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EAST AFRICAN COMMUNITY REGIONAL INTEGRATION: Opportunities And Challenges For Citizen Participation



Participants attending the 50th Session of the State of the Nation Platform at Protea Hotel in Kampala

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Abstract

The East African Community (EAC) is a geographically and economically homogenous region with a population of over 135 million people. It consists of five countries: Burundi, Kenya, Rwanda, Tanzania and Uganda. Kenya, Tanzania and Uganda have a long history of integration dating back to the original EAC of 1917, which collapsed in 1977. Regional integration efforts were revived in 1999 with the signing of the Treaty for the Establishment of the EAC which came into force in 2000. The overarching objective of the Community is to widen and deepen co-operation in economic, social and political affairs. Although the EAC legal framework contains commitments to build a people-centred community, the processes leading to the signing of the treaty on customs union and common market protocols – have been criticised as being state-centred with little or no participation from citizens.

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(ACODE) organised the 50th State of the Nation Platform (STON) titled 'East African Community Regional Integration: Opportunities and Challenges for Citizen Participation.' Discussions were informed by presentations by Honourable Shem Bageine, Minister of East African Community Affairs; Professor Mwambusya Ndebesa of Makerere University; and Mr. Issa Sekitto, Chairman of Kampala City Traders Associations (KACITA). The presentations highlighted the progress made by EAC integration and the challenges and opportunities for traders and citizens.

Three key policy recommendations emerged out of this session. First, the need to scale-up efforts on awareness and sensitisation of the citizens about the EAC integration was reiterated by participants. Second, the business community called upon the Ministry of East African Community Affairs to establish a redress mechanism to handle grievances from traders at the national level. Third, the need to move beyond trade-centred integration to embrace and promote social, ideological, cultural and communal networking in the region was emphasised at this session. It is important to note that this particular session of STON created

an opportunity to bridge the gap and open space for discussion between government and the business community.

A. Introduction

The 50th STON session was an opportunity to inform members about the developments in the EAC integration process and to create awareness about the opportunities and challenges. It was also an opportunity for all stakeholders, especially policy makers and the business community, to discuss ways of addressing challenges faced by Ugandans in the EAC. This session was attended by the Minister of East Africa Community Affairs, the representatives of Kampala City Traders Association, civil society actors, the private sector and academics.

The first presentations provided an overview of the challenges and opportunities for citizens' participation in the EAC and laid the foundation for debate. Professor Mwambusya Ndebesa demonstrated that over the 13 years of rebuilding the EAC, citizens' participation has remained minimal. Discussions and processes for integration are still spearheaded by the heads of states with little input from citizens. Mr. Isa Sekitto of KACITA discussed the challenges faced by the business community in Uganda; particularly, the prevalent non-tariff barriers and unilateral measures taken by states to impose unjustified taxes and cash bonds on goods destined to the land locked countries. Honourable Shem Bageine discussed the achievements made in implementing the three pillars of integration: the customs union, the common market, and the most recently signed Monetary Union Protocol. Closing remarks were made by the Executive Director of ACODE, who expressed interest in working with the Ministry on its regional outreach programmes.

B. Presentations

Topic 1: EAC Regional Integration: Opportunities and Challenges for Citizens Participation

Presenter: Professor Mwambusya Ndebesa, Makerere University, Kampala



The presentation focused on the theme of the day - opportunities participation and challenges for citizens' participation and underscored the existing opportunities for citizens to engage in the integration process. First, the current legal and institutional frameworks provide opportunities for the participation of citizens. The institutional framework allows citizens to participate at a regional level through representative organisations such as the East African Business Council and the East African Lawyers Association. However, participation is limited by representational capacity with no direct interaction from ordinary people. The legal framework does not contain a mechanism for direct dialogue between citizens and EAC organs. Representative organisations are also limited to observing regional process with little room for input into decision making. Although the Treaty envisioned the establishment of a people-centered community, regional processes are still driven by political leaders.

Additionally, the presentation demonstrated that the EAC Secretariat is socially and politically detached from citizens. The people of East Africa are more politically and economically connected to the UN systems than with the EAC; however, the challenge of ideological differences arising from the people of East Africa holding different national values was noted. Professor Mwambusya emphasised the lack of a common value system among the ordinary citizens which, if overcome, would drive integration at an informal level. Generally, citizens of East Africa play a passive role in the decision making processes of the Community.

Topic 2: Challenges Faced by Uganda's Business Community in the EAC

Speaker: Mr. Issa Sekito, Spokesperson, Kampala City Traders Association (KACITA)



Mr. Sekito's presentation highlighted the key challenges faced by Uganda's business community in the EAC. He made a general observation that the EAC presents immense opportunities for traders, but these have

been diminished by challenges.

The main obstacles to traders are the persistent non-tariff barriers (NTBs). Traders from Uganda encounter numerous NTBs ranging from cumbersome bureaucratic procedures and licensing requirements to illegal taxes and unnecessary cash bonds for imports destined for landlocked countries. Although the legal framework allows business to establish and operate in partner states, Ugandan traders are required to obtain licences to set up business in partner states, inhibiting the law's implementation. Licensing requirements to establish business in other countries make it hard for Ugandan business to operate in the other countries. As a result, most Ugandan traders have been forced to remain operating within Uganda and close businesses in partner states.

The speaker concluded with a call on the Ministry to address illegal trade practices like abuse of customs procedures and the dumping of goods, both of which remain unchecked in Uganda.

Topic 3: Updates on Progress Made in the EAC Integration Process: Hon. Shem Bageine, Minister of East African Community Affairs



The Honourable Minister provided a brief background on the re-establishment of the EAC since 1999 and the progress made to establish the three pillars of integration: the customs union in 2005, the common market in 2010, and the Monetary Union Protocol. The latter was signed in 2013 and will come into operation after the 10 year period. The common market arrangement has enabled the mutual recognition of the free movement of persons and labour among states. The mutual recognition of education qualifications will go a long way to facilitate the free movement of services.

In addition, the Minister reported that plans are underway to establish a single customs territory for all five states and a single currency area. All Partner States will be required to meet specific criteria in order

to join the single currency area under the monetary union arrangement.

A Political Federation envisaged by the Treaty will be the ultimate stage of integration, and the heads of states have embarked on consultations and negotiations for its establishment, having already signed a number of protocols such as the Peace and Security Protocol, Joint Defence Protocol, and a Science and Technology Protocol. Although these are important achievements, a lot remains to be done to implement regional commitments at the national levels.

He concluded by noting that the Ministry has indeed taken steps to address some of the challenges faced by businessmen. For instance there are initiatives to monitor and check abuses at borders. He also allowed that, despite the progress made, much remains to be done to build an effective community. In this regard, the Minister called on all stakeholders and the public to share their challenges and grievances with the ministry in order to chart a way forward. He ended on a positive note by inviting KACITA to meet with the Ministry to discuss the challenges raised at this session.

Conclusion

The general consensus among participants was that the disconnection between the EAC Secretariat and the ordinary citizens still exists. The concept of a people centred integration has remained elusive as regional processes remain dominated by political leaders and citizens take a passive role. The huge awareness deficit of the EAC amongst the people was a major concern. At the close of the session, Dr. Arthur Bainomugisha, the Executive Director of ACODE, expressed willingness to work with the Ministry on regional outreach programmes to increase awareness among citizens.

C. Policy Recommendations

- 1. Increase awareness and sensitization of citizens:**

As the region embarks on consultations and negotiations for a political federation, the need for massive awareness and sensitisation campaigns about the benefits of integrating is critical. This is more important at the grassroots where the population is largely ignorant about the EAC. Participants called for the popularisation of the Kiswahili language as a way of integrating and unifying communities and suggested that the media should be allowed to play a more active role in creating awareness and sensitizing the masses. In addition to sensitisation, there is need to promote a sense of 'East African-ness' among citizens. The Treaty and Protocols alone cannot increase citizens' participation; building democratic regional institutions will go a long way in promoting transparency and a responsive and active citizenry.

- 2. Adopt a broader approach to integration beyond trade:** It was further recommended that integration efforts should move beyond trade. Partner states should identify a common ground for the different national ideologies, value systems and cultures to promote integration. Regional integration should not only focus on addressing economic needs but also social issues such as arts and culture.
- 3. Establish redress mechanisms for traders at the national level:** The business community called upon the Ministry of East African Community Affairs to establish a mechanism to handle grievances arising out of cross-border trade. A number of grievances such as compensation for losses incurred in the 2007 Kenya elections are still unresolved. A national redress system will go a long way in supporting the smooth running of business across the region. In response, the Minister opened up his office to KACITA Traders and the general public to hold dialogue in a bid to resolve integration-related challenges. The minister further committed to follow up on compensation for losses made in the 2007 Kenyan conflict from the government of Kenya. He thanked the members of STON for sharing their contributions.