



THE REPUBLIC OF UGANDA

MINISTRY OF EAST AFRICAN COMMUNITY AFFAIRS

**KEY ACHIEVEMENTS FOR THE SECTOR
IN THE NRM MANIFESTO**

BY

**Rt. Hon. Rebecca A. Kadaga
1ST DEPUTY PRIME MINISTER/MINISTER**

MAY, 2023

1.0 Introduction

The Ministry of East African Community Affairs (MEACA) was created with a mandate to “steer Uganda’s regional integration agenda in accordance with the objectives of the Treaty for establishment of East African Community.” MEACA became a fully-fledged Ministry with its own Vote and Accounting Officer in 2007.

- **Vision:** Our vision is to have a “prosperous people in a secure federated East Africa.”
- **Mission:** The Ministry exists “to ensure that Ugandans participate in and benefit from the East African Community integration.”
- **Mandate:** The mandate to “steer Uganda’s regional integration agenda in accordance with the objectives of the Treaty for Establishment of East African Community.”

In pursuance of the Ministry’s Vision, and in line with the Mission and Mandate, the Strategic objectives of the Ministry are to;

- a) Strengthen MEACA to provide Strategic leadership, guidance and support for EA integration.
- b) Coordinate and ensure compliance and implementation of EAC Policies, Laws, Decisions, Directives and Programmes.
- c) Enhance public awareness and public participation in EAC regional integration.
- d) Build and strengthen the capacity of MEACA to provide strategic leadership, guidance and support for EAC integration in Uganda.

2.0 National Resistance Movement Commitments on Achieving Economic and Political Integration

In the Manifesto, the National Resistance Movement (NRM) recognizes that Trade, social, economic and political Integration has been the desire of African Countries since the formation of the Organization of African Unity (OAU) in 1963. The formation of regional blocs like the East African

Community is part of the building blocks towards achieving the African dream.

Therefore, the NRM committed to achieve economic and political integration through;

- a) Taking advantage of the regional Market of 177 Million People.
- b) Trading with the 1.3 billion Africans.
- c) Participate in the expansion and deepening the East African Market to provide a market for Ugandan products.
- d) Engagement with other EAC member states to pursue and attain the realisation of an EAC Political Federation.

3.0 MEACA'S Contributions towards the Manifesto Commitments

Under Article 5(2) EAC Partner States undertook to establish among themselves a Customs Union, a Common Market and subsequently a Monetary Union and ultimately a Political Federation and these are the four pillars that anchor the Integration of EAC.

The EAC Integration Agenda is attained through equal participation of all EC Partner States through negotiation, consensus and agreement on decisions/directives, projects and programmes that are implemented for the promotion of EAC Integration. Therefore, within the realms of the EAC, in this financial year, MEACA has made the following achievements that generally contribute towards the attainment of the Manifesto commitments.

3.1 Achievements under the Customs Union

In an effort to take advantage of the EAC Market and as well trade within the wider African Market, the following have been undertaken and achieved:

- i. **Establishment of the EAC Common External Tariff (CEA)**- The EAC has adopted a four band CET: 0% (raw materials and capital goods), 10% (intermediate goods) and 25% (finished goods) and

35%. This is a s a positive step towards the promotion of industrial sectors and this will spur intra-regional trade by encouraging local manufacturing, value addition and industrialization and Uganda should tap into this opportunity.

- ii. **Resolution of Non-Tariff-Barriers (NTBs)-** Non-Tariff-Barriers (NTBs) hinder trade and as a region commitments are made for these NTBs to be reported and resolved. This year, 6 NTBs were resolved among them the Non recognition of Truck specifications approved and registered in Uganda (imposed by Kenya against Uganda).
- iii. **Assisted Ugandan Traders through harmonized regional customs processes-** continued to implement the EAC single customs territory and simplified trade regime and this year the following have been achieved; interconnectivity, electronic Cargo Tracking systems to enhance traceability of cargo along the EAC transport corridors, automation of border processes to monitor performance and piloting of the One Stop Border Post Performance Measurement Tool and conclusion of Authorised Economic Operator (AEO). Ugandan traders engaged in import and export business have greatly benefited from these processes and this has enhances and increased the taxes collected by URA.
- iv. **High level trade missions-** high trade missions have been undertaken between Uganda and Democratic Republic of Congo (DRC) and Uganda and Republic of South Sudan (RSS). In conjunction with the Presidential Advisory Committee on Trade and Investment Development, Private Sector Foundation and the Chamber of Commerce, over 300 Ugandan private sector players have been able to participate these missions and made trade deals and contacts with their counterparts in DRC.

- v. **Capacity building in Customs matters-** to build the capacity of Partner States to implement various customs programmes Ugandan stakeholders participated in the following EAC training and sensitization sessions; Training of Trainers on AfCFTA Rules of Origin (20), National AfCFTA Rules of Origin Course (424), Sensitization on SCT Transit Regime (661), Simplified Guide (456) and Integrity and life style audit (46), 211 boarder officials involved in registration, inspection, certification, and clearance of pre-package goods (Standards Inspectors, Port health officials, customs officials, clearing agency, Biosafety officers, Agriculture Inspectors, and Immigration) were trained on EAC harmonized criteria for registration, certification and clearance of pre-packaged foods to facilitate cross-board trade of pre- packaged foods and more than 100 participants drawn from East African Standard Committee/ Technical Committees ((EASC)/TCs) Secretaries and EAC Partner States TBT National Enquiry Points (NEPs) and National Notification Authorities (NNAs) from six EAC Partner States were trained on online joint notification mechanism of the WTO.
- vi. **Implementation of the EAC-EU Market Access Upgrade Programme (MARKUP) to improve market access of selected agriculture value chains (coffee, cocoa, tea, spices, avocado and other horticultural products)-** Uganda's stakeholders in the above sectors benefited from this regional programme where the following regional benefits were attained; 9 Trade Support Institutions coached in developing effective advocacy strategies in coffee and horticulture, 841 SMEs have been trained on introducing traceability, industry certifications, processing and value addition, 151 SMEs received new equipment, 86 SMEs secured a total of USD 12m following training and coaching, 126 business and investment transactions worth USD 16.1m generated, and 15 institutions improved operational and managerial performance as a result of MARKUP support.

- vii. Sensitization of EAC Trade and Integration Matters-** together with some of my Cabinet colleagues, have sensitized Ugandan Traders on Trade opportunities in the EAC at Mutukula, Mpondwe, Busia and Malaba OSBPs. And in the same vein Television and Radio sensitizations have been undertaken. We have further carried out sensitizations at Makerere University, Inter-religious Council for Uganda, Parliamentary Committee on EAC Affairs among others. These sensitizations, raise the level of awareness on the opportunities in the EAC and enhance the level of Ugandans participation in the social and economic integration agenda of the EAC.

3.2 Achievements under the Common Market

The Protocol for the Establishment of the East African Community Common Market (CM) became operational in July, 2010. The strategic thrust of the CM Protocol is to create one flawless single market across the EAC Partner States. The protocol seeks to accelerate regional economic growth and development by introducing the free movement of goods, persons, labor, capital, services, as well as the rights of establishment and residence. In this review period, the following activities were undertaken and the resultant benefits directly or indirectly to Uganda have gone a long way in helping towards the achievement of the Manifesto commitment;

- i. **Progress in the use of Kiswahili as an Official Language of the Community-** In order to enhance the ability of Uganda's to tap into the regional market opportunities and in line with the Summit directive that Kiswahili be an official language of the Community, the Ministry has coordinated the training of Kiswahili to Cabinet members every Monday, the Judiciary is soon starting, and all Ministry staff are undertaking lessons, and a comprehensive plan to train business

community has been presented through a cabinet information paper. In the same vein, cabinet has approved the creation of the National Kiswahili Council.

- ii. **Participation of Youth-** Uganda youth the Annual EAC Youth Leadership Summit that took place from 12th – 16th December 2022 at the EAC Head Quarters under the theme: "*Digital Access and the Future of Work*".
- iii. **Business opportunities for small scale traders-** Uganda hosted the 22nd EAC MSMEs Trade Fair that was held from 8th-18th December 2022 at Kololo Independence Grounds in Kampala, Uganda. The theme of the Trade Fair was "*Buy East African to Build East Africa for Resilience and Sustainable Development*". The Trade Fair attracted a total of 1,500 exhibitors from all Partner States including DR Congo and over 600 were from Uganda.
- iv. **Trade Policy development-** Uganda actively participated in the development and approval of the EAC Special Economic Zones (SEZ) Policy which provides for a wide variety of economic zones schemes and whose objective is to provide for establishment and development of competitive SEZs. The Policy provides for a wide variety of economic zones schemes including: Export Processing Zones; Free Zones; Free Trade Zone (FTZ); Freeport; Industrial Park; Agricultural Zone; Educational Zone; Financial Services Zone; ICT Park; Regional Headquarters Zone; Science and Technology Zone; Tourism and Recreational Zone; Business Service Park; Convention and Conference Zone and Livestock Zones. Therefore, this provides an opportunity for Uganda's emerging SEZs to tap into the regional market.
- v. **Capacity building for Management of Fish Resources -** A total of 35 fisheries and aquaculture inspectors and traders from the

Republics of Burundi, Kenya and Uganda and the United Republic of Tanzania were trained on protocols of official controls of imports and exports of fish, fishery and aquaculture products, inputs and fishing gears.

- vi. **New One Stop Border Posts (OSBPs)**- the construction of the Suam-Lokiriam OSBP between Uganda and Kenya has progressed to 80 percent completion, the Mpondwe OSBP has been completed and now its operational and was officially opened by H.E The President. The earlier completed OSBPs at Katuna, Mirama Hill, Elegu, Mutukula, Busia and Malaba continued to operate normally to facilitate the movement of goods and people. Also Uganda has identified other Five border crossings for conversion into OSBPs, these include Cyanika, Lwakhakha, Oraba and Murongo/Kikagati border crossings. In the same vein construction of permanent handwashing at Kasensero, Mutukula and Elegu- EAC Support through the collaboration and support from IOM on the implementation of a Joint Covid 19 Response Plan.

- vii. **Regional infrastructure**- MEACA has been part of the National Committee monitoring the construction of **the Kapchorwa - Swam (78km)** road linking Uganda to Kenya is now 80 percent completed (as part of EAC road masterplan, a similar road is under construction of the Kenyan side to aid connectivity and seamless flow of traffic), and, the 14 - 16 MW Kikagati/Murongo hydropower project has been completed and now Uganda is in the final stages of concluding the Power Sharing Agreement (PSA) with the United Republic of Tanzania. Further, the Lake Victoria Maritime Project on the EAC Search and Rescue centres at Mwanza and Entebbe is now taking off and once completed, it will go a long way in improving the safety of travel on lake Victoria. The Standard Gauge Railway (SGR) from Tanzania is being build Up to Mwanza and will connect to Mwanza and Bukasa Port.

- viii. **EAC Mobile Lab Project-** MEACA coordinated and participated in negotiations to sign a 3-year financing and project implementation agreement with the Government of the Federal Republic of Germany through the German Development Bank Group (KfW) to support the establishment and operationalization of the “EAC Regional Network of Public Health Reference Laboratories for Communicable Diseases” Project. The project has installed nine (9) mobile laboratories in all the Partner States. Out of the nine modular designed mobile laboratories, Uganda has already received two (02).
- ix. **Regional harmonized procedures in Agriculture sector-** the following standard operating procedures have been adopted and will enhance Uganda’s competitiveness in the regional agricultural market; harmonized Standard Operating Procedures (SOPs) for inspection of maize, beans and rice to facilitate intra-regional trade for maize, rice and beans and Standard Operational Procedures (SoPs) on plant health, animal health and food safety. These are aimed at operationalizing the East African Community Protocol on Sanitary and Phytosanitary Measures.
- x. **In the education sector-** the Inter University Council for East Africa (IUCEA) developed a quality based regional accreditation framework for academic programmes and the qualifications register which is one of the instruments to operationalize the East African Qualifications Framework for Higher Education (EAQFHE), awarded 63 Scholarships of the third cohort of the EAC-KfW Scholarship Programme (10 are from Uganda), awarded 57 students in the 1st and 2nd Cohort under KDU-IUCEA Scholarship Programmes (10 are from Uganda) and 24 scholarships were awarded under the German Funded Scholarship Programme.

- xi. **Tapping into the African/Continental Market-** All the EAC Partner States, except the Republic of South Sudan have deposited their Instruments of Ratification on the African Continental Free Trade Area Agreement (AfCFTA.) Under the Schedule of Tariff Concessions for the AfCFTA, the EAC is among the 45 countries/Customs Unions that have submitted a Tariff Offer. The EAC Tariff Offer for Category A products consisting of 90.1% of tariff lines to be liberalized over a period of 10 years from the start of Trading (1st January 2021) was submitted to the African Continental Free Trade Area Agreement (AfCFTA) Secretariat for technical verification. The EAC also finalized its Provisional Schedule of Specific Commitments on Trade in Services for the AfCFTA in the 5 priority sectors (Business services, Communication services, financial services, Tourism and Travel related services, and Transport services). This will enable the trading of goods and services under the AfCFTA preferences.
- xii. **Use of National Identity Cards as Travel Documents-** Our citizens continue to use National Identity Cards as travel documents between Uganda, Kenya and Rwanda. I have started negotiations with United Republic of Tanzania to allow the citizens of the two countries to travel with National Identity Cards.
- xiii. **Waiver of Visa in Republic of South Sudan-** through coordinated negotiations, the Republic of South Sudan has waived visa requirements for Ugandans and this has facilitated travelers and business community in doing business with South Sudan.

3.3 Achievements under the Monetary Union

Monetary Union is the third of the four pillars in the EAC's ambition towards regional confederation and provides a framework for cooperation in economic and financial matters in the community. This period in review, the following was implemented and the following have gone a long way in contributing towards the achievement of Manifesto;

- i. **East African Monetary Institute-**The process of establishing the East African Monetary Institute (EAMI) is on going and Uganda has bided to host the Institute. EAMI will later turn into the EAC Central Bank.
- ii. **Progress towards a Single Currency-** as part of the transition to EAMU, all EAC Partner States, except Republic of Burundi and South Sudan developed their Medium-Term Convergence Programs (MTCPs) and the Fiscal Risk Statements, frameworks for the harmonization of statutory reserve requirement regimes during the transition to EAMU were developed, Bills for the establishment of (i) the East African Surveillance, Compliance and Enforcement Commission and (ii) the EAC Financial Services Commission were approved by the Council and forwarded to the EALA for passing.
- iii. **Fiscal and Monetary harmonization-** Substantial progress was registered in terms of harmonization of fiscal, monetary and exchange policies; banking rules and regulations; as well as trading practices and regulations in the stock exchanges and financial markets, in general, approximation of banking rules and regulations; harmonization of fiscal and monetary policies, the East African Cross Border Payment System (EAPS) has remained to operate. These harmonization efforts have cross-border payments faster and more reliable and thus promoting regional trade.

3.4 Achievements under Political Federation

The EAC Treaty explicitly provides for a Political Federation as the final stage of EAC Integration. The principle underpinning the EAC political integration includes harmonization and coordination of regional policy frameworks with regard to good governance, democracy, peace and security, defence, human rights and social justice, and international relations. The following activities have been undertaken and the resultant

benefits especially for Uganda, enhance efforts to achieve the Manifesto commitments.

- i. **Peace building processes-** Uganda alongside its regional neighbours has actively participated the EAC-Led Nairobi Process in the DRC and is part of the EAC Force deployed in DRC.
- ii. **Drafting the Constitution for the Political Confederation-** Uganda has continued to participate in the process that is aimed at putting in place the constitution. In this month of may experts and Ministry staff from Uganda are part of the regional team undertaking National Stakeholder consultations in the Republic of Kenya. The consultations for Uganda were held in January 2020 and those in Burundi held in 2021.
- iii. **Admission of the Federal Republic of Somalia into the East African Community-** As part of widening the Integration, Uganda has actively involved in the verification mission for the admission of Federal Republic of Somalia into the East African Community, held from 25th January to 3rd February, 2023 in Mogadishu, Somalia. The report of this process is under consideration in the various decision making levels of the Community.
- iv. **Justice and Good Governance-** Uganda successfully hosted the 2nd Annual East African Court of Justice Judicial Conference from the 26th – 28th November 2022 at the Mestil Hotel in Kampala, Uganda, under the theme was “*Transforming access to justice in the EAC*. The conference” brought together Chief Justices and Judges from the National and Regional Courts of Judicature, Legal Practitioners, Representatives of Civil Society Organizations, Academia and the Private Sector.
- v. **Regional Legislation-** Uganda elected it’s (9) representatives to the 5th Assembly. This will give an opportunity to Uganda to be part of regional policy making through legislation.
- vi. **The EAC Youth Ambassadors Platform and participation of Youth-** As a product of the University Students Debates, the EAC Youth Ambassadors Platform was put in place and fully supported by

the EAC and Uganda youth have continued to participate in the same including chairing the platform on a rotational basis. In December, 2023 Uganda at Ndejje University hosted the EAC University games that brought together over 2000 youth in the region that interacted through sport.

- vii. **Establishment and continued participation of the EAC Forums-** the EAC Forum of National Human Rights Institutions and the EAC Forum of Chief Justices were put in place and they hold annual meetings. Uganda has continued to participate in the same and this enhances the desire for promotion of political integration.
- viii. **Border Monitoring-** The Ministry has continue to work with EAC stakeholders on border inspections at Mutukula, Kamwemwa, Kasensero-Minziro, Kikagati, Mirama Hill, Katuna, Bunagana, Vurra - Aru, Kajojeji -afogi, Goli, Busia, Malaba among others. The teething challenge of porous and ungazetted border points and security threats continue to unceasingly affect border governance.

4.0 Conclusion

The Ministry will continue to lead and coordinate Uganda's participation in the EAC Integration Agenda.