



## **SUMMARY OF RECOMMENDECTIONS ON THE 1<sup>ST</sup> EAST AFRICAN BUSINESS AND ENTREPRENEURSHIP CONFERENCE & EXHIBITION**

**HELD ON 10<sup>TH</sup> - 13<sup>TH</sup> OCTOBER 2016 AT SAFARI PARK HOTEL NAIROBI, KENYA**

During the 1st East African Business and Entrepreneurship Conference & Exhibition more than 300 participants from 14 countries joined in this event, which aimed at bringing together high level political decision makers from the EAC and the EAC Partner States with high level executives and representatives of the regional and international private sector.

There is clear indication that the EAC is a region full of investment opportunities, in many sectors, including but not limited to Infrastructure, Agri-business, ICT, Cotton and Textiles, Leather, Manufacturing, Energy, Services and the Education sectors. It is also clear that the region is open and ready for business and investment and our governments consistently reforming the business environment to attract more investments. We heard that over the past 5 years, the EAC governments have made 65 key reforms to improve the business environment.

However, still, there is a need to promote EAC as one market & one investment destination as this presents investors with a large consolidated market. The EAC Partner States, through the EAC Secretariat and EABC in collaboration with Investment Promotion Authorities (IPAs) should, compile a list of regional projects which will be marketed by Investment Promotion Agencies (IPAs) along national projects. This should also be supported by a harmonised investment framework for the EAC and based on a clearly thought out investment strategy that outlines the key sectors the region wants to attract investment into, both local and Foreign Direct Investment. This should be supported by an enabling regulatory and operating framework that facilitates trade through realisation of the full potential of the Customs Union and Common Market. This includes ensuring the Single Customs Territory is fully in place, addressing Non-Tariff Barriers (NTBs), harmonising domestic tax

regimes, allowing free movement of labour and services including service providers and defining “local” to mean “East African”, among others.

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**In order to allow a critical follow up, a number of issues have been mentioned in the matrix below with specific recommendations for further action.**

ISSUE OF DISCUSSION	RECOMMENDATIONS	RESPONSIBLE PERSON/TIME FRAME
Failure to promote EAC as one market & one investment destination	EAC to compile regional projects which will be marketed by Investment Promotion Agencies (IPAs) along national projects	EAC Secretariat, National Investment Promotions Agencies (IPAs) and EABC
Weak regional dispute resolution mechanism to inspire trade and investment	EAC Private Sector to increasingly use the services of East African Court of Justice as Partner States expedite the process to expand the powers of court to trade and investment cases	EAC Partner States and Private Sector
Un-harmonized investment policies and regulations across EAC Partner States	EAC Partner States should harmonise investment policies and regulations across EAC Partner States to the region single investment destinations	EAC Partner States
Market access challenges denying free access to East African Market	EAC Partner States to address market access issues to allow East African products free access to all EAC Partner States	EAC Partner States
Sourcing of inputs outside region though the region is endowed	Promote regional value chain by firms sources inputs within the region instead of importing available inputs from outside the region	Private Sector and EAC Partner States

ISSUE OF DISCUSSION	RECOMMENDATIONS	RESPONSIBLE PERSON/TIME FRAME
with natural resources and minerals		
Different application of EAC Common External Tariff (CET) by EAC Partner States creating unlevelled playing field	EAC Partner States to comprehensively review CET and start to uniformly apply EAC CET	EAC Partner States and Private Sector
Challenges on free movement of goods in the EAC market e.g. persistent Non-Tariff Barriers (NTBs) , un-harmonized domestic tax regime	Private Sector continue to advocate for improved business environment in the region including removal of NTBs and harmonisation of domestic taxes in EAC region	Private Sector and EAC Partner States
Different positions by EAC Partner States regarding signing of EAC-EU EPA	EAC Private Sector advocate for signing of EPA in order to safeguard EU Market	Private Sector in the EAC region, EAC Partner States (to sign)
High cost of doing business attributed by high cost of power, finance, transport and poor trade facilitation regime	EAC Partner States to continue improving a conducive business environment by bringing cost of doing business down to the level of making regional businesses competitive	EAC Partner States and Private Sector
Lack of proper and affordable energy as serious threat to competitiveness for regional manufacturers	EAC Partner States to establish favourable frameworks and liberalize the markets to enable private investment, e.g. for renewable energies.	EAC Partner States

ISSUE OF DISCUSSION	RECOMMENDATIONS	RESPONSIBLE PERSON/TIME FRAME
Discriminatory practices/law between locals against East African investment	EAC Partner States should reform their laws to ensure that “local” also means “East African”	EAC Partner States
Low skill labour which match labour market	EAC to develop robust partnership between Government, Academia and Private Sector to develop skill labour in the region. EAC Partner States to enable free movement of labour and mutual recognition of certificates.	Governments, Academia, and private sectors (employers)
Low level of entrepreneurship skill in the region	Government cultivate entrepreneurship culture Access to Finance, Information, Skills and Technology should be given priority to Women Entrepreneurs	EAC Partner States
Revive textile and leather sector in the region	EAC Partner States to come up with a strategy to revive apparel and footwear sectors. Governments should source textile and leather products locally. Bureau of Standards and Anti counterfeit agencies should fight substandard and counterfeit leather products	EAC Partner States
Financing for entrepreneurs, key factors that make providing finance to entrepreneurs risky. This refers specifically to “bankability”.	Provide adequate, up-to-date and reliable market intelligence and support schemes to help newcomers and start-ups to develop sustainable business models These include financial and human capital management, and linkages to markets among others.	IPAs