on behalf of the member states to have this community progress. There can be no progress without financial progress. Even those countries that commit to annually – definitely I would not hesitate to praise my President, Yoweri Kaguta Museveni, who is very committed to making sure the Community moves on, including ensuring that these monies are budgeted for annually because the EAC exists. This should also go to all the rest of the Heads of State.

As I take my seat, I would like to call upon – I would like this House first of all to applaud all the Heads of State who have committed their countries to make sure monies are remitted to this Community (*Applause*). Even if you do not clap, you have got the point.

However, I would like to call upon those other honourable members who are seated here. Secretary General and the Chair of Council, when you are constituting this high-level delegation, please ensure that these countries take action. Otherwise, we apply Article 143 of the Treaty for sanctions, because we will have no option. This is so that we are one of the rest. We are one of the five regional economic communities of the African Union. The African Union has always done that. I do not think we are any different because we are so far representing eight countries, but I know more countries will be coming to be part of the rest of the Eastern African region.

Therefore, if we do not act as an example to the world, then I know that this community may not be progressing in future to accommodate the interests of my sons and daughters who will aspire to be like their mother who has managed to reach this august House. I thank you, Mr Speaker.

The Speaker: Thank you, Hon. Amongin. As we are debating the supplementary budget and waiting for the main one, let me give the Floor to three other Members, because maybe we will debate more when we get the main budget. We will go to – Let us take three. Those who will try to stand up. We will take Hon. Kim Gai. Those who are members of GP do not have the Floor. I said it. Hon. James, Hon. Clement, Hon. Francoise and Hon. Mary. We stop there.

3.52

Mr James Millya Kinyasi (Tanzania): Mr Speaker, one is to start by congratulating Hon. Veronica Mueni Nduva, the only lady who came to be the Secretary General of this community since its inception in 1967. We congratulate you, and on my behalf, and of course that of Tanzania – I do not speak for it, the minister is here. We are very supportive and we will always give you the necessary support when you are doing your legal exercise to rescue the Community as part of your mandate. *Hongera sana* in Swahili. We are happy.

From two days ago, when you swore in, I feel a bit light. You know, things are really happening. I have faith. I wish you good luck. Please pray. There is a lot to be achieved. You have a lot of challenges, especially the financial challenges. But of course, I see that you are capable. I have read your resume, and I am very happy. *Kila la heri*, mama Nduva.

Again, Mr Speaker, I congratulate the GP committee. They have come up with a very good report. As he knows, I support him. He is an intelligent young man. With his committee, you have done

a good job. Please allow me to just stress one issue – issues to do with the financial contributions. I will particularly deal with that. It is a bit absurd, Mr Speaker, to see, like you know, the countries and Member States that have committed to adhere and meet their financial obligations and are not doing exactly what they had promised.

It is my call to this Parliament and the Council that something should be done strongly. It is not okay. Sometimes you might feel a bit shy. I know we have colleagues from across the board, from different partner states that we have come to be friends with, sisters and brothers but again, when it comes to financial constraints, the Community is suffering because of your non-contribution. You have never briefed this Parliament or briefed your colleagues that you are doing anything to push your own countries to pay. We have even had some of your friends along the corridors saying, you know, and I quote – some of them are saying it is better to be in SADC than being in the EAC – then what are you doing? What are you waiting for? Get out. Get out now. It is very bad when you know you are being a burden because you are not contributing.

Mr Speaker, I will not stress that very much. We all know that sometimes we blame the Council. You know, as a family, when you are the head of the family and you have only one bag of maize and two kilos of beans to keep your family – Then we say, this Parliament should go for 72 days or 78. No! The Council budgets for what it has. If it can only cover 46 days, they will do that. Now, we urge the Council, to please push with the new Secretary General. Let us push these countries to recommit again. Are they really serious with this Community, or do they want to get out?

Secondly, there was a decision that the Commission made some time back to say that for those non-remitting Partner States, their Members should not be paid or be called to attend plenary or any sessions in Arusha or anywhere. But then the Speaker unilaterally decided that these Members should attend. We need an explanation, Mr Speaker, we want you to explain to this Parliament why you decided that (*Applause*). It is not okay.

Sometimes in the schools – we have all attended school. I am from an average African family. There were times I did not attend school. I was expelled from school because of lack of school fees. It is immoral to do that. But just imagine a small kid being expelled from school because of lack of school fees. Why can't we do that in this Parliament? Is it morally not wrong for somebody who is not paying to drag this community behind and we just look on and say it is okay? No, I do not think it is okay.

Please, Mr Speaker, let us do something about it. Naming and shaming are not working. We have mentioned names, but it is not working. Let us be serious about it. Let us do something about it.

That is my contribution for today. I am a bit emotional because it is not okay. If you have decided to take up a task and you are not doing it, then it is not okay for you to be in. I submit. Thank you, Mr Speaker.

The Speaker: Maybe my English is not good, no? But were you accusing me of doing something? I did not understand well.

Mr Millya Kinyasi: Mr Speaker, it would be very unkind of me to accuse you, but I just wanted to – I cannot accuse you. But just to explain my point, there was a decision by the Commission under your leadership, that for all those non-remitting Member States, the Members should not

attend physically in our plenaries or even in our committees. But then – I do not know who made that decision, but of course under your leadership – they are here.

Mr Speaker: Let us go back.

Mr Millya Kinyasi: I just wanted an explanation. How did it happen?

Mr Speaker: We will go back into this issue again. Today we are debating this supplementary. Let us continue with the next.

Mr Sankok: Mr Speaker, we are discussing the supplementary budget. Part of the money that we are discussing now was used by Members whom the Commission decided that they should be attending virtually because of non-remittance. What my colleague wants to know is, who reversed that decision. If it is the Commission which reversed that decision, we need to be told. This is because no individual – you chair the Commission – but no individual of the Commission including the Chair, can reverse the decision of the Commission without the Commission sitting back and reversing that decision. There was that decision. Thank you, Mr Speaker.

The Speaker: I will not allow these discussions here. Let us proceed. Hon. Clement, you have the Floor.

4.01

Mr Clement Musangabatware (Rwanda): Thank you, Mr Speaker, for giving me the opportunity. First and foremost, I want to congratulate the new SG and wish her all the best in the Community. I also take this opportunity to thank the Chair of the Council and the Council of Ministers present. Their presence is a sign of support to the Community.

I want to congratulate the Chairperson of the Committee on General Purpose and the members. They did a great job. Article 132(5) states that “*The resources of the Community shall be utilised to finance activities of the Community as shall be determined by the Assembly on recommendation of the Council.*”

I request the Council to take serious measures against leaders and the staff from our Community who misuse the funds of the Community. We badly need a strong sanctions regime in this Community.

I am a member of the Accounts Committee. What we saw in our committee meeting is that some institutions do not use the funds properly. We badly need to manage our little resources well. I submit, Mr Speaker.

4.05

Ms Françoise Uwumukiza (Rwanda): Thank you very much, Mr Speaker. At the onset, I want to appreciate the chairperson of the Committee on General Purpose for the report that is very elaborate and also for their work to make sure the supplementary budget is scrutinised very well and the issues raised are relevant.

Some of the issues I want to highlight are that on page 11. You can see the recommendations of the committee, that whenever constituting delegations to represent the Community, the Secretary-General should take into account the prudent use of the Community finances, expertise in the subject matter, and consideration and the role of Partner States. This is an issue. Not considering

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partner states when they are part of this community. It is not considering citizens taking part in this budget.

Also, the committee recommends to the Assembly to direct the Committee on Legal, Rules and Privileges to expedite the investigation into the mismanagement of funds of the Community by the former Secretary General.

I raise this issue because, Mr Speaker, as you know, this Community is people-centred and also a private sector-driven Community. We should always consider citizens at the centre of all activities.

Having said that, a strong Parliament like EALA plays a crucial role in ensuring that citizens benefit from Partner State actions. This is done through this Community. The Assembly is assigned to enforce accountability. While debating this report, though the time frame was also debated, I am not going to repeat what Hon. Rose Akol and the previous Speakers exposed to this august House. I would like to pose a question to the Front Bench. I can see that almost everyone is on the phone, but I would like to ask a question to the Council. Yesterday, I was personally shocked to see that this Front Bench was empty. I did not inquire about it to the Speaker, nor the Commissioners, but I think it is high time that this Assembly is given the weight it deserves. It deserves the weight because it is empowered by the Treaty. That is why I have many documents before me.

If you look at Article 49 of the Treaty – I do not know if all the members of the Council were given the Treaty. I know it is the culture and the tradition of this House to give them a copy of the Treaty as they swear in. I am wondering if they read through it. I am just wondering because Article 49(1) of the Treaty states that, “*The assembly shall be the legislative organ of the community.*”
Legislative organ.

We know the Council is mandated to make policies. Policies cannot just work alone without laws. You know that the summit enacts laws that come from this Assembly. And the Assembly – this is sub-article 2. It is very important that I re-read for the Council;

“...shall debate and approve the budget of the community.

c. shall consider annual reports.

d. shall discuss all matters pertaining to the Community and make a recommendation to the Council as it may deem necessary.”

I have always been sad to see what happens with our recommendations. They do not care. It is as if we did nothing. The work of this Assembly is kind of – I do not know how to call it, but it is high time that this powerful Assembly is given the attention it deserves.

Lastly, I again question the Council. The only active arm of the Council that is dealing with the EAC budget is Finance and Administration, which is called the F&A in short. And this arm seems to just be tasked with one function – cutting the budget to suit the Council. They are there to please the Council. They are there to adjust the envelope and the ceiling. They do not care about the priorities of organs and institutions.

I have been a member of GP for five years. In the previous EALA –(*Interjections*) – I know what I am saying. They are not taking care of the priorities. Even EALA is suffering because of that.

And we look as if we are beggars. We, MPs, should not be beggars because we are given powers by the Treaty to do what we do.

As I wind up, two Members mentioned the activity of COP28. I am sure that this activity is not anchored under the supplementary budget. But as you can see, the last activity of today will be – talking about another activity of GP and the assessment of the budget, it is appropriate to discuss the report of COP28.

For your information, the report of EALA as MPs, as far as the COP28 is concerned, is ready. I have been asking the Director of Productive Sectors to share the report of EAC so that we can see how we can fit in and share with this house, the complete information, but in vain.

I think it is high time- maybe the Speaker will help us to get that report so that we can enrich our report as MPs because we had time to participate in the IPU and also global legislators as far as climate change mitigation is concerned at COP and our report is ready. We are waiting for the EAC Secretary to give their input so that we can complement it and share it with this House.

Thank you very much, Mr Speaker. I would like to wind up here as I continue also to support the report of GP and appreciate Members for the work well done.

The Speaker: Now we go to Hon. Mary Mugenyi. Can I maybe –

4.12

Ms Mary Rutamwebwa Mugenyi (Uganda): Thank you, Mr Speaker. I also rise to support the report of the Committee on General Purpose and to thank them for a job well done. The report is clear and easy to read.

However, firstly, let me also add my voice to the voices of my colleagues to welcome our first woman Secretary-General to the House and the EAC. You are welcome, Madam Nduva and we look forward to your input into the growth and integration of the region.

Mr Speaker, I support the report. It makes us really look unserious when we keep talking about the same issues. The EAC has different financing mechanisms. One of the most important and most reliable is remittances from our Partner States. We have to talk about it because financing is part and parcel of integration and growth. There are many projects and programmes planned but they cannot be implemented unless they are financed.

We are dealing with budgeting today and the budget needs to be financed. Otherwise, we pass figures and get 50 per cent or 40 per cent. We quarrel with you, Mr Speaker, sometimes. We blame the Commission; we blame the Secretary-General and his office, so the blame goes on and on and there is turbulence. Parliamentarians are elected by the population of the East African Community to represent and speak for them, to legislate, oversee, represent them - name it. This is why we stand here, talk and follow up, scrutinise the reports and so on.

Mr Speaker, on the remittances, a lot has been said but action needs to be taken. We need to start at least by doing something minimal; something small. I think the idea of proposing that Members whose countries are not remitting will earn their salary - no problem. That is a contractual obligation, anyway. Now, when it comes to the sitting, they need help by reducing the cost, which their Partner States have not contributed to, and attend virtually.

I do not want to look at it as a penalty or even sanctions. No, it is the reality; there is simply no money. Instead of closing the institution of Parliament or later on court or any other, what we are saying about Parliament should also apply to other institutions as well. If the court is sitting and there are supposed to be many judges, let some of them attend virtually. Luckily, technology has helped us, so that these institutions do not close. We need them.

Those who framed the composition of the different Institutions and Organs of EAC did a very good job. In fact, the Treaty is due for review so that it can accommodate the new changes that we
–(Interruption)

Dr Makame: Thank you very much, my sister, Hon. Mary, for giving me way to give information. We ought to be aware that as much as we are looking at the way Partner States are contributing, we also have existing resources in the Community. We have to be appraised on the statutory implementation using those statutory resources we have.

Particularly, Section 8 of the Budget Act requires us to receive a report from the Secretary-General on grants, loans and the state of indebtedness of the Community and Section 10 requires us to receive a report on taxes and reimbursement of taxes. Those reports are supposed to be presented to this House by 30th June. As of now, nothing has been presented. So, while we are addressing ourselves to this matter, we also have to look at the existing resources which we ought to get accountability for. I beg to submit. Thank you.

Ms Mary Mugenyi: Thank you, Hon. Makame, for that very important addition. Of course, that is a very serious responsibility and I hope that the General Purpose Committee will raise that issue or has raised it. I did not see it anywhere when we were reading this report.

We need to look at reports from all the sources that fund the EAC, including donor funding; how they have been used, who is doing what and how it is being used. I never want to put a lot of emphasis or hope on donor money. Donor money comes in at their own will. We cannot build our own Community basing our hopes and plans on donor money. That should be extra. Having said that, accountability is still important when it comes in.

The point I was trying to make is that if we can reduce the cost of running business, in terms of the cost of transportation - the air tickets, the cost of per diem – so that Members whose countries have not paid yet and this can be decided according to the different quarters. If in this quarter, you have not brought in money, it means that there isn't enough money in the budget.

Otherwise, we sit here and pass figures; the budget looks big, it is attractive, we approve it, we are happy but the money does not come in. So, it cannot continue to be business as usual. Mr Speaker, if this is an issue that you are sitting on, we request that you give it due consideration. It is not a penalty, or punitive; it is trying to solve a problem, moving forward. (Applause)

Mr Speaker, there are other measures that can also be taken. Hon. Kakooza has talked many times about alternative funding mechanisms. I do not see why we cannot implement that. Again, the Council needs to inform us about this alternative funding mechanism, where we only get about two dollars – I hope that figure is correct – in order to allow an exporter to bring in their goods. If you add it up, it will be a lot of money that will come into the pockets of the EAC to run the many programmes and projects we have –(Interjection)- Will I finish? I am starting to doubt it.

Mr James Kakooza: Mr Speaker, I would like to inform this House. I am a member of the Committee on Communication, Trade and Investment. We found out that all goods coming to Partner States come through the ports of Mombasa and Dar es Salaam, and there is already a precedent set. All the Heads of State have gone 1.5 per cent on infrastructure levy, which all people are paying. That \$2 on all items of a CI value is predictable.

We will get the money from even Partner States which are not remitting because this haggle of having other Partner States not committing, putting sanctions and crippling the EAC integration does not take much. That is what I wanted to say.

Ms Mary Mugenyi (Uganda): Mr Speaker, it is my turn. Thank you, Hon. Kakooza. Mr Speaker, I have been informed and I do not know how reliable the information is. When the issue of alternative funding mechanism by taxing goods from outside that we are now talking about was brought to the attention of the Ministers of Finance of our Partner States, they refused to adopt it, on the condition that institutions like Parliament are reduced - I do not know how true it is - and that we should remain five per Partner State, rather than nine.

For me, quite frankly, if the EAC needs to survive because of that, I would rather we reduce the numbers, not just Parliament, but even other institutions. We can cut down the cost of administration by having fewer Members of Parliament so that the programmes, projects, plans and timetables we put out are funded properly. I think we might have to reach that extent in order to be realistic.

Let the House be smaller, but it will not be smaller because as more Partner States join, it means that the number of MPs will be increasing anyway. So, if it means cutting down on the number of Members of Parliament per Partner State, let it be, for the survival of the Community. Thank you, Mr Speaker.

The Speaker: Thank you, Hon. Mary Mugenyi. More than 10 honourable members have contributed. Hon. Sankok has raised the issue of arrears. Hon. Kakooza raised the issue of arrears, as well as Hon. Fatuma, Hon. Amongin, Hon. James Millya and Hon. Mary Mugenyi. Six to 11 Members have raised this issue.

Honourable chairperson, honourable SG and honourable ministers, I have to consider this issue, it is very sensitive and maybe you should take it into account. Hon. Sankok and Hon. James, as long as you are not commissioners, I invite you to go back again to dig and verify the information you have because it might be somewhere, but you will not go back to it again.

Honourable members, I now give the Floor to the Chair of the Committee to respond. Yes, Chair of the Council.

4.26

Mr Deng Alor Kuol (The Chairperson of the Council of Ministers and Minister of East African Community Affairs, South Sudan): Mr Speaker and Members of Parliament, this was a very good discussion on this particular issue and the debate was very good on concerns for this Community. All that you have said reminds me of a debate which happened in the African Union and I was there when a similar debate was being discussed.

The African Union had a problem with financing since 1961 or 1962 or certainly some few years ago, a decision was taken by the African Union Heads of State and foreign ministers, and it was

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led by leaders from this region. Some questions were raised; the ministers of finance and African economists to handle this issue.

Today, the East African Community is leading the five communities in Africa. We have gone a long way. If you see the Economic Community of West African States (ECOWAS), Southern African Development Community (SADC), the Central African Region or North Africa, this Community has gone far, in terms of trying to achieve. Ask yourselves what this Community is for. It is to implement what the founders of the African Union started in 1961 when they established the Organisation of African Unity (OAU). It was to unite Africa and to unite Africa, you must start from somewhere.

This is how these Communities came about. It started with these Communities economically; they built a very strong economic community, social community and political community. Today, the East African Community is number one in Africa. So, do not be discouraged by some countries that are not paying their money. There is a higher goal for this Community, but this does not mean that we should not get money. *(Applause)*

What did the African Union do to come out of that situation? We can do the same and some of us are thinking along the same lines; that let us do what the African Union did to be what it is today. Bring our economies together. Somebody was talking down there that it can be solved through a very simple mechanism; you do not feel it. *(Applause)* Up to now, the countries do not feel how they are contributing to the African Union –*(Applause)*– and we can do the same. Tariffs are a very small contribution that you cannot feel. I think this is what we need and what we are supposed to do as leaders of this Community. *(Applause)*

We have a responsibility as leaders because you are giving us a responsibility now, instead of us being angry with one another, saying, “This country is not paying.” These countries have their own problems, but problems differ from one to another. Fighting has not stopped in Africa; we have been fighting amongst ourselves for a very long time and it is still on. When there is fighting, it affects the economy of that country. I do not want to defend any country but I am saying let us look for a new way of contributing to this Community. *(Applause)*

I agree with my brother there that only \$1 or \$2 can resolve this issue; nobody will feel it. Most of our goods in this region come through Mombasa, and they pass through these countries. You can pay for tariffs without feeling it. Some leaders are thinking about this. The same leaders who solved the problem with the African Union are here; they are leaders in this region. They are also thinking about it. I do not want to mention their names, but I thought you also know them very well. Those who improved the financial situation of the African Union were from this region. It is the same leaders who can sit and get this region out of this situation, and I think it will happen.

Imposing sanctions is good, but it is not the solution. More countries want to join the EAC. How many countries do we have in what we call “Eastern Africa”? We have not less than 17 countries within eastern Africa because when we vote in the AU, we vote according to the geographical area where we come from. So, there are 17 eastern African countries which vote together. It is not only the seven or eight we have here. The 17 are ready to join and become one region because they are part of what is called the “Eastern African Region”. So, while we are very concerned, I want you to give us the responsibility to mobilise our region and leaders, so that we come out of this situation, and we can. *(Applause)*

Having said that, I think the discussion was very good. A lot of things have been said and it shows how concerned you are about this region, East Africa, which is very good. I want to thank the committee; we had a very good meeting this morning. *(Applause)* We resolved the issues which were put on the table amicably without any problem and this should be the spirit. I want us to go ahead and endorse what we agreed on this morning, as leaders.

By the way, we have money in the region; the problem is how to get it. There is no country which has no money –*(Interjection)*– they have money. We all have money –*(Laughter)*– but let us get a better way. We used to say, “Africa is very rich and so on” but Africa continues to be supported by the external world. Some African leaders have started to say, “We want to stop because whoever gives you support is the one who controls you.” So, Africa is being dictated to by some forces outside Africa. So, they have decided to finance themselves. This is what we are supposed to do.

Mr Speaker, having said that, I want us to move forward and endorse what we started this morning. We have taken this very seriously and we are going to discuss this with the leaders. We must solve the financial issue quickly –*(Applause)*– because it is not- I come from South Sudan and it is not a poor country. Yes, South Sudan delays sometimes in paying their contribution. We blame ourselves in South Sudan on why we are doing this. We are an oil-producing country; we are not a poor country. *(Applause)*

South Sudan has a lot of resources; a lot of minerals. I remember we recently went to Angola. We have been friends with Angola for a very long time. During the war, they fought alongside us. We know ourselves with Angolans very well.

Angola is one of the richest countries in Africa with minerals and oil but they spent a very long time killing themselves. When we were fighting, we used to send some of our children to Cuba for schooling and training. I was one of those who did it for over 10 years. I was in Addis in charge of the SPLM office and I would go to Angola from time to time; they were fighting among themselves.

Recently, when we went to Angola, some of us were surprised and shocked. Angola became one of the best-developed countries in Africa. They have now learned the hard way to take care of their country and people. South Sudan should do the same. We came back and people said that –*(Applause)*– We are like Angola. We have minerals; we have land. The land in South Sudan is very fertile. South Sudan, for those who know, is a very large country with very fertile land, a lot of minerals, a lot of gold and other things like oil.

So, they came back and said, “We have to change.” I am saying all of us must change. *(Applause)* Even the way we manage this little money that our countries contribute, we have to manage it well. Accountability is a must if anything. *(Applause)* So, I do not want to give you a lecture there but this is important. I wanted to mention this because the leaders who change the financial situation of Africa are here in this region and they can still do it. If we give them the correct message of what we do, they will do it. *(Applause)*

So, we have ministers here. We have the SG who is a new person and I think she has a wealth of experience with her. While our leaders are coming up with a better financial system, she will work with you and you will get better outcomes from what she is going to do with you. *(Applause)*

We need to move to what we discussed in the morning and I will not do that until I get my chance but I want us to- you have asked the two leaders who are here also to react generally to what has been said. This is very good. People should not-

When you get some insinuations, you do not get angry that it is you who is not paying money and what is being discussed is about you or sanctions; sanctions are not against anybody here. *(Applause)*. Sometimes sanctions could even motivate your country to pay. Mr Speaker, I think you can give a chance to my colleagues. *(Applause)*

The Speaker: Mr Chairperson- I give the floor to the chairperson of the General Purpose Committee to reply- Sorry, thank you. It is time to put the question because he has replied. Honourable members, sorry? Yes, you have to reply. Procedure

Mr Kim Gai: Mr Speaker, as we have been enjoying the remarks from the Chair of the Council, I think it would be the Chair of the Council to request that we give other members of the Council even if it is one or two minutes, to listen to them. As you are aware, the Council is making decisions based on consensus. *(Applause)* So, it is better to have our brother who is usually with us here, Advocate Hon. Stephen; we need to listen to his voice and our able SG. *(Applause)* Thank you.

The Speaker: Are we in accordance with our rules?

Hon. Members: Yes.

The Speaker: You have to remember that we still have this- but I am advised that the rules of the procedure are- once a motion is replied to, you only have one thing to do; to put the question. It has been replied to. So, honourable members, do you want me to break this rule?

Hon. Members: No.

The Speaker: Please, let us follow the rules; this is the House of precedence. I give the Floor to the Chair of the Committee to reply and I put the question.

4.48

Mr Kennedy Ayason Mukulia (South Sudan): Mr Speaker, I thank you, honourable members, the Chair of the Council and everyone who contributed to the debate on the report of the committee on the Supplementary Appropriation Bill, 2024.

We have Hon. Caroline Kayonga who was asking about the COP28. I want to say that indeed it is a mistake from our side; the clerks were not able to capture it but this issue is part of the matter that we discussed in the committee and in part of our report that there is an amount of USD 103,000, which is to facilitate activities under the Environment and Natural Resource Management related to the participation in COP28 in Dubai, UAE.

In that amount, we also discovered that people who participated in COP28 had the same issue that we have raised with the people who participated in the Somalia negotiation in Kenya. It is a case that has already been referred again to the Committee on Legal Rules and Privileges to handle but we have to appropriate it because the funds have already been used. Therefore, we request that we shall be able to amend this and include that matter.

The list kept changing over six times and the total number of people who went to COP28 is 26 with none from our partner states. That is a gross violation of the resources of the community to take people who are not relevant to COP28 and that might be the reason why the chairperson of agriculture is asking that they report and they are not able to give you the report. That could be part of the reason as to why. *(Applause)*. Although I am appraised for that- Thank you.

The rest of the issues are general issues to do with the remittances which the Chair of the Council has ably answered. Of course, we have the next report; it will show you the remittances as they stand now but we need to commend the partner states that at least this year, the remittances stand at 88 per cent. *(Applause)* It is the first of its kind. The issue is not the money but how the money is used; that is the big question that we always ask ourselves about. How do we use those remittances?

Thank you so much. I take this opportunity – *(Interjection)* -Please let me finish. We are out of time. I take this opportunity to thank the following members; Hon. Ole Sankok, the king of problems *(Laughter)*, Hon. Rose Akol, Hon. James Kakooza, Hon. Fatuma Ntangiza, Hon. Caroline, Hon. Amongin Jacqueline, Hon. James Millya, Hon. Clement, Hon. Francoise, and Hon. Mary. Thank you.

Most importantly, the Council members who are present, the Counsel to the Community (CTC) who is also sitting with us, and the SG is also here. We want to say that we had a very good engagement this morning. Members, we need to support the passage of the supplementary equally to the main budget if it comes. Most of the things we shall be able to discuss later on in the main budget. Thank you. *(Applause)*

The Speaker: Thank you.

Mr Mukulia: Sorry, Oh, Hon. Dr Kibeya. I forgot because I went out when I came when he was almost- but my apologies for not recognising your contribution was quite good. Unfortunately, you are a member of the committee, you cannot amend your own report. So I cannot take your amendment as suggested but you will come and apply it later. Thank you.

The Speaker: Thank you, Hon. Chair. Honourable members, it is time for me to put the question. I put the question that the East African Community Supplementary Appropriation Bill, 2024 be read a second time.

(Question put and agreed to)

COMMITTEE OF THE WHOLE

THE EAST AFRICAN COMMUNITY SUPPLEMENTARY

APPROPRIATION BILL, 2024

Clause 1

The Chairperson: Thank you. Honourable members, Committee chairperson, or the Chair of the Council, do you have an amendment? I put the question that Clause 1 be part of the Bill.

(Question put and agreed to.)

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Clause 1, agreed to.

Clause 2

The Chairperson: I put the question that Clause 2 be part of the Bill. Committee chairperson, do you have an amendment?

Mr Kennedy Ayason Mukulia (South Sudan): Yes. Mr Chairperson, I propose that Clause 2 be amended by deleting the word “11,148,996” and replacing it with the word “9,707,556” Therewith, I propose this.

The Chairperson: Chair of the Council, do you take it? Thank you. I now put the question that Clause 2 be part of the Bill as amended.

(Question put and agreed to.)

Clause 2, as amended, agreed to.

Schedule

The Chairperson: I put the question that the schedule be- Yes, proceed.

Mr James Kakooza (Uganda): Mr Chairperson, there is a consequential amendment on the Schedule. After passing Clause 2, Schedule 2 must be amended- *(Interjection)*- The total figure- this is a schedule.

The Chairperson: That is where we are going. I was putting the question that the schedule be part of the Bill. Chair, are you supporting?

Mr Kennedy Ayason Mukulia (South Sudan): I am proposing an amendment to the schedule of the Bill to replace the total, which is “11,148,996” with the total of- okay, what happened is that I have to amend Vote 001 where that amount of money has been shifted.

So Vote 001 which is EAC Secretariat, the amount requested was \$ 3,219,882, and the amount that the committee requested the Assembly to approve for appropriation is \$1,777,942 subsequently, the total will reduce to \$9,707,556 therewith. I propose this amendment to the schedule.

The Chairperson: Members, I put the question that the schedule be part of the Bill as amended.

(Question put and agreed to.)

Schedule, as amended, agreed to.

Title

The Chairperson: I put the question that the title be part of the Bill.

(Question put and agreed to.)

The Title, as amended, agreed to.

MOTION FOR THE HOUSE TO RESUME

The Chairperson: Chair of the Council, move the motion.

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5.00

Mr Deng Alor Kuol (Chairperson, Council of Ministers and the Minister of East African Community Affairs (South Sudan): Mr Chairperson, I beg to move a motion that the House do resume and the Committee of the whole House report thereto.

The Chairperson: Honourable members, I put the question that the House do resume and the Committee of the whole House reports thereto.

(Question put and agreed to.)

(The House resumed, the Speaker presiding)

REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

The Speaker: Honourable minister, you have the Floor. Please stand up - it is the House-

5.02

Mr Deng Alor Kuol (Chairperson, Council of Ministers and the Minister of East African Community Affairs (South Sudan): Mr Speaker, I beg to report that the Committee of the whole House has considered and passed the EAC Supplementary Appropriation Bill, 2024, with amendments. *(Applause)*

MOTION FOR ADOPTION OF THE REPORT OF THE COMMITTEE OF THE WHOLE HOUSE

The Speaker: Honourable members, I now put the question that the report of the Committee of the whole House be adopted.

(Question put and agreed to.)

Report adopted.

BILLS

THIRD READING

THE EAST AFRICAN COMMUNITY SUPPLEMENTARY APPROPRIATION BILL, 2024

The Speaker: Honourable minister, you move your motion. *(Laughter)*

5.04

Mr Deng Alor Kuol (Chairperson, Council of Ministers and the Minister of East African Community Affairs (South Sudan): Yes, Mr Speaker, I beg to move that the East African Community Supplementary Appropriations Bill, 2024 be read for the third time and do pass.

The Speaker: Do you have seconders? They are there, all of them. Thank you. I now put the question that the East African Community Supplementary Appropriations Bill, 2024, be read the third time and do pass.

(Question put and agreed to.)

MOTION FOR ASSESSMENT OF THE IMPLEMENTATION OF THE BUDGET OF THE EAST AFRICAN COMMUNITY FOR THE FINANCIAL YEAR 2023/2024.

The Speaker: Honourable chairperson of the committee, present your report.

5.07

Mr Kennedy Ayason Mukulia (The Chairperson, Committee on general Purpose, South Sudan): Mr Speaker, Article 49(2)(e) of the Treaty for the Establishment of the East African Community, provides that the Assembly may, for the purposes of carrying out its functions, establish any committee or committees for such purposes as it deems necessary.

The Committee on General Purpose is one of the six standing committees of the Assembly that is specifically charged with the mandate to, among others, scrutinise and monitor the implementation of the East African Community Budget. *(Hon. Fatuma rose)*

The Speaker: Proceed, Hon Fatuma Ntangiza.

Amb. Fatuma Ntangiza (Rwanda): Procedure, Mr Speaker.

They are distributing the report. We are not following; it is online but we need the hard copies.

Mr Mukulia: Should I wait for two minutes?

The Speaker: Two minutes? You can proceed.

Mr Mukulia: Okay, let me proceed to paragraph 2. The Assembly is empowered under-

The Speaker: You can proceed.

Mr Mukulia: I am advised; that you give me the opportunity to move a motion before I-

The Speaker: Okay, move your motion.

Mr Mukulia: Mr Speaker, I beg to move a motion that the report of the Committee on General Purpose on the assessment of the implementation of the East Africa Community Budget for the Financial Year 2023/2024 be adopted. I beg to move.

The Speaker: Do you have seconders?

Amb. Fatuma: I want to be clarified on whether this report was laid.

The Speaker: It was laid. Do you have seconders? Yes. Hon. Victor, Hon. Mathias and others. You can proceed.

(Seconded by Hon. Victor Burikukiye, Hon. Harabemungu Mathias and Hon. David Sankok)

Mr Mukulia: Yes, he is the seconder. Okay, let me proceed to paragraph 2 because I have already read paragraph 1 and it is captured.

The Assembly is empowered under Rule 74 of its Rules of Procedure to exercise control over the implementation of the budget. Sub-rule 1 of 74 provides that *“The Assembly shall monitor the*

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implementation of the budget of the Community through the committee responsible for budgetary controls and other relevant committees.” Sub-Rule 4 of 74 further provides that “Each year the Assembly shall consider before the presentation of the budget for the following financial year the problems involved in the implementation of the current budget where appropriate on the basis of a motion for a resolution tabled by the relevant Committee.”

In line with the above, the Committee on General Purpose convened in Arusha, Tanzania on 17-22 May 2024 to assess the implementation of the budget of the East African Community for the Financial Year 2023-2024. The committee received further information on the implementation of the budget during the consideration of the supplementary budget for 2023/2024 in June 2024.

2. Scope of work

At the commencement of this exercise, the committee set out to review and analyse the following salient aspects of the budget implementation:

- i. The programs and projects of the Organs and Institutions in the approved budget for the FY 2023/2024;
- ii. The funds received from Partner States and Development Partners from July 2023 to June 2024;
- iii. The Memoranda of Understanding and Financing Agreements for programs funded by development partners;
- iv. Usage and implementation of the budget for the FY 2023/2024 as approved by the Assembly;
- v. Other funds of the Community utilised during the FY 2023/2024 including the EAC Peace facility and all contributions and disbursements from that fund.

3. Methodology

While undertaking this oversight activity, the Committee:

- i. Interfaced with the heads of organs and institutions and other responsible officers for the implementation of the budget.
- ii. Made reference to the Treaty, the EAC Budget Act, the EALA Rules of Procedure and the EAC Financial Rules.
- iii. Prepared this report for consideration by the Assembly.

4. Status of contributions by Partner States as of 22 June 2024

The committee was informed by the Director of Finance and heads of organs and institutions that as of 22 June 2024, the Partner States had made contributions as indicated in the table below.

The Republic of Burundi in arrears of USD 9,430,352, and the contribution due in the FY 2023/2024 is USD 7,352,124. So far, it has contributed USD 5,666,310, representing 76 per cent for this financial year and therefore, outstanding arrears, including the other year, is USD 11,216,166.

Can't we clap for them? Thank you.

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The Democratic Republic of Congo, arrears are USD 7,352,000. Contribution for this year is nil, percentage is nil, and they are in outstanding arrears of \$14,704,248. Let us clap for them. You people are very mean.

Republic of Kenya, we are in arrears of \$20. That was for the other financial year. The money to be contributed this year is \$7,352,124. They have so far contributed this year \$7,352,124 representing 100 per cent payment with arrears of \$20.

Republic of Rwanda. They did not have arrears for the financial year that passed. They are supposed to contribute \$7,352,124. They have so far contributed \$6,431,255 representing 87 per cent. They are in arrears of \$920,869.

Republic of South Sudan, they are in arrears of \$7,352,124. The amount of money they are to contribute this year is \$7,352,124. They have so far contributed \$6,903,993 representing 83 per cent and they are in arrears of \$8,610,255.

The United Republic of Tanzania has arrears of nil. They are supposed to contribute \$7,352,124 and they have so far contributed \$7,229,430 with a percentage of 98 per cent and they are in arrears of \$122,694.

The Republic of Uganda, did not have arrears. They are supposed to contribute \$7,352,124. They have so far contributed \$7,151,921 with 97 per cent contribution and they are in arrears of \$200,203.

The total arrears as stands now is \$24,134,620. Contributions for this year are supposed to be \$51,464,868. So far the amount of money contributed is \$39,825,003 standing at 77 per cent and the outstanding arrears are at \$35,774,455. May you allow me to skip the others? That is the most important.

Mr Speaker, can I skip those ones? Hon. Sankok is not supposed to permit me.

You can see on the table on page two that we have contributions as per other institutions like the Inter-University Council of East Africa, and the Lake Victoria Fisheries Organisation. The Partner States sent money direct to them, the Civil Aviation Safety and Security Oversight Agency - those are the three tables. I may want to skip it? You can read it on your own.

From the above tables, it is evident that save for the Democratic Republic of Congo, the rest of the Partner States registered remarkable disbursement for their financial contribution to the EAC budget in the Financial Year 2023/2024. The committee commends the Republic of Kenya, the Republic of Burundi, the Republic of Rwanda, the Republic of Uganda, the Republic of South Sudan and the United Republic of Tanzania for either entirely or substantially honouring their financial contribution during the period under review.

The above notwithstanding, at the time of writing this report, some Partner States still owe the Community arrears for the Financial Year 2022/2023 and some outstanding contributions for the Financial Year 2023/2024. Given the huge amount in arrears and outstanding contributions from

the current financial year, some of the organs and institutions of the Community, especially those that are entirely dependent on Partner States contributions delayed or failed to implement core programmes related to their mandate. These include the East African Court of Justice, the East African Legislative Assembly, the East African Competition Authority and the Kiswahili Commission.

The challenges encountered.

The committee was informed by the heads of organs and institutions that during the implementation of the Budget, they encountered the following key challenges:

- The delayed approval of the budget for the Financial Year 2023/2024. As you may recall, the Budget was approved on 3 October 2023 following the return of the Appropriation Bill by the Democratic Republic of Congo and the United Republic of Tanzania. As a result of this, organs and institutions started budget implementation in October 2023.
- Delays in disbursements of Partner States contributions to the EAC Budget resulted in delayed implementation of programmes and projects.
- There were reported low absorption rates in some institutions like the East African Health Research Commission due to low staffing levels.
- There have been delays in fulfilling the vacant positions in most organs and institutions as well as project staff.
- Underspensing on some programmes and projects that were funded by development partners. This was attributed to the overlap in the Budget cycles of the EAC and that of development partners.

Other observations and recommendations

During the approval of the Budget for the Financial Year 2023/2024, the Assembly made some reallocations within Vote 001 - the EAC Secretariat, Vote 002 – EALA, Vote 007 – The East African Science and Technology Commission.

The committee found out that the responsible officers in the finance department of the EAC secretariat did not enter this reallocation in the Budget management system, save for one reallocation from the planning department to the office of the Secretary General.

The committee takes exception to such actions that are aimed at undermining the mandate of the Assembly. Any exception without the approval of the Assembly is illegal since it violates Article 132(5) of the Treaty and section 4(3) and (4) of the Budget Act.

However, I have been informed that this has been complied with and the Budget was uploaded into the BMS system so we may wish to disregard this, which means that I have to skip that recommendation because this action has been duly done and there is proof to that effect.

Whereas all the other heads of organs appeared before the committee during this exercise, officials from the EAC Secretariat deliberately refused to interface with the Members despite the invitations and reminders extended to them. In his brief interaction with the committee, the Director of Finance informed Members that the Assembly has no right to access financial information relating to the utilisation of funds disbursed to the Secretariat.

The deliberate refusal to appear before the Assembly by the relevant officers of the EAC Secretariat may be construed as an effort to cover up the mismanagement of funds disbursed to the organs during the financial year under review. The committee takes exception to the conduct of the concerned officers. Any person in the service of the Community is under obligation to provide accountability to the utilisation of Community funds.

The committee recommends that the Assembly urges the Council of Ministers to take disciplinary action against the responsible officers of the EAC Secretariat for undermining their work.

It was noted that in the Financial Year 2023/2024, like in previous years, the Assembly approved the budget for staff salaries and other benefits yet not all organs and institutions have vacant positions in their structures. It was further noted that despite the existing vacant positions in the organs and institutions, the Secretariat continues to disburse funds for staff salaries and other benefits. These funds are often diverted to fund other programmes in the organs and institutions.

The committee further noted that during the period under review, the EAC Secretariat received special funds, including the EAC Peace Facility Fund amounting to \$6,753,400 from some Partner States to support the peace efforts in the Democratic Republic of Congo.

Without prejudice to the ongoing investigation by the EALA Committee on Rules and Privileges, the committee found out that this money was expended without the approval of the Assembly as per the requirements of Article 123(5) of the Treaty and the EAC Budget Act, 2009.

A review of these expenditure patterns per cost centre revealed that most of the organs and institutions spend substantial amounts of money on travels within and outside the region and to attend meetings whose accounts were not even documented. Suffice to note that the outcome of most of these meetings has no correlation with the four pillars of integration.

Some of the organs and institutions secured funding from development partners during the period under consideration. However, the committee was informed that some of the memorandum of understanding financing agreements were signed without clearance by the Counsel to the Community. The committee finds this very irregular.

A review of some of the MOUs and financing grant agreements revealed that most of the funds are used to pay consultancy fees, daily subsistence allowance, tickets and hire of conference facilities during meetings.

It was further noted that most of the donor-funded projects do not have a component of oversight. In these circumstances, the Assembly may not be in a position to keep track of the projects and their impact on the Community.

A thorough scrutiny of this project is important to ensure that they are aligned with our development objectives.

The committee recommends that with effect from the Financial Year 2024/2025 - there is an error – the Secretary General should ensure that all the memoranda of understanding and financing

agreements for projects funded by development partners should have a component for oversight by the Assembly. Agreements without this component will not be cleared.

Section 8 of the Budget Act read together with Section 10 of the same Act places an obligation on the Secretary General to present to the Assembly reports on grants and loans and reports on non-exemptions of taxes at any time before the 30th day of June in each financial year.

There is no record on the *Hansard* of the Assembly that shows that the Secretary General has ever complied with this statutory obligation. In the absence of such reports, the Assembly cannot ascertain the level of indebtedness of the Community or the impact of loans and grants on the integration process.

The committee therefore recommends to the Assembly to direct the Secretary General to comply with the provisions of sections 8 and 10 of the Budget Act, 2009 and present to the Assembly reports on grants and loans and reports on non-exemption of tax by 30 September 2024.

The committee was informed that the Assembly has an outstanding obligation of gratuity amounting to \$1,375,000. The committee expressed concern as to why the Clerk did not prioritise this payment of gratuity which is a mandatory payroll deduction.

The committee also noted that owing to liquidity challenges and outstanding obligations to service providers in the Financial Year 2023/2024, the Assembly borrowed \$2,304,975 from the General Reserve Fund.

The committee recommends that the Secretary-General should develop guidelines and standard operating procedures to streamline Budget execution in all organs and institutions of the Community. During Budget implementation, priority should be given to statutory obligations like salaries and the critical programs that relate to the core mandate of the respective organs and institutions.

In the approved budget for 2023/2024, there was a component of \$1,055,297 from the United States Agency for International Development to support the implementation of critical transboundary watersheds and ecosystem landscapes under the sustainable land management practice.

However, the committee was informed that the commission did not receive any contribution because no financing agreement has been signed to date. The committee faults the Executive Secretary for misleading the Council and the Assembly to approve and appropriate this money well knowing that he had not concluded the requisite procedures.

Maybe this is not clearly written. Lake Victoria Basin Commission had sought approval for the Financial Year 2023/2024 of an amount of \$1,055,297 that was supported by USAID. However, up to date, there has been no financing agreement and therefore, the appropriated funds have never been secured so it wasn't well and that is why the committee is saying, let us scrutinise financing agreements before.

The committee recommends that the Assembly urges the Council of Ministers to always stay the approval of budgets for projects funded by development partners whose financing agreements are not yet signed.

The Assembly cautions the Executive Secretary of the Lake Victoria Basin Commission against the practice of submitting to the Assembly budgets of projects without signed financing agreements.

Rt Hon. Speaker, I beg to move that the House considers and adopts this report.

The Speaker: Thank you, Hon. Chair. I now propose the motion that the report of the Committee on General Purpose on the assessment of the Implementation of the East African Community Budget for the Financial Year 2023/2024 be adopted. Debate is open. The members of GP, please give the floor to others.

5.31

Dr Jeremiah Woda Odok (South Sudan): Thank you very much, Rt Hon. Speaker. From the onset, I want to support this report of the GP Committee and I want to also congratulate the Council Chair and although she is not around, the new SG who is the first ever female SG in the Community.

Rt Hon. Speaker, I think this report was circulated to us at 4.12 p.m. and according to the Rules of Procedure, the report has to be circulated at least three hours before. I do not blame the Committee of GP under the able leadership of my brother Hon. Mukulia but because of the limited time which all the committees have been allocated, these people have been working day and night. We, as Members of this Assembly, couldn't even go through the very valuable report so that we discuss it.

So, I stand here and say to the Chair, and Council that the days for EALA have to be increased because we cannot come from our Partner States and work for nine days for a very important session like the Budget session.

Let me go back to the report. I have seen that one of the officers or some officers really refused to appear before the Assembly. As Members of this Parliament, we have four cardinal roles: representation, passing legislation, oversight and then passing the Budget.

What gives an officer of this Community the audacity to refuse to appear before the Assembly? We are here to account for the money of the taxpayer. I add my voice to the committee to recommend that such officers in this Community have to be accountable, they have to be named and shamed. If we do not set the records right, we will not be doing anything or being fair to the taxpayers of this Community.

I stand to support the report and we really need more days. You can see the level of commitment of the Members. We are here. I am coming from the clinic with medication but I am here to work. So, I appeal to the Council of Ministers, to the Front Bench here that they have to be here with us because all the Members of the Assembly are committed to doing some work. We are not here just

to pass some time, we are not here to take our monies which are in arrears but we are here to do work. I submit and support the report.

The Speaker: Thank you, Hon. Dr.

5.33

Mr David Ole Sankok (Kenya): Thank you very much, Mr Speaker. From the onset, I support this very good report from the General Purpose Committee, which is our Budget Committee. I also want to thank the Chair, Council of Ministers and the Minister responsible for EAC Affairs from the United Republic of Tanzania and our CTC as well as our SG for attending this very important session. We will urge them to be patriotic enough to this economic bloc and to continue attending. I want to request the Chairman, Council of Ministers to benchmark with the Assistant minister responsible for EAC from the United Republic of Tanzania because he is always here attending with us.

Mr Speaker, once again, because I did not get a good opportunity, I congratulate the honourable SG, Her Excellency Veronica Nduva for being the first-ever female SG in our economic bloc. She has worked as a PS, an accounting officer and I have no doubt that her experience, as an accounting officer will be paramount as an accounting officer of the EAC economic bloc.

Mr Speaker, she has a wealth of knowledge from civil society, and from the Government of the United States of America and I am sure that she will be an asset to all of us. She is intelligent, forthright, progressive and a woman of integrity. Thank you very much, Mr Speaker.

Coming to the report, Mr Speaker, from what the report indicates and I want to congratulate six out of the seven EAC member states for having paid their remittances - In fact from the report, only one has remitted zero per cent. It is painful because some activities have been delayed or postponed. We were to go for oversight of the Northern Corridor and the Central Corridor but we were not able to go there, we remained in our home areas in our countries.

Mr Speaker, we did not go for the Accounts Committee activity that was supposed to be in Addis Ababa. Most of the committees did not go to their activities. What does that mean? It means that you remain loitering in the states *kwa kijiji* at home and the taxpayers who sent you here and who are paying your salary will ask you, *Arusha ni kijiji? Unafanya nini kwayi kijiji?*

Mr Speaker, we do not have answers because we are supposed to be here because we are earning a salary. We are supposed to be working because we are earning a salary and for our countries, especially Kenya which overpaid, it also in fact gave money. We only have a balance of \$20 – *dollar ishirini hata mimi nawaze lipa* (even me, I can pay) Mr Speaker, even I can pay on behalf of Kenya.

They are wondering why they see me in Nairobi, in Naro, why they see me taking care of my cows yet they have paid for me to be here in Arusha, East African Legislative Assembly to make laws that will make their work easier and to make sure that they reap the benefit of this very important economic bloc of 1.4 billion acres of land or 350 million people which is a potential market for Kenya and for any other country.

Mr Speaker, this economic bloc with 6500 kilometres of coastline; we can import from the Far East, the Middle East and from the West through the Atlantic Ocean and through the Gulf of Aden.

Mr Speaker, you can imagine that with that massive economic bloc, we are loitering in our streets because of the lack of remittances by some countries. We want all of us to be human enough and to be moral enough to ask our people and our heads of state to pay remittance.

Mr Speaker, when school fees are not paid, a child is suspended back to go home, not because the child is the one with the obligation of paying school fees but we send them home to go to their father so that they know that it is serious. Even us we are not saying our Members are in the wrong as they are not the ones paying but we can simply send them to their father who is the President and head of state to tell them that money is required for the activities of this important economic bloc.

I have been sent here by the payers of Kenya and I have an obligation to protect their taxes and I will do so because I am patriotic to the East African economic bloc. If there is anybody who is patriotic to this Community, it is me. I am a walking flag of the East African flag. I wear the East African economic bloc flag because I am patriotic to this economic bloc and we cannot allow this economic bloc to go down.

Mr Speaker, my suggestion was that, because children who do not pay school fees are suspended so that their parents can pay, even here we can say, those countries that have not paid can attend our activities virtually and their salaries delayed until the Partner States pay because that is the logical thing to do. When the child misses classes because they did not pay, it is not the mistake of the teacher or the school administration. It is the mistake of the parent who has not paid the school fees and they have to pay.

Mr Speaker, with those many remarks, I want to support and urge the House, because we are already almost squeezed in terms of time, to approve this as quickly as possible so that we can move our economic bloc forward. I am too patriotic to this economic bloc. This economic bloc, in Jesus' name, will stand and it will be the best economic bloc in the world. Thank you very much, Mr Speaker. I support.

The Speaker: Thank you, Hon. Sankok, in Jesus' name.

5.42

Mr George Odongo (Uganda): Rt Hon. Speaker, I really had wanted to debate this report in the presence of the honourable Secretary General –

The Speaker: The CTC is around and the Chair, Council is here.

Mr Odongo: I am aware that the CTC and the Chair, Council are around but this report has context and since the Secretary-General has just assumed office, it is important that she understands the context that she is inheriting and perhaps with this debate, she will get deeper insights of where

this Community is coming from, particularly in the last three years and its ambitions as reflected in this report.

Mr Speaker, I will find some good time because I have also not been able to congratulate her, and I want to congratulate her in style.

Institutions are not an end in themselves. Actually, for you to be called an institution – an institution is an expression of values or ethos. Therefore, institutions exist because there is a culture around them. What this report indicates is that there has been a culture that has festered, and over the years is beginning to eat up our institutions, our organs and eventually our Community.

I am glad that as we debate this report, there are indications that early next month or even very soon, the Council is going to have a retreat. And during this retreat, the Council is going to attempt an introspection of what the EAC is and where we want to take it.

Every single year this Assembly is furnished with three very important reports. There is a report on the proposed budget estimates. There is a report on the audited accounts. The third report is on security and foreign policy coordination. These reports provide the Council with operational insights which feed into their strategic responsibility of oversight – overseeing all the institutions and organs of the Community on behalf of the Summit.

When you read this report, you see that there are gaps in implementation, and this has been cyclical. Every single year, the reports are almost the same, showing how those in charge of the votes where we, by the way, allocate resources, seem to be very reluctant to provide valuable information to the Assembly.

When you read these reports, you will find that some of the officers have decided to be contemptuous of the roles that the Assembly plays in ensuring that there is oversight in the implementation of the budget. But why are these officers behaving the way they are? These officers are behaving this way because they have identified that there is a huge weakness within this Community when it comes to the implementation of the Assembly's recommendations. *(Applause)*

And for as long as the Council does not seize the opportunity now to actually take their function very seriously, in the subsequent years we are going to see the same report with the same officers or even worse, with others joining, becoming defiant, and yet every single year, when you see the report of the Independent Audit Commission, you are going to see that two critical things are happening in this Community;

1. That the officers responsible have found a way of getting away with regulations, rules, and procedures for effective implementation of the budget. This has caused the Community financial losses.
2. Another thing that I have noted here, which the committee has properly picked, is how resources from grants are largely spent through consultancies. There is a huge amount of haemorrhage that goes through consultancies. Interestingly, though, from our own oversight experience with all these institutions, there has been centralisation in the identification of consultancies. *(Applause)*

You will go to Kiswahili Commission, and they will tell you there was a budget for consultancies, but the person who identified the consultant is in the Secretariat. You will go to the East African

Health Research Commission, and they will tell you there was a budget for consultancies, but the person who outsourced the consultant is the Secretariat. The over-centralisation of the identification of consultants is an area that the Council needs to keep an eye on because a lot of resources are being spent on consultancies.

Interestingly, though, is that while different budget lines are struggling with budget performance, the budget lines on consultancies are almost at 101 per cent. Isn't it curious that those budgets are the ones that perform the most? And isn't it curious that the identification of the consultants is centralised? And aren't you, as a Council, concerned that officers – and that is why I thought that the Secretary-General should have been here – aren't you, as a Council, concerned that officers whose role is to implement these budgets and who control a lot of resources are beginning to be defiant in the calls by the oversight committees of this Assembly to come and explain expenditures on budgets that we have appropriated as a House? Don't you think that East Africans are concerned that there are a lot of resources which are not accounted for?

The non-implementation of our budget is also essentially because we have withheld the recruitment of staff in most of these institutions. And yet we budget here. I will give you an example of the Kiswahili Commission. We realised that monies are available for payment of staff that have not yet been recruited. At the end of the financial year, that money is sent back and taken to the reserve account. The reason behind it, the motivation behind the non-recruitment, in my opinion, is because there is an incentive for these people to justify consultancies. Because most of the consultants are justified by not having sufficient staffing in those institutions.

Mr Speaker, the Council has got to put its foot on the ground to save the Community from the haemorrhage of resources. Otherwise, we are going to have these reports. This year we are going to debate it, next year we are going to debate it, and we are not going to have value for money.

I support the report and I am hoping that the Council can take an interest in this matter. Thank you very much.

The Speaker: Thank you, Hon. George Odongo.

Ms Mary Mugenyi (Uganda): Clarification, Mr Speaker.

The Speaker: Clarification? Okay.

Ms Mary Mugenyi: Yes, please, Mr Speaker. Based on what the Hon. Odongo has just said about consultancies, I would like the CTC and the Council of Ministers to find out whether these funds for consultancies that are mainly from donors are not allocated for consultancies. You know, that is one of the reasons why I really do not like donor money, or I do not trust it or respect it. Many times you find that donors are willing to fund areas like consultancies. Consultancy in this, consultancy in that!

Sometimes you will find that they are even sending their own consultants who come and earn the same money that they are giving. Therefore, I would like a clarification as we are digging out on this issue, whether the money that is given by the donors to consultants to work is particularly given on the basis that this will be used to pay a consultant to do this work or the other, in which case then the Secretariat would not have much to do with it. Thank you.

Mr Sankok: I can provide information.

The Speaker: What is the information?

Mr Sankok: Mr Speaker, I am a member of the Accounts Committee, and I think I concur with Hon. Odongo. We can take an example, and I can give you information on that particular example. The procurement officer from the Secretariat. That procurement for four other institutions, including the Swahili Commission in Zanzibar, the East African Health and Research Institution in Bujumbura, and the Lake Victoria Fisheries Organisation. So you can imagine the procurement process. When that procurement officer from the Secretariat is in Zanzibar for two weeks, for instance, who is taking care of his job here, or her job, yet they are paid to work here?

They jump from Zanzibar all the way to Bujumbura. They spend another two weeks, who is doing their job here and who is now procuring for the Kiswahili Commission? After that, to Jinja and all over. We found that they have been out of office for four consecutive months, cumulatively.

Dr Woda Jeremiah: Mr Speaker, further information, just to enhance. We come from the same account committee, and it is not only the procurement officer. Hon. Sankok, you remember the accountant also keeps on going from one institution to another institution from the Secretariat, so it is not only the procurement officer.

Mr David Sankok (Kenya): Mr Speaker, I accept the information. I was just giving an example of one,; a procurement officer. We lose four months in which they are not working. When you again account for the air tickets and the per diem paid to that particular officer, that could have employed procurement officers in each institution.

Mr Speaker, we are wasting a lot of resources. There is a lot of haemorrhage and what the Hon. Odongo has said about the consultant, sometimes it is actually from within. And if they source, they source their friends who have given kickbacks. It is the money within the Secretariat. That is why the Secretariat budget is larger than any other institution here because of haemorrhages.

Therefore, it will interest the Council of Ministers to look into that haemorrhage and control it. Employ procurement officers in each institution, audit officers, internal auditors in each organ, employ accountants so that they do not jump from one aeroplane to another. In fact, they change clothes mid-air. *(Laughter)* Thank you.

Mr George Odongo (Uganda): Mr Speaker, the Hon. Mary Mutyenyi's clarification, is around grants. And she is asking that perhaps there is a budget component of consultancies embedded in the grants agreement. And that is correct. But remember that grants are negotiated. To justify a grant, you must indicate gaps that require funding.

So what happens is that during the negotiation of grant agreements, there is an indication of low absorption capacity because of a lack of technical staff in the different sectors. That becomes a justification for allocating finances for consultants. And during the grants agreement, there is then provision, a clause in the grants agreement for consultancies on the basis of lack of technical skills in the different sectors. This is how they justify it. It is there, provided for in the grants agreement. But the grant agreement is something that is negotiated, and that is what they use as the justification.

It is a very bad practice, and it is something that the Council has got to look into because we have resources. This very Assembly sends resources to those institutions for the recruitment of staff. But the recruitment does not take place, and the money comes back to the Secretariat. And the

following year, it is the same thing. So they enjoy it that there is no recruitment going on so that the consultants keep on going.

The Speaker: Very complicated. Honourable members, before I give the Floor to Hon. Francoise, we have to remember that we have a new SG who is qualified and who knows what accountability means. She knows what good governance means, and is willing to work closely with us. *(Applause)* We have to find a way to discuss this with her, and with the Council, who is very committed to us. All of these wrongdoings that you have noticed, we have to go through them again and discuss. We hope that we find a solution.

6.00

Ms Francoise Uwumukiza (Rwanda): Thank you very much, Mr Speaker. I hope the microphone is now working. Thank you for the Floor once again.

I would like to tackle just two aspects by saying that those consultancies, most of them are built on donor money. A big part of the budget of this Community is supported by donors, more than 40 per cent. It has been even bigger before. We will continue to encourage countries or Partner States and the Council to make sure money from self-reliance is the most important part of the life of this Community because dependence and overreliance on a single donor can make the organisation financially vulnerable.

We could observe this, especially in the social sectors, whereby this money is granted, but donors follow the money, and they are even the CEO of the project that they are supporting. So they come and utilise the money, and the money is back from where it came from. I think we can think about that, and see how we can restrict, you know, funding as much as we can have our own support.

Another issue with donor money is the loss of autonomy. You know, they come and tell you to do this or that. If you do not do as requested, then I will withdraw. In addition, the project is ongoing. Some projects stopped abruptly because of this attitude of donor-funded projects.

Secondly, I appreciate the report, again, of the General Purpose Committee, because this report is informative, and I will only stick to pages 6 and 7. All the Members who spoke before me mentioned this big issue. The issue is about some officers of the Secretariat who denied the committee the right to exercise their legal mandate.

During the previous report, it was well highlighted on page 3 of section 4, subsection 5 of the Budget Act which provides that, *“In the exercise of their function, under this section, a committee of the Assembly may call a member of the Council, the Secretary-General, any person holding office in the community, or any person holding a public office to the Partner States and private individuals in to submit memorandum or appear before it to give evidence.”* In Rwanda, we call it to appear before PAC. It is to appear before the Parliament. The General Assembly, the Parliament-*(Interjections)* Yes, it is the Public Accounts Committee, but they account to the Committee on General Purpose now. GP has the right to call them.

When they deny their presence to come and explain how they are accountable for taxpayers' money, I think it is a big problem. We can take it beyond a simple recommendation here. You know how the House recommendations are not given attention, as I earlier said in my previous submissions. We should take a decision. Maybe we make this a court case if we need clear clarification. Alternatively, anyone with further wisdom to tell us if really those officers are not

right to appear before the committee so that a decision is made once and for all to avoid these issues in the future. *(Applause)*

Mr Speaker, I continue to comment on this, why it is important for the Assembly to get the information. *(Interjections)* Yes, I will take the information.

6.04

Mr James Millya Kinyasi (Tanzania): Mr Speaker, however much I fully agree with what Hon. Uwumukiza is saying about going to court, we have a very able Council Chair and the ministers who are here. They have heard what we are saying as a Parliament. Donor funding is being misused. We are only asking them to put a few stands on the officers of the Community, that one, this Treaty gives us power as Parliament to oversee everything in terms of finances and how the Community is run.

Please give directions, as we have the new SG, to tell the officers. Parliament, if we deal with the SG, why cannot we deal with them? That is one. Two Members; Hon. George Odongo has said it very clearly. Donor funding is being misused. I want us not to actually negate the point that we have not been given conditions by the donor community. We have actually not received any. They are still very good to us. Maybe in the Partner States, they give conditions, but –

The Speaker: Point of procedure.

6.06

Mr Kim Gai: Mr Speaker, I think Hon. James is not giving information to Hon. Francoise. He is debating. Information is for only one minute. You have to inform if Hon. Francoise is lost or not lost. You have to be based on our Rules of procedure. He is misleading the House.

Mr Millya: Mr Speaker, let me finish. I was saying that if it matters – I do not want to say what – but please, let us form a Select Committee.

The Speaker: No, this is not information.

Mr Millya: Thank you, Mr Speaker, but we can form a Select Committee to deal with this misappropriation of funding and corruption within the Community.

The Speaker: This is a recommendation. Let us go back to Hon. Francoise.

Ms Uwumukiza: Thank you very much, Mr Speaker. Let me conclude by saying that this House is not going to be held accountable because of the errors of the organs and institutions, especially the Secretariat that is not supporting their commitments.

Lastly, this Assembly is preventing abuse of power, as you have seen, and we will continue in this line by improving policymaking, leading to better actions for citizens and improved livelihoods. These will go through the standing committees we have. As the Chairperson of the Committee on Agriculture, Tourism and Natural Resources, we have a passion for supporting food security and mitigating climate change.

We also have responsibilities to make sure the tourism sector is improved by making this Community the best tourist destination and so on. We have a lot. We have the natural resources;

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we have the single-use plastic management to do. Therefore, we cannot just allow this Community to stop the acceleration of integration because of the money that is misused.

Thank you very much, Mr Speaker. I get to support the report.

The Speaker: Thank you. Now we go to Hon. Kakooza.

6.08

Mr James Kakooza (Uganda): Thank you, Mr Speaker, for the opportunity. I also want to thank the committee; the report is very comprehensive.

Mine is a request from the Council and the Secretary-General, as you have said, that they should get interested in these matters. Since they are new, we should start on a new page. When you look at this report on the budget, page number six, *“the committee recommends that the Assembly urge the Council of Ministers to take disciplinary action against the responsible officers who refused to enter into the budget management system.”*

When you look at the East African Community Staff Handbook, there is anti-corruption fraud and the anti-corruption policy within that policy. Corruption does not mean only money. Even the action you take to implement a decision is also corruption. I was encouraged by what the Chair of the Council said about accountabilities. We have a problem and this is where I request the Council and the Secretary General to quickly – You see, we have got finance and rules and regulations but there are no sanctions. The legal framework to put punitive measures on the misconduct of the staff or the chief accounting officers of those votes – there is no law. These rules and regulations are manual operations but they are not punitive. *(Interjections)* I will take the information.

Amb. Fatuma Ndingiza: Thank you, Hon. Kakooza. I just wanted to add that this Assembly, in 2021, passed an EAC Integrity and Anti-Corruption Bill. This was to follow up and punish acts of corruption in the Community, specifically in the EAC organs and institutions. Unfortunately, our Heads of State have not assented to it. Maybe the Council can take an interest in this because it can help in curbing corruption here. Thank you.

Mr Speaker: Is that further information?

Mr Musamali: Thank you, Mr Speaker and Hon. Kakooza for giving way. Being a member of the committee, I may not have the opportunity, but this information is very important. Since you are talking about discipline and you are appealing to the Council to discipline these errant officers.

I am in receipt of information right now from the Kiswahili Commission where – I want you to add this information to your submission. An accountant of the Commission forged an invitation letter. When EALA was sitting in Nairobi in March, this accountant forged an invitation letter that we invited him to come and attend the budget process. When we were in Nairobi, we were not handling any budget. Now this officer has held the Commission at ransom and has refused to pay service providers because the Executive Secretary has refused to clear the DSA which he wants to earn fraudulently. He is refusing to pay, claiming that until he is paid, that is when he shall also clear the service providers.

You can imagine this level of impunity and indiscipline. That is the information I wanted to bring to your attention and the attention of the House. Thank you.

The Speaker: But Hon. Musamali, did you verify your information? Because if he has forged documents, and if he is now resisting everything, this is terrible. Hon. Kakooza?

Mr James Kakooza: Let me finish up my point because I could get lost. *(Laughter)* You see, Mr Speaker, however much we have financial, rules and regulations, according to me, and according to the profession of auditing, where a chief accounting officer has no sanctions, I can tell you, he can do anything and get away with it. That is why we request the Council to quickly - Of course, I put the Council on notice that the House gave me permission to bring the Public Finance Management Bill, but I am ready to get input from the Council so that we prevent all these loopholes and leakages from officers who are abusing the rules because there is no sanction in the financial rules and regulations that can punish them to stop their behaviour.

You have heard about the accountant. He is blackmailing the institution but remember in March, we chased that accountant away. He is the one we chased in Nairobi. We agreed and said that he should refund the air ticket money but who invited him? You see this behaviour and it is going on in all institutions.

When you look at the page where they talk about Lake Victoria Basin, how did they go to acquire a loan of \$1.3 million without the approval of the Council? The auditors have mentioned that there is a persistent behaviour of staff within the Community; because they know there are no punitive measures, they can get away with it. When you look at the audited reports from three years back, they tell you about the non-compliance of these institutions. I can read them-

1. EAC – 33 per cent
2. EALA – 27 per cent
3. EACJ – 67 per cent
4. EACCA – 38 per cent
5. Kiswahili Commission – 56 per cent
6. Lake Victoria Basin Commission – 32 per cent
7. Lake Victoria Fisheries Organisation – 20 per cent
8. East African Health Research Commission – 81 per cent
9. The East African Science and Technology Commission – 24 per cent
10. The Civil Aviation Safety and Security Oversight Agency – 50 per cent
11. The Inter-University Council for East Africa – 17 per cent

Why do they not comply with these controls? It is because of the directive from the Heads of Summit. They said, “Recruit all the human resources in these institutions.” This is why Hon. George Odongo was saying that there is a cartel; that they refused to recruit the human resources to effectively perform in these institutions and there is a centre in the Secretariat, which refused to benefit from that consultancy, and indeed it is true. If that behaviour continues, we shall not be properly accounting for money coming from the Partner States.

My conclusion is that as Council, the stone you have seen cannot hit a hoe. Since we are starting on a new page, we should have checks and balances. Fraud and control systems should be put in place, so that the money we have, however little it is, is utilised properly. I beg to submit. *(Applause)*

The Speaker: Thank you, Hon. Kakooza. Honourable members, if you are willing, we can stop debating because it is a bit late. We still have one person, Hon. Gideon, but if you want to continue, we will stay here. *(Laughter)* If you want, we can stop our debate after Hon. Gideon who is here. Hon. Gideon, you are the last one.

6.18

Mr Gideon Gaptan Thoar (South Sudan): Thank you, Mr Speaker, for this opportunity. I would like to congratulate the Committee on General Purpose and the able chairperson, Hon. Kennedy Mukulia. My colleagues have spoken, but I want to add a few things.

The question of spending on item 5.0 on page 6, that is Table 4, on that matter is a big deal to discuss. Underspending the money donated by Development Partners, it is a big thing to discuss. I was reading through the report but I could not tell why there has been underspending. We have seen the implication; that it is causing an overlap of the budget between EAC and the Development Partners but what are the causes?

These are the things we need to really address. We should have reasons explicitly in this manner so that we can be able to deal with it. Is it because there are conditionalities attached to the functioning or delivery of the projects? What is it? Is it because we have weak reporting on the side of our staff of the EAC in charge of these kinds of projects or is it because of our procurement procedures? Those are things we need to ask; these are questions we need to ask ourselves. What is it that is bringing us to this kind of situation?

Mr Speaker, I think it is high time that the Assembly interests itself in the projects funded by donors because that is where we have people who are doing things that may not be to the credit of the East African Community. I always emphasise in my submissions that the East African Community is a model of good governance.

Let me connect it to these staff who have deliberately refused to come and interact with the committee. I want to say that this is a deliberate violation of our main function. We as an Assembly, according to Article 49, have the responsibility to carry out oversight. This oversight has to focus on many areas.

If we talk about the function of the Committee on General Purpose, the committee that was supposed to be meeting these staff, they were trying to look at the question of accountability and transparency in managing the resources of the East African Community. That is directly under Article 6(e) of the Treaty. You cannot allow this to be violated because it is the foundation of our Community.

So, Mr Speaker, let us develop an interest in making sure that through the Council, we have a special way of dealing with the projects funded by donor money. We need extreme actions that are going to lead us to accountability.

As said by my colleagues, we have been blessed with an Honourable Secretary-General, a lady that we all hope to deliver for our Community. *(Applause)* We do not want to sound like we are

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putting her under huge pressure, but I think for this particular case of these staff who have refused to interact with the Committee on General Purpose, through the Council, we need action and it must have a time frame. Whether it can be done within three or six months, let us know that there must be a time frame and that report must be given to the committee so that it deters other interventions or actions of people who may think along the line.

If you do something, it becomes a tradition. If these have refused today, others will refuse tomorrow. The committee will be asked, "It was done before, what did you do to those members?" So, it is our Assembly to act.

Mr Speaker, as I conclude, it is a duty for us, the Members of Parliament, to keep the managers of this Community in check and they cannot escape that. *(Applause)* I think they have seen the action of Parliament. Parliament had spoken and it was seen by the whole region. So, nobody is above this Parliament. *(Applause)* This Parliament is our comparative advantage in Africa as a continent. It is what distinguishes us from others. It is what makes us number one, so we cannot allow our function to be undermined. *(Applause)* No way, Mr Speaker!

Let me wind up with the question on low budget absorption by the East African Health Research Commission due to low staffing. I urge the Council to take a keen interest in trying to put our Health Research Commission in good hands and be professional enough to deliver services to East Africans. The world is complicated. We need our Health Research Commission to function well, so we need staff.

Thank you, Mr Speaker. I submit and I support the report.

The Speaker: Thank you, Hon. Gideon. Honourable Chair, the honourable Members have raised very sensitive issues. As the Speaker of this House, you have to seriously consider these matters because I want my House to be respected. *(Applause)* You should deal with these officers who refuse to respond and delay our activities and plenaries.

They have raised issues about cartels of officers who organise themselves to loot the finances and properties of our Community using all means. They know how to get this MOU that allows them to recruit their friends and families. *(Applause)* They know how to get the consultants; they consult themselves. Others have been spending four months travelling and getting per diem and salaries. Four months; getting paid every day. *(Applause)*

We have this officer in the Kiswahili Commission who forged - I hope I am right - a document. This is grave. Honourable Chairperson, with this, I call you to respond to these issues; you have the Floor. Yes, Honourable Minister, you have the Floor. Before you declare, respond.

6.27

Mr Stephen Lujwahuka Byabato (Deputy Minister of Foreign Affairs and East African Cooperation, Tanzania): Thank you, Mr Speaker. Before the chairperson of the Council of Ministers responds, I wish to also make some comments. I was just talking to him that initially when the Member on the Floor wanted some of us to give a word on top of what he had already said, I was telling him I could not agree to take the chance because leaving alone the rules, the Protocol does not allow it.

He has already spoken –(*Applause*)– and all of us were nodding and agreeing to what he said. He has put it right. I am not in a position to put some more water in the good juice he has just made for us. (*Applause*) Altogether, the fact is that the Members wanted us to say some words. We appreciate that but it was well put by our Council Minister. (*Applause*) Hopefully, he will also conclude again on this one. I just wanted to make a few remarks.

Mr Speaker, I am speaking for the first time since we lost one of us in this House and unfortunately, she was from my own country, Tanzania. We did not just lose a good fellow from Tanzania; we, East Africans, lost a good person –(*Applause*)– a devoted colleague and a workaholic. It is not only the loss of the family but the nation and Community at large.

So, I am standing here to pay tribute to her and give you tribute to all of the Members of Parliament for losing one of your Members who has been a sister, friend and colleague. We always say back home that *pengo lake halizibiki*. When we say that, we mean it because we do not hope to get someone definitely like her. Of course, someone else who may be better or less than her could be coming up, but not her. So, *pengo lake halizibiki. Pole sana* and God be with us all.

Mr Speaker, the –(*Interruption*)

Dr Saidi Kibeya (Burundi): Procedure, Mr Speaker.

I would like to move that the House suspend Rule 11(1) to conclude this matter for today. I beg to move the suspension of Rule 11(1) about the time of the meeting and hours of the meeting so that we can conclude the debate and business for today.

The Speaker: Thank you. Do you have seconders? Hon. Kakooza and the others.

(Seconded by Hon. David Sankok, Hon. James Kakooza, Hon. Dr Makame Hasnuu)

(Question put and agreed to.)

The Speaker: Continue, Honourable Minister.

Mr Stephen Lujwahuka Byabato (Deputy Minister of Foreign Affairs and East African Cooperation, Tanzania): Thank you, Mr Speaker, Sir. The other comment I would like to make - although she is not here, I am on record - is to congratulate Hon. Veronica Nduva for her appointment as the new SG in the Community. All of us here have been saying that she is the first lady to be the SG of the Community. (*Applause*)

I would like to put it clearly that it is not because she is a lady that she has become the SG. That is not what we mean, though when we say it, it seems like that. She is capable, fit for the position and is the proper person to take up the wheels for now. So, being a lady is an added advantage which we can just state because back home in Tanzania, the President of the United Republic of Tanzania is a lady and we enjoy her leadership. (*Applause*)

I also have another example I will give. The Speaker of the Tanzania Parliament, who is the President of the IPU, is also a lady. So, we have trust in her and if she was here, she would have heard it on the record. I would have said to her that with all the credentials we are giving her, we expect much from her, as much as she should expect from us. (*Applause*) We do not think she will fail us because her nation chose her among all the people to be in this position.

From Tanzania, we assure her of our cooperation –(*Applause*)- and we will make sure that she is received in the Community, which is not in a good position, as we heard from the contributions of Members. But we will make sure that we have a good outcome so that when our time is up, we have something we can recommend and put on record.

Mr Speaker, there are two other points I want to make. Some Members here were trying to preach to the converted, speaking of us who are here today and insisting that Council members should make sure that they attend. We are here. (*Applause*) Hon. Sankok put it well. He congratulated me and us who are here today and urged the others to come. (*Applause*) I am always here with you, so I am already converted.

You should not worry about preaching to me to be here. It is just that we were taking votes for the budget back home yesterday. We had that session in the evening, so I missed the sessions here. I had to be recorded that I voted “yes” to the Budget of Tanzania. (*Laughter*) I still want to be a Member of Parliament from Chama Cha Mapenduzi, but to also continue holding this big position –(*Applause*)- which Her Excellency, Madam Samia has given me to be in.

So, we will take this message to our fellow members of the Council of Ministers that you urge them to be here. Their presence is highly needed and appreciated. (*Applause*) We understand what you mean because I have been sitting here and I can feel the gap of the Council of Ministers responding and taking responsibilities to a further step.

So, be rest assured that with the presence of our Chair today, and the comments and response he has given, we are having a meeting for the Council of Ministers tomorrow. This is one of the points we are going to deliberate on and make sure that it is taken as a big concern.

Mr Speaker, the last point I want to make is, after hearing what has been going on with officials, the Secretariat and whatnot, I agree with everyone that we should not just act right away, but take scrutiny of what is happening. (*Applause*) Listening to the contributions here, you can be confused.

In one session, Hon. Mugenyi proposed that maybe we reduce the number of Members of Parliament and the other Organs of the Community so that we have enough budget to save the Community and have a good outcome. But in the next debate, we are proposing to employ more people to work for us, so that we can come out with good things. The two are very proper and crucial but either way, what we are looking for is efficiency and deliverables at a lower cost.

Many of us here know that when you centralise whatever it is - the procurement and work - you expect a lower cost, but it might not be efficient. Now, if we have a person here who is a procurement officer working at the Secretariat and the other three institutions, I would expect it to become cheaper, since they are five in number. I would expect it to become cheaper like employing Artificial Intelligence, that you have one person working for and on behalf of ten people. If he or she is in office but is taking more time to deliver, he or she is much costlier than employing a person in each of the other institutions. That is not efficient and we do not need that one.

So, as the Council of Ministers and the Secretariat, we shall go back and scrutinise how we are working and what we are getting out of what we are doing. From there, we will come up with a proposition to expand employment opportunities to make sure we have enough people who will serve us at an efficient rate, but lower cost. That is what we are looking for and I hope we can do

that easily and quickly. When we attend the meeting tomorrow, I hope we will deliberate all of this before –(*Interruption*)

Mr George Stephen Odongo (Uganda): Mr Speaker, I think we are speaking the same language, except that there is a misunderstanding on the question of recruitment. There is already a budget that you, as the Council, have passed and allocated for the recruitment of staff that would improve efficiency. So, what we are saying here is not to increase the number of people who are here.

We are talking about implementing a decision that you, the Council, have taken, which would reduce the cost of consultancies and improve the efficiency of those organisations. This is because the bulk of the money is returned; the money that has been budgeted for paying salaries of staff positions which are not filled. So, the money is there to pay for the staff and once it has not been expended, it is returned. We are not putting any additional cost. We are simply saying we want an improvement in efficiency, which I think you were also talking about.

We are not saying we want to add additional staff. That is the impression I am getting from the Honourable Minister; that we are saying at the same time, increase the number of employees. No, we are not increasing the number of employees. We are simply saying implement the Council decision which has a structure and has identified staff, and has budgeted for them. But this has not been done and the money is coming back. What they are doing is to use that as an excuse to spend more money on consultancies, to do exactly what the other staff would have done at a lesser cost.

Mr David Ole Sankok (Kenya): Thank you very much, Mr Speaker and Honourable Minister. If they were working digitally from Arusha on those procurements or accounting or audit issues, then it would be cheaper. I urge you to go and scrutinise how much is used in per diem and air tickets to travel to the four institutions, and how much time is lost when they are not here in Arusha and the work that they were supposed to do is delayed. So, it is expensive, both in time and finances. It will be cheaper to employ.

Mr Speaker, I think you should prioritise the audit report because we have even the East African Health Research Institution renting a three-storied building for five staff using \$4500 a month and 54,000 dollars in a year, which could even build a house bigger than the one they are renting. Honourable Minister, wait for the audit report; you will be shocked.

The Speaker: Thank you, Honourable Members. We will now give the Floor to the Chair. [*Hon. Byabato: I am concluding.*] Oh, you were taking information.

Mr Stephen Lujwahuka Byabato (Deputy Minister of Foreign Affairs and East African Cooperation, Tanzania): Yes. Mr Speaker, I take the information clearly and that is what I am speaking about. (*Applause*)

Hon. Sankok has correctly quoted what I said. We have to do scrutiny and see what we really want because as a Community, we do not have enough budget for anything. I think all of you agree with me. The budget for the Community is not enough for whatever we want to do. So, if we have a budget for employing people and yet we do not employ them, we take it somewhere else. That means we still lack a budget.

So, we can do away with that employment thing. When I say scrutiny, I mean we should go back to the drawing board and see whether we need those people to be employed. How efficient and how low cost can it be if we use internal consultants with the same money, instead of budgeting

for employment and reallocating the same for other uses? What do we really want and how can we achieve it? That is what I mean by doing scrutiny. I agree with the information given and I hope it will work out.

Lastly, Mr Speaker, I want to congratulate you for a good session, and congratulate the committee for a well-put record and report, but also congratulate the Council Chairperson for being here and deliberating on behalf of the Council Ministers and everyone else. I congratulate the House for its contributions –(*Applause*)- which has today put up proper deliberations that the House needs to have. I congratulate you. Mr Speaker, God be with us and we are together for the Africa community. Thank you. (*Applause*)

The Speaker: Thank you. We will now go to the Chairperson – Chairperson of the Council, I thought you had heard.

6.44

Mr Deng Alor Kuol (Chairperson of the Council of Ministers and the Minister of East African Community Affairs (South Sudan): I have a problem here with my legs. (*Laughter*) Thank you, Mr Speaker and the Members of Parliament for this very fruitful and good discussion since morning. I thank and appreciate the leadership and the person of the Speaker, the Secretary-General who is not here and the rest of you, particularly the Committee on General Purpose.

If we continue with this spirit and cooperation, I think we will do a great job together. (*Applause*) There are three institutions here; we have the Parliament, the Secretariat and the Ministers. I think we need to cooperate and do one thing, and improve our contact because we are doing one thing. This is what we are going to discuss tomorrow as the Ministers; we want to improve the work of the East African Community so that we are seen as one and doing one thing for the future of this region and the future of Africa as well.

I have listened very carefully to the issues that took most of our time here since morning; efficiency, corruption and accountability, and the future of the East African Community. You also have a new Secretary-General, and we all agree that she has come with a very rich background, highly experienced and well-educated. We hope that she will deliver according to the expectations of the East African Community. (*Applause*)

I want to say this out of experience. Many of us have passed through different experiences but women are much better than men in so many things. (*Applause*) When it comes to responsibility and even when you talk about corruption, women are less corrupt than men. (*Applause*) Men have so many things that make them corrupt- (*Laughter*)- but she will definitely deliver. We will work together with her; work together with you; three of us will work together and I am sure we will be able to deliver to our people in the region and the dreams and expectations that they have from the East African Community.

I told you before about the- when these communities were formed by our fathers, the five commissions, there was an objective for that and a dream for it; it is the unity of the African Union, the unity of Africa as a people. We have a big challenge to realise that dream starting from the origin here. When you talk about- there might sound small corruption here but it is very important for all of you to make sure that this Community is clean. (*Applause*)

Corrupt people are just like us; like people among us here. If we do not apply law and order, we will all be corrupt because when you manage people and you do not have laws or you have them but you do not apply them appropriately, you will have different- human beings are very difficult animals. So, Mr Speaker, I appreciate the meeting this morning, and up to now, there is a good beginning for us to cooperate and do one thing.

The same thing will happen with the Secretary-General. She is ready because we have been discussing it with her since we met. We met in Juba and discussed several things with her. We are here and I have been discussing with her since I came. I know the Speaker of Parliament; we have met and discussed a lot of things since we met sometime back.

He is almost on the same level as the Secretary-General. A lot of cooperation is very important, Mr Speaker. You need to consult among yourselves, and particularly with the Secretary-General from time to time to solve some of the issues that you have mentioned. The issues you have mentioned, many of them are administrative and if you do not apply law and order, these issues could grow.

However, if you sit together with the Secretariat, I think you will reduce the level of corruption and the level of- it is not only the young people who are corrupt but even the old people because they want to prepare themselves for the future but the old people do not want to die without having tested a better life. So, I want to appeal to you, Members of Parliament, to discuss some of these issues with the administration at the level of the Secretariat.

The other thing I want to talk about is the- I thought I mentioned the objective of this Community, which is building one people in this part of the world, advance the goals of this community and I think you- the way we are now, the way we are going and as we said, all of you know that this is the best community among the five communities in Africa. *(Applause)* Despite the problems that we have, it is because of the leadership of the region.

This community is supported by leaders and intellectuals. There are intellectuals in East Africa who are building this community without you knowing. Some of them with their views, ideas and intellectual contributions; are working with you and all of us. Secretary-General, a few things were said in your absence but I am appealing to all of you for collective responsibility because the Parliament cannot do things without the Executive or the Secretariat.

The Secretariat as well cannot do anything very useful for the community without the Parliament; you need to cooperate. *(Applause)* There are problems that you are facing and we understand that on top of these problems are the financial issues. I was saying before that this should be left to us, the Ministers together with the Secretariat.

Tomorrow we are going to discuss this and see how we can mobilise resources for the East African Community. *(Applause)* As I said before, you see from the experiences of others and I was talking about the experience of the African Union (AU) when it was still the Organization of African Unity (OAU), as founded in 1961. It was not until recently that the financial system was corrected, it is now a very strong Community, the African Union.

Many people want to join and last month I was approached by two or three countries that would like to join the East African Community. *(Applause)* The rest will come. We have 17 countries that belong to what is called the Eastern African Region and we work together inside the AU. So, many of them would like to join us and even this building would be smaller very soon. You may

expand, but I want to see cooperation among all of us; the institutions of the East African Community, starting from the Heads of State, to you and the Secretariat.

The issues of membership and finances, because you repeated it several times, it is not an issue but the problem is- *(Interjection)*- Some of us-

Mr Sankok: Mr Speaker, I rose on a procedural matter. We have been here since 2 O'clock and you have sat there since 2.00 p.m. Most of us have been going out every now and then. I do not even know how you manage without tea, without visiting anywhere- *(Interruption)*- if we can also try to minimise so that we can finish-

The Speaker: Honourable members, enable the minister-

Mr Deng Alor Kuol (Chairperson of the Council of Ministers and the Minister of East African Community Affairs (South Sudan): You are right to make that point but you as a politician, your work is to talk.

Mr David Sankok (Kenya): It is okay. *(Laughter)*

The Speaker: Honourable minister, we have an order and we have to take it.

Mr Gerald Blacks Siranda (Uganda): Mr Speaker, I appreciate you for giving me an order. I was putting Hon. Sankok to order because this rule has been suspended and we appreciate it. Is he in order?

The Speaker: Thank you. Honourable, you have the Floor again but try to be brief.

Mr Deng Alor Kuol: I will be brief because I will be with you for some days now to come. I finalise this by saying that let us do one thing; cooperate. Let us understand ourselves.

The Speaker: Thank you.

Mr Deng Alor Kuol: We have already started. She is a new person. You cannot start by bringing up problems for her to handle. You together come up with a solution and she will help you.

Having been informed about the time, you are right. I want to say that in our meeting tomorrow as the ministers, the minister from Tanzania has already mentioned that some of the things that we have touched on here are the things that we are going to discuss tomorrow. It is about the future of this community. Thank you. *(Applause)*

The Speaker: Thank you. Now, honourable chairperson-

7.00

Mr Kennedy Ayason Mukulia (South Sudan): Thank you, Mr Speaker. I take this opportunity to thank all of us for contributing to the report of the General Purpose Committee on the status of the implementation of the EAC budget for the FY 2023/2024.

I take this opportunity to thank the following Members, Hon. Dr Woda, Hon. George Odongo, Hon. Sankok Ole, Hon. Francoise Uwumukiza, Hon. Gideon Gatpan, Hon. James Kakooza, Hon. Stephen, the Minister from Tanzania, and Hon. Chairperson of the Council, thank you so much. You made our day.

Mr Speaker, we take this opportunity to thank you for sitting there, and persevering all this, especially from Hon. Sankok and all the Members of the General Purpose Committee, thank you for according me the support to chair your committee.

The Speaker: Thank you, honourable members. We started at 2.30 p.m. and now it is 7 p.m. and everything has gone on well. It is time for us to put the question that the report of the Committee on General Purpose on the assessment of the implementation of the East African Community Budget for the Financial Year 2023/2024 be adopted.

(Question put and agreed to.)

(Report adopted.)

The Speaker: Honourable members, I adjourn this House until tomorrow Friday, 28 June 2024 at 9.30 a.m.

(The House rose at 7.02 p.m. and adjourned until Friday, 28 June 2024 at 9.30 a.m.)