



East African Community

PRESS RELEASE

EAC- GERMAN CONSULTATIONS ON DEVELOPMENT COOPERATION CONCLUDES IN ARUSHA, TANZANIA

East African Community Secretariat, Arusha, 13 October 2011: The EAC-German consultations on development cooperation concluded today at the EAC Headquarters in Arusha, Tanzania. Leading a 9-man strong German delegation was Dr. Ralf-Matthias Mohs, Director of East Africa Division at the Federal Ministry for Economic Cooperation and Development (BMZ) in Bonn, while the Secretary General of the East African Community, Amb. Dr Richard Sezibera led the EAC team.

The main purpose of the consultations was to review the current cooperation and to prepare for the upcoming EAC-German negotiations on development cooperation which will take place in Arusha, Tanzania in the second half of 2012.

Welcoming the German delegation to the meeting and to the EAC Headquarters, the Secretary General Amb. Dr. Richard Sezibera hailed the invaluable support the German government has rendered and continues to render to the EAC integration. "I wish on behalf of the Community and its citizens to sincerely thank the Government of the Federal Republic of Germany for giving the EAC a permanent home in Arusha and its support to several projects in the region" affirmed the Secretary General.

Ambassador Sezibera informed the German delegation that over the next five years, the Community will be implementing an ambitious and robust EAC 4th Development Strategy (2011-2016) which is geared towards consolidating the Customs Union and turning EAC into a single customs territory.

The Strategy also focuses on implementing the Common Market and actualizing the Rights and Freedoms enshrined in the Protocol to the citizens of East Africa. The Strategy puts emphasis on concluding the negotiations of the EAC Monetary Union by 2012 and working towards its implementation, as well as emphasis on shared infrastructure to facilitate trade in the region. Lastly, the Strategy emphasizes making the people of East Africa part and parcel of the integration process.

Amb. Sezibera informed his guests that the Strategy requires support from, among others, the German Government for its implementation.

The Leader of the German delegation, Dr. Ralf-Matthias Mohs, underlined the importance of regional economic integration and re-affirmed Germany's readiness to continue and deepen the cooperation with the EAC.

Dr. Ralf-Matthias Mohs informed the EAC about the new priorities of the German Government on result and impact orientation as well as cooperation with the private sector, both being important issues for the forthcoming High Level Forum for Aid Effectiveness (HLF IV), in Busan, South Korea in November 2011.

Both sides consulted on 12 subject areas covering, among others, the EAC headquarters' building; support to the regional economic integration process; TRIPS and Regional Quality Infrastructure (PTB); Peace and Security; Partnership Fund; Aga Khan Development Network; EAC Development Fund; Climate change; and EAC Monetary Union. Both sides agreed to work on the detailed activities for support in the foregoing areas.

Both sides welcomed the substantial progress of cooperation due to the establishment and activities of the Joint Steering Committee as a tool to coordinate and oversee the efficient utilization of resources and implementation of agreed projects and programmes under the German support. In this regard, the biannual meetings of the JSC will be continued.

Additional Notes to Editors

Some of the Areas of EAC-German Cooperation

TRIPS and Pharmaceutical Sector Promotion

Strengthening Sustainable Access to Quality Essential Medicines in East Africa

The East African Community considers good health of the population as critical to socioeconomic development of the region. Within the health sector, access to affordable essential medicines is of high priority among the Partner States governments. In this regard, import of generic medicines from India or China has initially increased the access of the EAC population to high quality and inexpensive medicines.

The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) has restricted the production and export of inexpensive generic medicines by advanced developing countries. This has resulted to the price of newer essential drugs for prevention or treatment of major communicable diseases such as HIV/AIDS, tuberculosis and malaria in the EAC is still high, which limits the provision of these medicines to people in need.

However, the TRIPS Agreement allows exemptions from Intellectual Property Rights (IPRs) protection under certain conditions, also the Least Developed Countries (LDCs) have been

exempted until 2016 from the obligation to implement patent protection in the health sector. Against this background, pharmaceutical production in the EAC has come to be regarded as one way of improving access to inexpensive, high-quality medicines in developing countries.

The objective of GIZ support to TRIPS and Pharmaceutical Sector Promotion is to improve the design and coordination of strategies to use TRIPS flexibilities and support regional pharmaceutical production by supporting the health department of the EAC Secretariat and the pharmaceutical private sector.

EAC-GIZ Peace and Security Programme

Curbing the Proliferation of Small Arms and Light Weapons (SALW) and Strengthening the EAC Peace and Security Department

GIZ supports the EAC Secretariat to facilitate the implementation of joint activities in the areas of peace and security. The program contributes to achieving the EAC objective of building a joint peace and security policy among its Partner State supporting the EAC Treaty (Articles 123 and 124).

With the support of GIZ, the subject of SALW spearheads the development of a regional policy for arms control and management, through cooperation with the Regional Centre on Small Arms (RECSA) the project financed the procurement of firearm marking instruments and associated database software for the use by the police forces in the Partner States, direct support for implementation of SALW control, close involvement of civil society organizations and the systematic integration of a gender component into all national action plans.

Capacity Building for the EAC Integration Process

Leadership Development and Coaching

This leadership development scheme supports the EAC Secretariat in strengthening its corporate leadership culture and improving management skills. It is directed to executives, directors, and principal officers. The leadership workshops tackle leadership issues of broader significance, the dialogue guarantees the involvement of the EAC's top management in leadership development.

Media Training

Raising awareness about the EAC in civil society is a prerequisite for successful regional integration. Here, journalists play a crucial role, GIZ's training and networking scheme aims at enhancing East African journalists' understanding of the EAC integration process, improving the quality of reporting on EAC matters within the region.

Organizational Development

Strengthening Monitoring & Evaluation, planning procedures and human resource development at the EAC Secretariat, through its organizational development component, the GIZ program strengthens the operational capacity of the Secretariat in order to improve efficiency and service delivery.

Supporting the Implementation of the Common Market in the EAC

Strengthening the Economic Policy Competencies of the EAC Secretariat

GIZ also aims to support the EAC Secretariat in designing, coordinating and monitoring processes for establishing the Common Market by strengthening its sector specific capacities and its steering competency. It intends to strengthen the service orientation of the Secretariat towards the partner states for it to effectively backstop the negotiation and policy making process at the regional level by preparing relevant technical inputs or through policy advice in cooperation with regional and international experts.

Institutionalizing the Dialogue between EAC and Private Sector and Civil Society

Organizations Focus on enhanced participation of non-state actors in the EAC integration

GIZ supports the drafting of a dialogue mechanism which focuses on a participatory framework jointly formulated by EAC and the stakeholders from private sector and civil society. EAC plays a facilitative role in this process, while the planning and implementation is undertaken by the stakeholders.

The institutionalization of dialogue is realized through a two-level approach, first is the development of an appropriate dialogue mechanism at the EAC based on the required EAC procedures and second is development of a strong and sound 'voice' of the stakeholders of private sector and civil society which will enable them to actively contribute to a continuous and sustainable dialogue within the East African Community and to advance their interests in the process.

As the EAC Secretariat requires the regional private sector and civil society to submit consolidated contributions through one single voice for each stakeholder grouping it is necessary to mandate and build up these organizations to function as a single contact. In this regard, two regional apex organizations, the East African Business Council (EABC) for the private sector and East African Civil Society Forum (EACSOFF) for the civil society, have become the central bodies for establishing a dialogue mechanism.

Promotion of Tax Harmonization in the EAC

Enhancing Resource Mobilization through Harmonized Taxes and Procedures

GIZ supports relevant processes in the EAC organs on tax harmonization and provides inputs for the implementation of regional decisions on the national level. It supported the set up of technical working groups on taxation which was a prerequisite for initiating the harmonization process especially in the area of VAT and Excise Duties. We contributed to the adoption of the Agreement of Double Taxation Avoidance (DTA) by the Ministries of Finance of the EAC Partner States in 2011. The DTA will help to reduce double taxation and prevent fiscal evasion. They enforced application of harmonized tax laws in the region.