

EAST AFRICAN BUSINESS COUNCIL

ANNUAL REPORT

2023



25th year of Championing Trade & Investment in East Africa

www.eabc-online.com



CONTENTS

- Foreword From Chairperson Of East African Business Council.....2
- Message From Executive Director Of East African Business Council.....4

6 WHO WE ARE

- Key Achievements And Milestones Of The East African Business Council (Eabc).....8

12 SECTION 1

- East African Business And Investment Summit & Expo 2023: A Path From Policy To Prosperity.....13
- The 2nd East African Business And Investment Summit & Expo 2023 Resolutions.....16
- Key Resolutions Of The East African Business And Investment Summit 2023 For The Partner States' Governments And The Eac Secretariat.....18
- Eabc Chairperson Urges Uganda's First Deputy Prime Minister To Drive Eac Regional Integration Initiatives.....22
- 14th African Union High-Level Private Sector Forum: Unlocking Africa's Economic Potential.....24
- Eabc @ The Afcta Business Forum.....27
- The President Of Zanzibar Officiates The Zanzibar Trade And Investment Forum 2022.....28
- Presidential Summit On Eac Common Market Protocol.....30
- Eac Private Sector Policy Position On The African Continental Free Trade Area Outstanding Rules Of Origin.....32

33 SECTION 2

- Impact Stories.....35
- Afreximbank And Eabc Join Forces To Unlock Afcta Opportunities And Bolster Intra-African Trade.....36
- Eabc-Giz-Business Scouts Fund

Collaboration On Enhancing Competitiveness Of Agri-Food Industry And Mitigating The Impact Of Global Crises For Improved Food Security In The EAC Region.....38

- EABC- World Customs Organization Partnership Advances Afcta Rules Of Origin.....40
- Elevating East Africa: GIZ And EABC's Transformative Partnership.....41

44 SECTION 3

- Report On Ease Of Doing Business In The East African Community (EAC) 2023.....45
- Eabc Policy Advocacy Agenda 2023/24: Enhancing Regional Integration And Trade In East Africa.....49
- Navigating The Pandemic With The Eabc Business & Investment Barometer.....51
- Eabc Policy Brief On Eac Tariff Offer For Categories B & C Under African Continental Free Trade Area (Afcta)....54
- Eabc Policy Brief On The African Continental Free Trade Area (Afcta) Guided Trade Initiative.....56

58 SECTION 4

- Eabc, Comesa, And Sadc Business Councils Unite To Propel Afcta Implementation And Foster Regional Growth.....59

61 SECTION 5

- Private Sector Stakeholders Advocate For East African Standards Harmonization To Boost Intra-Eac Trade.....62
- Impact Story: Eabc-Trademark Africa Address High Transport Costs To Boost East African Competitiveness.....65
- Eabc's Call For Fresh Produce Consolidation Centers To Boost Eac Bloc Exports.....67

68 SECTION 6

- EABC-Afreximbank: Empowers Uganda's Businesses For Afcta Success.....69
- Empowering East Africa's Trade: Afcta Rules Of Origin Workshop And Webinar..... 72
- Giz –Eabc Empowers East African Private Sector With Knowledge On Afcta Trade In Goods Protocol.....74
- Empowering East Africa's Agri-Food Sector.....76
- Un Agencies And Eabc Join Forces: Partnering For Afcta Empowerment...78
- Eabc And Itc Launch Myeast africansoko78

79 SECTION 7

- Africa Private Sector Coalition Announces Commitment To Climate Responsibility Framework During Inaugural Africa Climate Summit.....86
- Eastern Africa Waste Is Wealth Conference: Pioneering Efforts In Sustainable Waste Management And Circular Economy.....88
- Eabc Giz-Gfa, Azania Bank, Salinero Hotel, Coca-Cola Bonite Bottlers, A To Z Textiles Mills Champion Zero Waste For A Greener East Africa.....90

92 SECTION 8

- Industrial Agglomeration In Africa's Agribusiness Sector: Key To Unlocking Economic Growth And Food Security.....93
- 3rd High-Level Forum On The East African Community (Eac) Comprehensive Africa Agriculture Development Program (Caadp) Biennial Review Report.....95

96 SECTION 9

- EABC Vice Chairman Presents Continental Priorities To Afcta Secretary General.....98
- Eabc And Usa Ambassador Explore Trade And Investment Partnerships99
- EABC Explores Trade Opportunities In Burundi.....100
- Eabc Discusses Cross-Border Trade With Burundi Revenue Authority.....100
- Eabc Visits Rwanda To Strengthen Trade Ties.....100
- Eabc Engages Rwanda Revenue Authority On Trade Facilitation.....100
- Eabc Partners With Equity Bank For African Trade And Climate Resilience.....101
- British Chamber Of Commerce Kenya - Business And Investment Climate Reform Roundtable.....101
- Equity Bank's Digital Trade Mission Spotlights Tanzania's Agricultural Potential.....101

102 SECTION 10

- Driving Graduate Employability: East African Collaboration Between Academia And Private Sector.....103

105 SECTION 11

- Administration.....106

108 SECTION 12

116 SECTION 13



FOREWORD FROM CHAIRPERSON OF EAST AFRICAN BUSINESS COUNCIL

East African Business Council 25th Year of Remarkable Achievement

Dear Members and Partners,

I am delighted to reflect upon the incredible achievements of the East African Business Council (EABC) over the past year. In a region brimming with potential and promise, our organization- EABC marked its 25th anniversary this year. EABC has played a pivotal role in propelling economic growth, nurturing invaluable partnerships, and

ardently advocating for positive change in business and investment landscape.

Our journey of accomplishment commenced with the profound resolutions originating from the 2nd East African Business and Investment Summit & Expo 2023. These resolutions have not merely illuminated our path; they have exemplified our unwavering commitment to shaping the future of trade and investment within the East African Community (EAC).

The East African Business and Investment Summit & Expo 2023 boldly outlined our mission, emphasizing our dedication to transforming policies into tangible economic growth and development.

Public Private Dialogues and Collaboration: Our steadfast partnership with COMESA and SADC, lead to the formation of the African Tripartite Business Council, exemplifies our commitment to continental integration.

Our active participation in high-level summits and our articulate representation of EABC's policy priorities ensure that the voice of the business community resonates in the shaping of regional policies.

At the core of our vision is the acknowledgment of the private sector's indispensable role in propelling economic growth in Africa

Advocacy for reforms to enhance regional integration and trade continues to be at the forefront of our agenda. We are tirelessly working to create a conducive environment for business growth, and our EABC Barometers on Trade and Investment and Trade in Services provide invaluable insights into the state of intra-EAC trade and investments. Our partnership with GIZ Business Scouts for Development has yielded comprehensive studies assessing the Impact of Global Crises on Food Security and exploring Investment Opportunities within agricultural value chains in the East African Community (EAC). We also partnered with TradeMark Africa (TMA) to conduct a study on discriminatory taxes and the harmonization of excise duties within the EAC.

Our proactive engagement in regional trade matters was also manifest through the impactful Private Sector Consultative Meeting on EAC's tariff offer under AfCFTA preferences. The consensus-building on such crucial matters is a cornerstone of our region's progress.

Capacity building: Our partnership with GIZ and Afreximbank, aimed at empowering Companies, SMEs and women in business on the AfCFTA protocols, embodies our unwavering commitment to position better the EAC in light

of trade opportunities, inclusivity and prosperity for the region.

The empowerment of MSMEs, women, and youth entrepreneurs to harness the opportunities presented by the AfCFTA stands as a paramount goal. Through a multitude of initiatives, including the groundbreaking digital platform developed in collaboration with International Trade Center (ITC), we are making commendable strides in this direction.

On sustainability: Initiatives like the roundtable on zero waste underscore our profound commitment to environmentally responsible business practices.

As we march forward, let us respond to the call to fully harness the potential of trade agreements and opportunities. Together, we can drive economic growth, create jobs, and enhance the lives of the people within the East African Community.

I extend my heartfelt gratitude for your unwavering support, dedication, and partnership in our journey of progress. Sincerely,

Angelina Ngalula,
Chairperson,
East African Business Council (EABC)





MESSAGE FROM EXECUTIVE DIRECTOR OF EAST AFRICAN BUSINESS COUNCIL

Driving East Africa's Economy and Prosperity

Dear Esteemed Members and Partners,

I am honoured to share the East African Business Council (EABC) Annual Report under the theme: "25th year of Championing Trade & Investment in East Africa." The past year has been a testament to our unwavering commitment to driving positive change, fostering economic growth, and advocating for a thriving business environment across the East African Community (EAC).

The journey of our achievements began with the impactful resolutions generated from the 2nd East African Business and Investment Summit & Expo in 2023. These resolutions were not just words on paper; they were the foundation upon which we

building a brighter future for trade and investment in our region. They were presented to the EAC Council of Ministers to fortify our commitment to enhancing trade and investment across our community.

We also made our mark on the continental stage by participating in the 14th African Union High-Level Private Sector Forum. The resolutions called for inclusive growth, access to finance, transformation of the garment industry, advancement of digital trade, implementation of ESG practices, empowerment of youth and women entrepreneurs, access to affordable energy, development of transport and infrastructure, and promotion of agribusiness and food security.

In understanding the economic climate, we conducted seven (7) key studies on Ease of Doing Business in EAC 2023 and Barometers on Business and Investment and Trade in Services, Studies on discriminatory taxes, harmonization of excise duties, and liberalization of air transport services presented practical solutions to the Governments.

Our advocacy efforts have been tireless, with 10 policy briefs outlining private sector priorities and positions. The policy advocacy agenda we championed aimed at creating a conducive environment for regional integration and trade. The EAC Private Sector Consultative Meeting and our engagement on the Common External Tariff (CET) structure were instrumental in shaping important policy decisions.

Digital tax stamp policies and discussions on regional tax matters showcased our expertise in budgetary consultations. Our commitment to liberalizing trade in services is evident through our recommendations on critical sectors like financial services, telecommunication, professional services, tourism, and air transport. We also worked on harmonizing product standards and advocating for the development of an EAC transport and logistics charter.

We strengthened our dialogue frameworks, established the Tripartite Business Council, and worked closely with EAC technical committees to mainstream private sector policy priorities. The launch of the East African SMEs Platform marked a significant milestone in promoting SMEs' roles in the EAC's economic integration.

We've actively trained and empowered 764 companies, SMEs, youth, and women on EAC and AfCFTA trade agreements. Initiatives like sensitization on AfCFTA Rules of Origin, budget analysis, SME workshops, and training on AfCFTA's Protocol on Trade in Goods were instrumental in enhancing our members' capacity.

In our commitment to food security, we empowered officers with knowledge on contract farming and export procedures. Our participation in the 3rd High-Level Forum on the East African Community Comprehensive Africa Agriculture Development Program (CAADP) further reinforced our dedication to agribusiness and food security.

Sustainability remains at the forefront of our mission, our Roundtable Meeting championed zero waste campaign initiative and sustainable business models. We also played a pivotal role in fostering academic public-private partnerships, co-organizing the 12th Academia-Public-Private Partnership Forum. Our strategic networks have expanded, with the signing of MoUs with several five (5) organizations.

Our membership has grown steadily to 184, and we are proud to have elite, corporate, associate, SME members who make our community stronger. Our visibility has been enhanced through newsletters, magazines, press releases, and a robust online presence.

Finally, our organizational sustainability is paramount. We've developed strategies, trained our staff, appointed goodwill ambassadors, and championed a conducive business environment in line with our strategic plan.

In conclusion, the East African Business Council continues to stride forward on its mission to drive economic growth, strengthen regional integration, and create a conducive environment for businesses to thrive.

Special thanks all our members, Board and development partners: Afreximbank, GIZ Support to East African Integration Programme, Sequa GmbH, GIZ Business Scouts, TradeMark Africa, and International Trade Centre, as well as our Elite Members: Equity Bank, Coca-Cola Africa, BAT Kenya, Groupe EIS Eka, and Gatsby Africa, for their continued partnership towards East African Business Council's vision of borderless East Africa for increased business and investment.

Together, we look forward to the many achievements that the future holds.

Yours sincerely,

John Bosco Kalisa
Executive Director,
East African Business Council (EABC)



WHO WE ARE

- The East African Business Council (EABC) is the regional apex body of Private Sector associations and corporates in the East Africa with a single purpose of driving the East African Community integration process through trade and investment.
- Established in 1997, to foster the interests of the Private Sector in the EAC integration process
- EABC Vision: Borderless East Africa for business and investment.

MISSION

To promote sustainable Private Sector driven growth in the EAC

WHAT WE DO

- Evidence-based policy advocacy
- Advisory services, analysis and market intelligence on regulatory developments in the EAC
- Representing EAC Private Sector in the EAC Policy formulations
- Addressing member's regional concerns i.e. NTBs, trade & business restrictions inconsistent with EAC commitments/agreement
- High-level public-private dialogues
- Business networking



EAST AFRICAN BUSINESS COUNCIL BOARD MEMBERS



EAST AFRICAN BUSINESS COUNCIL SECRETARIAT TEAM



KEY ACHIEVEMENTS AND MILESTONES OF THE EAST AFRICAN BUSINESS COUNCIL (EABC)



BUSINESS ENVIRONMENT

Promoting Trade and Investment:

- 2nd East African Business and Investment Summit & Expo 2023 Resolutions: The resolutions of the Summit were presented to EAC Council of Minister to enhance trade and investment across the region.
- 14th African Union High-Level Private Sector Forum Resolutions called for inclusive growth, access to finance, transformation of the garment industry, advancement of digital trade, implementation of ESG practices, empowerment of youth and women entrepreneurs, access to affordable energy, development of transport and infrastructure, and promotion of agribusiness and food security.

Business & Investment Climate:

7 studies

- Ease of Doing Business in EAC 2023 Report: The report provided perceptions of private sector on ease of doing business in the EAC for period of 2023.
- Barometer on Business and Investment: EABC's Barometer provided valuable insights into the economic climate amid COVID-19 challenges and offered an outlook for 2022/23.
- Barometer on Trade in Services: EABC's Barometer provided that state of trade in service liberalization in EAC.
- Discriminatory taxes & harmonisation of excise duties in EAC: EABC in partnership with TradeMark Africa (TMA), conducted study on discriminatory taxes and the harmonization of excise duties in EAC.
- Liberalization of air transport services: EABC undertook study to analyze the air space liberalization, cost drivers and regulations (including taxes, levies and other related charges), on the cost of doing business within the EAC. The study's key recommendation submitted to the EAC Secretariat is the need for a unified air transport services agreement among the EAC Partner States.

- The EABC-GIZ Business Scouts for Development conducted studies on the Impact of Global Crises on Food Security and Investment opportunities in agricultural value chains in EAC.

Advocacy and Policy Influence:

10 policy briefs outlining private sector priorities and positions

- Policy Advocacy Agenda: EABC's policy advocacy agenda called for essential reforms to create a conducive environment for regional integration and trade.
- EABC Memorandum of Regional Private Sector Policy Priorities was presented to the EAC Council of Ministers and Heads of States Summit on Common Market. Six (6) important recommendations on the EABC policy priorities were adopted in the resolutions of the EAC Heads of States Summit on Common Market.
- EAC Private Sector Position on the Outstandings Rules of Origin under AfCFTA: EABC organized EAC Private Sector Consultative Meeting which developed policy positions on Outstanding Rules of Origin under AfCFTA
- EAC Common External Tariff (CET): EABC's advocacy led to the adoption of the 4-band EAC CET Structure, supporting regional industrialization.
- Consensus on AfCFTA Tariff Offers: EABC-GIZ Private Sector Consultative Meeting fostered consensus on the EAC's tariff offer under AfCFTA preferences.
- Digital tax stamp: EABC's policy brief called for reduced digital tax stamp costs for manufacturers.
- Regional Tax Policies: EABC organized webinars on EAC Partner States Budgets and consultations on domestic tax regimes, contributing to informed budget decisions.
- Liberalization of Trade in Services in EAC: Following the findings of EABC Barometer on Trade in Services in EAC, EABC submitted key recommendations to EAC Secretariat on how to liberalize trade in services focusing on five selected services which are: Financial

services, telecommunication sub-sector, professional service, tourism service and air transport service.

- Harmonization of Standards: EABC convened 207 public and private sector and raised their awareness about Standards (Conformity Assessment and Mutual Recognition) and on the implementation of the EAC SPS Protocol: Measures and Constraints.
- EABC and TradeMark Africa Webinar on “Corridor Performance & Its Impact on EAC Business Competitiveness” called for the development of an EAC transport and logistics charter or framework to enhance the region’s competitiveness.

Strengthening Public Private Dialogue Frameworks:

- Tripartite Business Council: EABC, along with COMESA and SADC Business Councils, formed the African Tripartite Business Council to advocate for private sector policy proposals in AfCFTA and TFTA negotiations.
- **EAC-EABC Technical Working Group:** The EAC-EABC Technical Working Group analyzed and mainstreamed private sector policy priorities for the year 2023 in EAC technical committees.
- SME Platform Launch: The East African SMEs Platform was officially launched, outlining priorities to deepen SMEs role in EAC economic integration agenda.

Capacity Building on Trade Agreements

764 Companies, SMEs, youth and women improved knowledge on EAC and AfCFTA trade Agreements

- Export Procedure: In partnership with TradeMark Africa (TMA), EABC sensitized 45 Private sector players on AfCFTA Rules of Origin, Authorized Economic Operators & Export Processing Zone and Duty Remission Schemes.
- EAC Partner State Budget and new EAC CET 2022: In partnership with TradeMark Africa, EABC analyzed and sensitized 45 private sector on EAC Partner State Budget and new

EAC CET 2022 Version

• Empowering SMEs and Women on AfCFTA:

Partnership with Afreximbank empowered 150 SMEs and women in Uganda, Rwanda, Burundi & Kenya, boosting intra-Africa trade opportunities.

- **AfCFTA's Trade in Goods Protocol:** EABC in partnership GIZ trained 19 Private Sector Regional Master Trainers on AfCFTA's Protocol on Trade in Goods and collaborated with them to conduct National Sensitization Workshops reaching over 170 private sector participants in Rwanda, Tanzania, Kenya and Uganda.
- EABC - GIZ SME Workshop convened over 35 youth & women entrepreneurs and developed roadmap to address trade challenges affecting SMEs in trading under EAC and AfCFTA agreements.
- **AfCFTA Rules of Origin** EABC in collaboration with World Customs Organization (WCO) sensitized 200 businesses on AfCFTA Rules of Origin via webinar and extended a physical training to 30 business associations from all EAC Partner States.
- EABC in partnership with International Trade Centre, UN Development Programme, and UN Women trained 70 SMEs and youth on African Continental Free Trade Area (AfCFTA).

Agribusiness and Food Security:

- Contract Farming and Export Procedures Training: EABC empowered 40 officers from associations with knowledge on contract farming and export procedures to improve food security. EABC participated in the 3rd High-Level Forum on the East African Community (EAC) Comprehensive Africa Agriculture Development Program (CAADP) Biennial Review Report.

Sustainability and Circular Economy:

- **Zero Waste Initiatives:** EABC CEO

Roundtable championed a shift to circular business models on the International Day of Zero Waste.

- **Commemorating International Day Zero Waste:** EABC rolled out an awareness campaign on Sustainable Development Goals by cleaning a public market during the International Day of Zero Waste.

Fostering Academic Public Private Partnership

- **EABC** in partnership with Inter-University Council for East Africa (IUCEA) co-organized the 12th Academia-Public-Private Partnership Forum (APPPF) and Exhibition
- **EABC** signed MOU with the Africa Higher Education Research Institute (AHERI) to promote higher education and industrial growth in the EAC and the continent.

STRATEGIC NETWORKS

- **EABC** signed **MoUs** with Abuja Chamber of Commerce and Industry (ACCI), Compass Global Business Services Limited, Mama Mia Soko, Parliamentary Forum on East African Community Affairs (PEACA) and Africa Higher Education Research Institute (AHERI).

MEMBERSHIP

- For the year 2022 and 2023, East African Business Council attracted 184 members spread in throughout the seven (7) EAC Partner States.
- **EABC** is proud to have (5) as Elite Members: Equity Bank, Coca-Cola Africa, BAT Kenya, Groupe EIS Eka and Gatsby Africa. 114 corporates, 46 associations, 4 government agencies and 15 SME as members.

COMMUNITY FOCUS & VISIBILITY

- **EABC** updated members on policy updates on trade and investment, advocacy campaigns via - EABC Jumuiya Watch

e-Newsletters and EABC Business Spotlight magazine

- **EABC 25th Anniversary Journal**-Documented **EABC's** journey and achievements.
- Press releases and media interviews on EABC private sector policy agendas and events resulted in 20,100 online mentions (source: google news alert 2023)
- Website www.eabc-online.com , social media platforms reached 50K audiences/month

ORGANISATION SUSTAINABILITY

- Institutional Strengthening
- **EABC** developed Fundraising, Membership and Communication strategies.
- **EABC** in partnership with Catalyst+ trained staff on membership retention and recruitment.
- **EABC** appointed 20 Goodwill ambassadors to strengthen partnerships and champion EABC's mission at country level
- **EABC** championed a conducive business environment and promote sustainable private sector-driven growth in the EAC in line with the EABC Strategic Plan 2022-2027

Partnerships - 3 new projects

- **EABC**- Afreximbank project on "Positioning the EAC Private Sector to Take Advantage of the African Continental Free Trade Area (AfCFTA)"
- **EABC** Sequa GmbH GIZ Business Scouts project on "Enhancing Competitiveness of Agri-food Industry and Mitigating the Impact of Global Crises to enhance Food Security in the EAC region"
- **EABC**--GIZ Support to East African Integration Programme phase II project – "Enhancing effective private sector participation in the EAC and AfCFTA integration process."

SECTION 1

HIGH-LEVEL ENGAGEMENTS PROMOTING TRADE AND INVESTMENT





EAST AFRICAN BUSINESS AND INVESTMENT SUMMIT & EXPO 2023: A PATH FROM POLICY TO PROSPERITY

Rt. Hon. Rebecca Alitwala Kadaga, 1st Deputy Prime Minister of Uganda and Minister for East African Community Affairs Officially inaugurates the East African Business and Investment Summit & Expo 2023

On September 1, 2023, in Kampala, Uganda, Rt. Hon. Rebecca Alitwala Kadaga, 1st Deputy Prime Minister of Uganda and Minister for East African Community Affairs, Republic of Uganda, officially inaugurated the East African Trade and Investment Summit & Expo 2023, marking the commencement of a significant economic forum.

In her address, Rt. Hon. Rebecca Alitwala Kadaga emphasized the importance of public and private collaboration in achieving the success of the

African Continental Free Trade Area (AfCFTA). She highlighted the persistent non-tariff barriers that hinder intra-East African Community (EAC) trade, calling for the full implementation of AfCFTA, compliance with EAC Common Market commitments, and an increased focus on manufacturing to boost the EAC's GDP.

Organized by the East African Business Council (EABC), the East African Community (EAC) Secretariat, Private Sector Foundation Uganda (PSFU), Uganda Investment Authority (UIA), Afreximbank, German Development Cooperation (GIZ), RSM Eastern Africa, Madhvani Group, Standard Chartered Bank, PACCAPITAL, SEATINI, and PWC, the 2nd East African Business & Investment Summit carries the theme "Private Sector Driven



Regional Integration for Increased Intra-African Trade & Investment.” The summit gathered over 600 delegates, including government leaders, private sector representatives, academics, and international organizations, to discuss strategies for enhancing regional integration and boosting intra-African trade and investment.

Mr. John Bosco Kalisa, Executive Director of the East African Business Council (EABC), welcomed attendees and addressed the challenges posed by global economic shocks and the ongoing impact of the COVID-19 pandemic on East African economies. He outlined the summit’s focus on critical domains such as the trade and investment climate, AfCFTA, Sustainable Industrialization and Value Chains, Tax Regime Harmonization within the EAC, Liberalization of Trade in Services, the Digital Economy, innovation, SMEs, Women and Youth in Business, and Climate Change & Agriculture. Mr. Kalisa underscored the summit’s aim to build upon the achievements of the inaugural event held in 2019, including the ratification of AfCFTA, the finalization of the EAC

Common External Tariff, and the inclusion of the Democratic Republic of Congo into the EAC.

Mr. Stephen Asiimwe, CEO of PSFU, stated that the Private Sector Foundation (PSFU) works closely with EABC to champion borderless trade in the EAC bloc as the National Focal Point in Uganda.

Dennis Karera, EABC Vice Chair, speaking on behalf of EABC Chairperson Angelina Ngalula, commended the EAC Council of Ministers for their commitment to creating an enabling business environment for trade and their role in key achievements. He emphasized the need for practical policy reforms that stimulate cross-border investment within the region, reduce reliance on foreign direct investment (FDI), and promote productive integration based on comparative advantages and specialization. Mr. Karera also highlighted the crucial roles of women, youth, and SMEs in African cross-border trade and economic growth.

Hon. Amb. Ezéchiel Nibigira, Chair of the East African Community (EAC) Council of Ministers, delivered a keynote address on the role of EAC Partner States in Promoting Private Sector-led integration. He urged the private sector to tap into the EAC and AfCFTA markets to create jobs for the youth and prepare for competition in the AfCFTA market. He stressed the importance of simplifying trade procedures, improving access to finance, and establishing joint venture partnerships for youth-led businesses. Hon. Amb. Nibigira highlighted the significance of creating favorable legal frameworks, conducive business environments, and eliminating non-tariff barriers to support intra-EAC exports.

Ms. Wall emphasized the importance of regional cooperation and collaboration in driving economic growth and prosperity. She acknowledged Uganda's transformative legislation to invigorate trade and business activities, reflecting a conducive environment for trade and investment. She expressed her appreciation for the collaborative effort that made the summit possible and commended the Government of Uganda for its visionary leadership and commitment to regional economic integration. Mrs. Sarah Kagingo, Vice Chair Private Sector Foundation Uganda, called upon governments to eliminate protectionism of non-tariff barriers and fully implement commitments and accountability of protocols on the freedom of movement of persons and goods in the EAC region.

Mr. Ashif Kassam, O.G.W, Executive Chairman, RSM Eastern Africa LLP, stressed the need to create an enabling environment for business through public-private partnerships. He emphasized fiscal consolidation and discipline as the means to rationalize tax structures across different countries. Ms. Annette Mutaawe Ssemuwemba, EAC Deputy Secretary-General Customs Trade and Monetary Affairs, reiterated the EAC treaty's people-centered and market-driven approach and commitment to implementing the resolutions of the East African Business Summit.

Dr. Klingler Michael Kurt of Germany Development Cooperation (GIZ) emphasized GIZ's commitment to championing a vibrant private sector across East

Africa to shape sustainable economic development. Mr. John Bosco SEBABI, Deputy CEO of the Pan-African Payment & Settlement System (PAPSS), delivered a compelling speech on "Promoting Private Sector Driven Regional Integration for Increased Intra-African Trade and Investment." He highlighted the central importance of promoting intra-African trade within the context of Afreximbank's mandate, emphasizing the significance of AfCFTA as a catalyst for economic integration.

Mr. SEBABI discussed Afreximbank's strategic plans to support intra-African trade and investment, including the disbursement of over US\$20 billion in support of these objectives and a commitment to disburse US\$40 billion by 2026. He acknowledged the significant potential of the East African Community (EAC) in enhancing trade and economic ties.

The inauguration of the African Continental Free Trade Area presents a monumental opportunity for the private sector to expand intra-African trade beyond conventional borders. Mr. SEBABI stressed the need to unlock the potential of connecting over 1.3 billion individuals across Africa through AfCFTA, focusing on education, empowerment, simplified trade frameworks, inclusive trade, and fostering investments to harness regional value chains. The East African Business and Investment Summit & Expo 2023 discussion and resolutions forged the path to a vibrant and prosperous East African business landscape.





THE 2ND EAST AFRICAN BUSINESS AND INVESTMENT SUMMIT & EXPO 2023 RESOLUTIONS

The East African Business and Investment Summit & Expo 2023, organized by the East African Business Council (EABC) and the East African Community (EAC) Secretariat, took place from August 31st to September 1st, 2023, in Kampala, Uganda.

The summit brought together over 500 delegates, including Ministers, senior government officials, industry leaders, potential investors, and representatives from financial institutions. These delegates engaged in discussions concerning the successes and challenges facing trade and investments within the East African Community (EAC) and the African Continental Free Trade Area (AfCFTA). The primary objective was to chart

a path for the future, identify necessary policy reforms, and leverage opportunities for increased intra-African trade and investment.

The East African Business and Investment Summit & Expo 2023 was graced by the presence of Rt. Hon. Rebecca Alitwala Kadaga, 1st Deputy Prime Minister and Minister for East African Community Affairs, Republic of Uganda, who officially opened the Business and Investment Summit. Hon. Kadaga called for the elimination of persistent non-tariff barriers that hinder intra-East African Community (EAC) trade, full implementation of AfCFTA, compliance with EAC Common Market commitments, and an increased focus on manufacturing to boost the EAC's Gross Domestic Product.



Hon. Rt. Hon. Rebecca Alitwala Kadaga, the 1st Deputy Prime Minister, officially launched the EAC-EABC Technical Working Group, which will be responsible for monitoring the implementation of the Summit's resolutions

The summit appreciated the vast investment opportunities in East Africa presented by Burundi Development Agency (ADB), Ministry of Investment, Republic of South Sudan Juba, Tanzania Investment Centre (TIC), and Uganda Investment Authority (UIA).

The East African Business and Investment Summit & Expo 2023 expressed its appreciation for innovations, collaborations, and partnerships from academia and committed to promoting technology transfer between academia and industry.

Hon. Amb Ezechiel Nibigira, Chair of the EAC Council of Ministers and Minister for East African Community Affairs, Youth, Sports, and Culture, Republic of Burundi, and Mr. Dennis Karera, Vice Chairperson of East African Business Council, received and signed the resolutions of the East African Business and Investment Summit & Expo 2023. In his address, Hon. Amb Nibigira urged the private sector to tap into the EAC and AfCFTA markets to create jobs for the youth and prepare for competition in the AfCFTA market. This entails simplifying trade procedures, improving access to finance, and establishing joint venture partnerships for youth-led businesses.



KEY RESOLUTIONS OF THE EAST AFRICAN BUSINESS AND INVESTMENT SUMMIT 2023 FOR THE PARTNER STATES' GOVERNMENTS AND THE EAC SECRETARIAT

1. Trade and Investment Climate – Making East Africa a Leading Trade and Investment Destination:

- Develop strategies and programs to foster an increase in intra-EAC trade to 40% within five years.
- Prioritize harmonization of trade and investment regulations and policies within the EAC to facilitate the promotion of the EAC as a single investment destination.
- Enhance coordination and cooperation among regulatory agencies for the consistent implementation of trade and investment regulations.
- Prioritize funding and development of cross-border infrastructure projects to improve regional connectivity and reduce trade barriers.
- Strengthen cooperation between revenue/customs authorities to combat illicit trade and corruption while promoting intra-regional trade and investment.
- Accelerate public-private partnerships at national and regional levels to encourage investments.
- Establish robust legal frameworks and investor protections to create a conducive business environment.
 - Foster the exchange of information, best practices, and research data across the region.

2. African Continental Free Trade Area - Positioning the Private Sector to Take Advantage of the AfCFTA:

- Develop regional harmonized positions on pending issues under AfCFTA negotiations.
- Nominate Panelists from all EAC Partner States to the AfCFTA Dispute Settlement Body.
- Expedite the development of the EAC Tariff Offer for Category B & C Products by October 2023.
- Enhance public-private collaboration and dialogue for the full implementation of the AfCFTA Agreement.
- Develop a comprehensive strategy to maximize the benefits of the AfCFTA.
- Provide capacity building to SMEs for their participation in AfCFTA and promote intra-industry trade.

3. Sustainable Industrialization and Value Chains in Africa:

- Accelerate exports of high-demand products to match regional growth amid a competitive international market.
- Increase manufacturing capacity, diversify production, and develop competitive medium and high-tech sectors.
- Strengthen and prioritize regional supply and value chains for faster development in sectors like agro-processing, pharmaceuticals, and energy.
- Promote backward integration to utilize natural resources and raise awareness about the African Continental Free Trade Area (AfCFTA).
- Embrace regional standards and improve product quality through effective packaging and pricing.
- Address unfair competition and promote “Buy East Africa, Build East Africa” (BEABEA) to boost regional consumption and production.
- Foster the implementation of the EAC Industrialization Policy and Strategy.

- Encourage investments in manufacturing, agriculture, and pharmaceuticals.
- Develop programs for skills development and technology transfer to support sustainable industrialization and value chains.

4. Tax Regime Harmonization in EAC:

- Engage in a dialogue with the private sector in the harmonization of domestic taxes, including excise duties, VAT, income tax, and tax incentives, and lowering the cost of implementing the Digital Tax Stamp System across the EAC region.
- Review the EAC Agreement for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with Respect to Income Taxes to allow for implementation by Ratified Parties through the Variable Geometry Principle.
- Fast-track elimination of all discriminatory taxes on EAC products.

5. Digital Economy: Unlocking Business Opportunities in the EAC & AfCFTA through Digital Skills:

- Foster closer collaboration with educational institutions to enhance the knowledge and skills of young people for the digital era.
- Develop policies that create an enabling environment for technology adoption and innovation.
- Encourage collaborative efforts between the public and private sectors to harness the full potential of the digital economy.
- Promote digital skills capacity building for preparedness for the utilization of emerging technologies.

6. Trade in Services:

- Address the high cost of air travel through the implementation of open skies in the EAC.
- Encourage all EAC Partner States to join the One Network Area to enhance communications.
- Address issues related to reverse VAT on trade-in services.



- Encourage Business Membership and advocacy organizations to push for the implementation of commitments made by the Partner States regarding the movement of services and service providers.

7. SMEs, Women and Youth in Business:

- Invest reasonable resources in Research and Development (R&D) to achieve industrialization and increased productivity.
- Establish an SMEs and startup fund to facilitate access to finance.
- Implement a credit bureau system to verify the creditworthiness of SMEs.
- Organize annual SMEs investment forums to strengthen partnerships and facilitate business deals.
- Develop policies and programs to support SMEs.

8. Climate Change and Agriculture: Promote Sustainable Farming Practices:

- Encourage organic farming, agroforestry, and regenerative principles.
- Reduce synthetic input usage, aligning with EU targets for 2030.
- Educate and empower small-scale farmers on climate change impacts.
- Promote regenerative and smart agriculture, emphasizing efficiency and sustainability.
- Adopt Integrated Pest Management (IPM) strategies and coordinate with conservation efforts.
- Implement regenerative practices to enhance soil health and biodiversity.
- Support climate adaptation methods in livestock farming.
- Eliminate pollution and chemical poisoning in soil and food.
- Invest in soil health training and information sharing.
- Encourage efficient irrigation practices.
- Promote tree planting for food production and conservation.

Enhance Resource Management:

- Provide water harvesting and recycling training.
- Support climate-smart irrigation.
- Disseminate climate change information to farmers.
- Advocate for climate-smart farming practices.
- Implement anti-deforestation policies to protect ecosystems and agriculture.

Promote Sustainable Business Practices:

- Support the EAC Carbon Trade Platform and invest in renewable energy projects.
- Encourage the transition to green transportation.
- Set sea transport goals to reduce carbon emissions.
- Create an EAC carbon trade platform to incentivize carbon reduction and offset projects.
- Improve food production by utilizing climate forecasts, drought-tolerant seeds, and climate-smart irrigation.
- Continuously sensitize farmers to climate change impacts and provide seasonal climate forecasts.
- Provide support to farmers to reduce synthetic fertilizers and pesticides and adopt alternative methods.
- Eliminate pollution and chemical poisoning in soil and food.
- Enhance water harvesting and recycling training to address water scarcity and improve resource management.
- Facilitate information sharing among stakeholders to promote climate-resilient agriculture and land management practices.
- Promote the transition to green transportation through biodiesel production, waste recycling, and a shift from air to sea freight for exports.

The summit extended its appreciation to Private Sector Foundation Uganda (PSFU), Uganda Manufacturers Association (UMA), Uganda Investment Authority (UIA), Afreximbank, German Development Cooperation (GIZ), RSM Eastern Africa, Madhvani Group, Standard Chartered Bank, PAC Capital, SEATINI, and PWC for their valuable partnerships in making the East African Business and Investment Summit & Expo 2023 a success.

The EAC Business and Investment Summit & Expo 2023 was officially closed by Hon. Matia Kasaija, the Minister of Finance, Planning, and Economic Development. He called for a borderless East Africa to enable the free movement of goods and services, similar to the former East African Community (EAC). Additionally, he stressed unity and the significance of providing increased market access to East African-made products.

Signed by

- Hon. Amb. Ezéchiél Nibigira, Chair of the EAC Council of Ministers & Minister, Ministry of East African Community Affairs, Youth, Sports and Culture, Republic of Burundi
- Mr. Dennis Karera, Vice Chairperson, East African Business Council 1st September 2023





EABC CHAIRPERSON URGES UGANDA'S FIRST DEPUTY PRIME MINISTER TO DRIVE EAC REGIONAL INTEGRATION INITIATIVES

In February 2023, EABC Chairperson Angelina Ngalula appealed to Rt. Hon. Rebecca Kadaga, First Deputy Prime Minister and Minister for East African Community (EAC) Affairs in the Government of the Republic of Uganda. The appeal was made during discussions held between the EABC Chairperson and Board members with Rt. Hon. Rebecca Kadaga. The topics of discussion included various aspects of regional integration within the East African Community.

During this engagement, Angelina Ngalula urged Rt. Hon. Rebecca Kadaga, as a member of the EAC Council of Ministers, to champion several key initiatives. These

included advocating for the liberalization of air transport services, the activation of the EAC Remedies and disputes settlement mechanism, the harmonization of product standards, domestic tax harmonization within the EAC, and the implementation of the African Continental Free Trade Area (AfCFTA) and the EAC Small Medium Enterprise (SMEs) Charter.

The occasion also marked the official inauguration of newly appointed EABC Goodwill Ambassadors from Uganda. These ambassadors included notable figures like Mr. Jim Mwine Kabeho, Dr. Merian Sebunya, Ms. Olive Kigongo, and Mr. Charles Kareba.

In her address, Rt. Hon. Rebecca Kadaga emphasized the importance of supporting women cross-border traders and SMEs, encouraging them to formalize their businesses and be aware of trade procedures and opportunities within the EAC bloc. She stressed the need for founding EAC members to lead by example in implementing agreed commitments, such as the One Network Area for telecommunications.

Rt. Hon. Kadaga expressed optimism that the Republic of South Sudan would fulfill its EAC protocols and commitments, including the ratification of the AfCFTA agreement. She reiterated her commitment to eliminating non-tariff barriers, citing recent positive developments like Kenya lifting import bans on eggs and milk from Uganda and the reopening of Rwanda-Burundi borders.

In response, Mr. John Bosco Kalisa, CEO of EABC, highlighted the positive growth in intra-EAC trade despite global challenges. He commended Rt. Hon. Rebecca Kadaga for her dedication to promoting intra-EAC trade growth and for resolving non-tariff barriers related to rice imports from Tanzania to Uganda.

Rt. Hon. Kadaga also called on the private sector to advocate for political confederation and the removal of trade barriers, emphasizing the potential for creating wealth and prosperity for citizens. She pledged to inquire about the operationalization of the EAC trade remedies committee during the upcoming meeting of the EAC Council of Ministers.

Angelina Ngalula, the EABC Chairperson, expressed appreciation for the Republic of Uganda's leadership under H.E. Yoweri Kaguta Museveni in advancing the EAC and Continental integration agenda. Notable achievements mentioned included bilateral trade opportunities like the Tanzania-Uganda oil project and the reopening of borders.





14TH AFRICAN UNION HIGH-LEVEL PRIVATE SECTOR FORUM: UNLOCKING AFRICA'S ECONOMIC POTENTIAL

The 14th African Union High-Level Private Sector Forum, held from July 10th to July 12th, 2023, in Nairobi, Kenya, proved to be a pivotal event for discussions on Africa's economic growth and development. With participation from key governmental figures, private sector leaders, and international organizations, the forum centered around the theme "Public-Private Sector Engagement for Inclusive Growth and Sustainable Development while Deepening Regional and Continental Trade and Investment towards Implementation of the AfCFTA."

Importance of a Vibrant Private Sector

Kenya's Cabinet Secretary for East African

Community and Arid and Semi-arid Lands, Hon. Rebecca Miano, delivered the keynote address, highlighting the indispensable role of the private sector in driving economic growth across Africa. Hon. Miano pointed out that the private sector contributes significantly to Africa's economy, accounting for 80% of total production, two-thirds of investment, and three-quarters of credit. Furthermore, it employs a staggering 90% of Africa's working-age population. She stressed that a robust private sector is essential for Africa's sustainable economic transformation and the successful realization of economic integration across the continent.

Hon. Miano underscored the importance of value addition in agricultural and extractive industries,

emphasizing that this strategy would not only enhance value chains but also lead to increased intra-African trade, economic integration, and industrial development.

Addressing Post-COVID Economic Challenges

Ms. Annette Ssemuwemba, the EAC Deputy Secretary-General in charge of Customs, Trade, and Monetary Affairs, highlighted the economic challenges that African countries face in the post-COVID era. While acknowledging the gradual recovery of EAC Partner States' economies, with projected GDP growth of 4.7% by the end of 2023, Ssemuwemba pointed out the persistent challenges, including drought, economic shocks, and reduced agricultural production. These challenges have had a significant impact on food security and foreign earnings.

Ssemuwemba emphasized the need to address these challenges effectively and seize the opportunities presented by the African Continental Free Trade Area (AfCFTA). She particularly called for the removal of non-tariff barriers, improved infrastructure, and strong political will to facilitate trade among African countries.

Unlocking Africa's Economic Potential by Chairperson Angelina Ngalula

In her remarks, the Chairperson of the East African Business Council, Ms. Angelina Ngalula, provided a compelling vision for Africa's economic future. She emphasized the transformative potential of the African Continental Free Trade Area (AfCFTA), stating that its successful implementation could lead to an increase in Africa's income by US\$450 billion by 2035. Ngalula further stressed that AfCFTA could create more decent jobs, improve the welfare of citizens, enhance the quality of life, and drive sustainable development across the continent.

Ms. Ngalula urged State Parties to AfCFTA to collaborate with the private sector in conducting mass awareness campaigns about the trade opportunities it offers. She particularly emphasized the need to expedite and finalize negotiations on the AfCFTA Rule of Origin (RoO), specifically in textiles and motor vehicles, as a key step toward harmonizing rules and determining the nationality of products traded within Africa. Additionally, she called for the operationalization of key AfCFTA implementation instruments, such as the Pan-African Payment Settlement System and the AfCFTA Adjustment Fund.



The Potential of Agribusiness and Food Security

One of the forum's critical sessions delved into the vast potential of agribusiness in Africa and the imperative of achieving food security on the continent. Panelists and experts discussed various strategies to increase agricultural productivity and create jobs through industrial agglomeration within the sector.

The session acknowledged the detrimental impacts of the COVID-19 pandemic, climate change, and conflicts on Africa's food systems, leading to over 30 million citizens facing poverty. Key recommendations included improving infrastructure, reducing post-harvest losses, and providing venture capital for young entrepreneurs in agriculture.

Key Resolutions of the 14th African Union High-Level Private Sector Forum

- 1. Achieving Inclusive Growth and Sustainable Development:** Recommendations included encouraging public-private dialogue, prioritizing private sector involvement, removing non-tariff barriers, and adopting technology to enhance information accessibility.
- 2. Enhancing Access to Finance:** Suggestions focused on data collection and analysis, inclusive governance mechanisms, creating conducive environments for small and medium-sized enterprises (SMEs), and developing central bank digital currencies.
- 3. Transforming the Garment Industry:** Recommendations highlighted promoting African fashion, reducing imports of secondhand clothing, supporting the value chain, and investing in the textiles sector.
- 4. Digital Trade:** This set of recommendations called for the adoption of electronic payment systems, digital literacy promotion, diversification of products in promising sectors, and the development of regulatory frameworks for e-commerce.
- 5. Environmental, Social, and Governance Practices:** Suggestions emphasized adopting circular economy principles, efficient waste management, tax incentives for ESG compliance, and sustainability promotion.

6. Youth and Women Entrepreneurs:

Recommendations included investments in entrepreneurship training, special initiatives for youth, and support for startup implementation.

7. Access to Reliable and Affordable Energy:

Encouraged measures encompassed the mobilization of financing for Independent Power Producers (IPPs), infrastructure upgrades, and the removal of barriers to private investments in the energy sector.

8. Transport and Infrastructure Development:

Recommendations focused on the development of policies and programs, resource mobilization, and consideration of the entire value chain.

9. Agribusiness and Food Security:

Recommendations called for policies encouraging intra-African trade in food production, investment in irrigation agriculture, incentivizing youth participation in agriculture, and addressing non-tariff barriers.

These recommendations provide a comprehensive roadmap for African governments, regional economic communities, and the private sector to collaborate in pursuit of inclusive growth, economic development, and sustainable progress on the continent.



EABC @ THE AfCFTA BUSINESS FORUM

On April 19, 2023, at the AfCFTA Business Forum held in Cape Town, the East African Business Council (EABC) emphasized the significance of business associations in driving the success of the African Continental Free Trade Area (AfCFTA).

Mr. John Bosco Kalisa, EABC Executive Director, stressed the need to expedite AfCFTA implementation at the Regional Economic Communities (RECs) level, with Business Councils playing a pivotal role in promoting awareness of AfCFTA's instruments and boosting intra-African trade.

He explained, EABC with support from GIZ and Afreximbank has successfully educated over 300 private stakeholders across EAC countries about the Protocol on Trade in Goods, enabling East

African businesses to export products to Ghana under AfCFTA's Guided Trade Initiative. Rwanda, Kenya, and Tanzania are already enrolled, with Uganda set to join in the upcoming phase.

To reinforce private sector involvement, the African Business Council (ABC) was launched, uniting private sector associations under the coordination of Business Councils at REC levels.

The panel recommended development partners provide technical support to Business Councils to enhance private sector capacity in applying AfCFTA instruments and fostering effective dialogue with the public sector.



THE PRESIDENT OF ZANZIBAR OFFICIATES THE ZANZIBAR TRADE AND INVESTMENT FORUM 2022

Wednesday, 30th November, 2022, Zanzibar: H.E. Dr. Hussein Ali Mwinyi, President of Zanzibar, officially opened the Zanzibar Trade and Investment Forum 2022, represented by H.E. Hemed Suleiman Abdulla, the 2nd Vice President of Zanzibar.

The two-day forum aimed to boost trade, investment, and finance prospects between Zanzibar and the broader African region under the African Continental Free Trade Area (AfCFTA).

President Mwinyi expressed his dedication to enhancing Zanzibar's trade and investment environment, welcoming investors with an open-door policy. He stressed the significance of

Foreign Direct Investment in achieving Sustainable Development Goals and the African Union Agenda 2063.

President Mwinyi encouraged investors to explore Zanzibar's major projects, including the Mangapwani Integrated Hub Port Project, Renewable Energy, Marine Transportation, and Infrastructure. Since November 2020, the Zanzibar Investment Promotion Agency has recorded 181 investment projects worth USD 3.056 billion, resulting in 9000 job opportunities.

EABC Chairperson Angelina Ngalula, represented by Mr. Ali Amour, EABC Board Member & Chairman of Zanzibar National Chamber of Commerce, highlighted Africa's modest 3% contribution to

global trade. She emphasized the potential of the AfCFTA, offering access to a market of 1.3 billion people and a combined GDP of USD 3.4 trillion. Mr. Ali Amour underlined Zanzibar's role as a gateway to both the East African Community (EAC) and the AfCFTA market.

Hon. Mudrik Ramadan Soraga, Minister of State for Labor, Economic Affairs, and Investment, discussed how the AfCFTA could boost intra-Africa trade by redirecting the approximately USD 50 billion spent on imports outside the continent into business expansion and job creation.

Dr. Gainmore Zanamwe, Head of Trade Facilitation & IATF at Intra-African Trade Bank (Afreximbank), highlighted Afreximbank's interventions to enhance intra-Africa trade and investment, including the Pan African Payment Settlement System and Africa Trade Exchange. Afreximbank's support for the Pan African Trade and Investment Agency, a USD 5 billion fund for Africa's economic recovery, and financial services for industrial park development in Unguja and Pemba were also discussed.

The Zanzibar Trade and Investment Forum brought together 300 delegates, including government officials, international investors, and business leaders such as Eng. Abdullahi Baba, Country Manager of Dangote Cement Ltd Tanzania, Mr. Shariff Ali Shariff, Executive Director of Zanzibar Investment Promotion Authority (ZIPA), and Mr. John Bosco Kalisa, CEO of East African Business Council.

The forum was organized by the African Export-Import Bank in collaboration with the Zanzibar Investment Promotion Authority (ZIPA), East Africa Business Council (EABC), and the Zanzibar National Chamber of Commerce (ZNCC).



PRESIDENTIAL SUMMIT ON EAC COMMON MARKET PROTOCOL

The EABC-TradeMark Africa Pre-Heads of State Engagement, held in July 2022, played a pivotal role in shaping the regional agenda for the East African Community (EAC) Common Market. At the heart of this event was the development of a memorandum of Regional Private Sector Policy Priorities to influence key policy decisions and drive the effective implementation of the Common Market. The attendees of this significant gathering encompassed a wide spectrum of stakeholders, including EABC Board Directors, EAC Secretariat officials, EABC Members, and prominent business leaders from East Africa.

The memorandum, provided insightful deliberations, encompassed several crucial issues and recommendations were presented to the

EAC Council of Ministers and Presidents in a bid to advance the goals of the EAC Common Market. These included: Adoption of 35% Maximum CET Rate, implementation of EAC revised schedule of commitments on progressive liberalisation of services and the mechanism for the removal of restrictions on trade in services, kick start negotiations for liberalization of the remained five (5) service sectors, harmonization of work permit regime and adoption of one network area (ONA) for all EAC Partner States.

Insights from Key Figures: During the EABC-TradeMark Africa Pre-Heads of State Engagement, Mr. Jaswinder Bedi, EABC's Vice Chairman, voiced the necessity for EAC Partner States to set clear deadlines for the achievement of Common Market objectives. He also shed light on the challenges

affecting free movement within the EAC, including Non-Tariff Barriers, delays in establishing the EAC Committee on Trade Remedies, work permit issues, re-testing of product standards, and restrictive Bilateral Air Service Agreements.

Hon. Simon Kiprono Chelugui, Cabinet Secretary of the Kenyan Ministry of Labor, emphasized the critical role of labor as a vital factor in production. Kenya's commitment to fostering a conducive business environment and facilitating labor and skills mobility was reiterated.

John Bosco Kalisa addressed the adverse impact of high transport costs in central and northern corridors on the EAC's competitiveness. He encouraged Tanzania and Burundi to participate in initiatives such as the One Network Area for Telecommunication and the EAC single tourist visa to promote the region as a unified tourist destination.

Business leaders also raised concerns about unharmonized domestic taxes, highlighting the disparities within the EAC that create an uneven playing field.

Presidential Summit on EAC Common Market Protocol and Resolutions: Subsequently, the East African Business Council Board and Members participated in the Presidential Summit on the EAC Common Market Protocol, held on July 20, 2022, at the EAC Headquarters in Arusha. The objectives of this summit were to provide the Heads of State with an opportunity to review the progress and challenges in the implementation of the EAC Common Market Protocol and offer strategic guidance for its acceleration.

Dr. James Mwangi, Group CEO of Equity Group Holdings, presented the Memorandum of Private Sector Policy Priorities on behalf of EABC members during the Presidential Summit. He called for the adoption and implementation of common laws by EAC Partner States and urged the private sector to collaborate and innovate, leveraging the region's potential to reset production and trade amid

disruptions like the Russia-Ukraine conflict. In his keynote address to the EAC Heads of State, Dr. James Mwangi highlighted opportunities and challenges in the region, including strengthening local and regional supply chains, improving food security, and

increasing investments. He stressed the importance of fast-tracking the full implementation of the EAC Common Market Protocol to boost intra-EAC trade and investments, emphasizing the vital role of public-private sector partnerships in driving socio-economic growth.

The summit acknowledged the remarkable achievements in implementing the Common Market Protocol but also recognized the need to address existing barriers in goods, services, and capital. The retreat yielded several crucial resolutions, including:

- 1. Increase in Intra-EAC Trade:** A commitment was made to elevate intra-EAC trade from the current 15% to 40% within the next five years. This resolution entailed several directives, such as finalizing the Regional Local Content Policy, ratifying Article 24(2) of the Protocol on the Establishment of the Customs Union to operationalize the trade remedies Committee, fully implementing commitments in Annex V on trade in services, prioritizing the harmonization of domestic taxes by July 2024, developing regional laws to enhance the Common Market Protocol, and expediting the implementation of the One Area Network for voice and data.
- 2. Single EAC Air Transport Market:** Partner States were directed to fast-track the establishment of a single EAC Air transport market, harmonize fees, levies, and taxes on aviation, and support cargo services.
- 3. Sectoral Council on Labor:** The Council was directed to expedite the establishment of the Sectoral Council on labor, employment, and migration to oversee the implementation of commitments, including portability of social security benefits.
- 4. Portability of Public Health Insurance:** The Council was directed to establish a regional mechanism to coordinate the portability of public health insurance, further promoting integration within the EAC.

Conclusion: The EABC-TradeMark Africa Pre-Heads of State Engagement emerged as a significant platform for advocating and deliberating on key issues that directly impact the EAC Common Market.





EAC PRIVATE SECTOR POLICY POSITION ON THE AFRICAN CONTINENTAL FREE TRADE AREA OUTSTANDING RULES OF ORIGIN

In order to build East African private sector consensus on outstanding issues under the AfCFTA Rules of Origin, EABC, with support from TMA, organized the EAC Private Sector Consultative Meeting on AfCFTA Rules of Origin. During the meeting, the private sector developed harmonized policy positions on outstanding issues under the AfCFTA Rules of Origin. Rules of Origin play a vital role in granting preferential market access to goods produced within the AfCFTA member states.

The policy position called for finalization of AfCFTA Rules of Origin and highlighted recommendations in the following areas: Textiles and apparel; sugar and sugar products; goods produced within Export Processing Zones (EPZs); and automobiles/motor vehicles.

The EABC Policy Position Paper emphasized the need for harmonized EAC positions on AfCFTA Rules of O and outlined the following recommendation.

1. Negotiations on Outstanding Rules of Origin: The EAC Partner States need to negotiate with harmonized positions on rules of origin

on AfCFTA. The EAC Secretariat guide the development of these harmonized positions.

- 2. Textiles and Apparel:** Many chapters, headings, and sub-headings are still outstanding. EABC proposes the use of the Change in Tariff Heading (CTH) criterion to allow flexibility in importing necessary materials.
- 3. Sugar and Sugar Products:** The stalemate persists on headings 1702 and 1704. EABC recommends the use of CTH for both 1702 and 1704, to be reviewed after five years.
- 4. Goods Produced in Special Economic Zones:** EABC recommends treating these goods as originating, provided they meet AfCFTA rules of origin.
- 5. Automobiles/Motor Vehicles:** A need for flexible local content requirements and supportive cumulating rules. EABC recommends a more flexible rule in line with the EAC Rules of Origin, 2015 for this sector.

SECTION 2

PARTNERSHIPS AND IMPACT



PROJECTS



S/No.	Development Partner	Proposed Project	Funding Amount (USD)	Status of the Funding
1	Afreximbank	Positioning the EAC Private Sector to Take Advantage of the African Continental Free Trade Area (AfCFTA)	178,130	Financing Agreement signed. Implementation in Progress July 2023- July 2024
2	Sequa GmbH	Enhancing Competitiveness of Agrifood Industry and Mitigating the Impact of Global Crises to enhance Food Security in the EAC region	73,512	Financing Agreement signed. Implementation in Progress May 2023- August 2024
3	GIZ-SEAMPEC	EABC secretariat has engaged with EAC-GIZ on continuing with 2nd phase of Enhancing effective private sector participation in the EAC and AfCFTA integration process project (SEAMPEC).	194,306	Financing Agreement signed. Implementation in Progress





IMPACT STORIES



AFREXIMBANK AND EABC JOIN FORCES TO UNLOCK AFCFTA OPPORTUNITIES AND BOLSTER INTRA-AFRICAN TRADE

9th August 2023, Kampala, Uganda – The East African Business Council (EABC) and the African Export-Import Bank (Afreximbank) have forged a strategic partnership with the aim of nurturing intra-African trade and bolstering regional economic integration. This collaboration seeks to raise awareness about the African Continental Free Trade Area (AfCFTA) and harness the vast opportunities it offers.

Backed by a substantial grant of USD 178,530 from Afreximbank, this partnership empowers EABC to spearhead initiatives that will amplify the implementation of AfCFTA. It is designed to fortify the private sector's capabilities, streamline trade facilitation, and unlock fresh prospects for businesses spanning East Africa.

Mr. John Bosco Kalisa, CEO of EABC, addressed attendees at the EABC-Afreximbank AfCFTA Sensitization Workshop for SMEs, Youth, and Women in Business. He remarked, "The East African bloc

has demonstrated remarkable economic resilience despite the challenges posed by COVID-19 and the Russia-Ukraine conflict." Mr. Kalisa called upon the governments of East African Community (EAC) Partner States to continue fostering an environment conducive to entrepreneurship, innovation, and regional prosperity. He emphasized that Rwanda and Kenya have been ranked second and fourth, respectively, in terms of entrepreneurship in Africa. Furthermore, he highlighted the pivotal role of women and youth in driving Africa's integration under the AfCFTA Agreement.

Inaugurating a series of sensitization workshops, jointly conducted by EABC and Afreximbank, the primary focus is to heighten awareness among small and medium-sized enterprises (SMEs), women in business, and youth about AfCFTA Protocols and their paramount significance for business expansion. These workshops offer insights into trade facilitation procedures and effective market access strategies within the AfCFTA framework.

Mrs. Pheona Wall, an EABC Board Member, highlighted the systemic barriers that have historically hindered the participation of women and youth in policy formulation, despite constituting 50% of Africa's population.

Mr. Okot Okeello Richard, Assistant Commissioner for Technological Research and Innovation/MSME at the Ministry of Trade Industry and Cooperatives Uganda, emphasized that trade is the engine of socio-economic growth and that AfCFTA has the potential to unlock markets for goods and services among African nations. He acknowledged that intra-Africa trade currently stands at a modest 15%, underscoring the need to revamp logistics, align market requirements, and streamline customs documentation and procedures to actualize commercially meaningful trade under AfCFTA.

Mr. Okeello highlighted a telling example where Kenya's exports of batteries to Ghana, conducted under AfCFTA-guided trade initiatives, took three months, compared to the two weeks required for the same consignment to be imported from China. This discrepancy underscores the urgency of reassessing the time and cost implications of logistics, with a priority on trading low-volume, high-value products. He further recommended the establishment of national trading companies to facilitate bulk shipments.

Recently, the East African Community gazetted the bloc's tariff offers under AfCFTA, a significant milestone that was reported by Mr. Okeello. Additionally, the Ministry has developed a draft implementation strategy for AfCFTA.

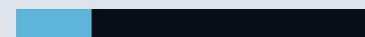
Mr. Stephen Asiimwe, Executive Director of the Private Sector Foundation Uganda (PSFU), urged SMEs to enhance the quality and packaging of their products to leverage the vast continental market of 1.3 billion people.

Ms. Evelyne Nsiimire, Policy Advocacy Officer at the Uganda Manufacturers Association (UMA), emphasized the need for East African SMEs, especially women and youth in business, to enhance their competitiveness in light of the intensified competition introduced by AfCFTA.

In conjunction with Afreximbank, EABC will conduct extensive assessments to pinpoint opportunities and potential challenges associated with the successful

implementation of AfCFTA, with a specific focus on trade in goods and services. The findings from these research endeavors will be channeled into EABC's policy advocacy campaigns and engagements with policymakers, aiming to establish an enabling environment that encourages businesses to expand across African borders. These insights will also be invaluable for the broader business community in navigating AfCFTA markets.

John Bosco Kalisa, EABC Executive Director, expressed gratitude to Afreximbank for their generous support and unwavering belief in EABC's mission to foster a borderless East Africa for business and investment. He affirmed that this grant would empower EABC to execute essential awareness initiatives and conduct in-depth research that equips businesses with the tools to harness the immense potential of AfCFTA. Mr. Kalisa emphasized that this partnership aligns seamlessly with EABC's vision of nurturing a vibrant and competitive regional business environment. He expressed confidence that it would provide businesses with valuable insights into AfCFTA's trade opportunities, best practices, and growth strategies.





EABC-GIZ-BUSINESS SCOUTS FUND COLLABORATION ON ENHANCING COMPETITIVENESS OF AGRI-FOOD INDUSTRY AND MITIGATING THE IMPACT OF GLOBAL CRISES FOR IMPROVED FOOD SECURITY IN THE EAC REGION

In a collaborative effort aimed at strengthening food security, the East African Business Council (EABC) partnered with the German Development Cooperation (GIZ) via the Business Scouts Fund under the project titled “Enhancing Competitiveness of Agri-food Industry and Mitigating the Impact of Global Crises for Improved Food Security in the EAC Region.” This partnership enabled EABC to empower 40 officers from associations with knowledge on contract farming and export procedures to improve food security.

The Empowering Workshop

In his address at the Masters Training of Trainers (ToT) Capacity-Building Workshop on EAC Export Procedures & Contract Farming held in Kampala on Uganda Friday, 28th July 2023, Mr. Businge Wilson Rwabwogo, EABC Board, highlighted the multifaceted challenges the East African Community (EAC) faces, stemming from the pandemic, global

economic turbulence, and the relentless march of climate change. He emphasized the pressing need to enhance food security, especially considering that certain EAC countries had distressingly low food security index scores even before the onset of the COVID-19 pandemic.

Mr. Rwabwogo also underscored the crucial role played by studies conducted by GIZ under the Business Scouts Fund. These studies meticulously assessed the repercussions of global crises on food security within the EAC region and concurrently identified promising investment opportunities within specific agriculture value chains.

The Regional Masters Training of Trainers (ToT) Capacity-Building Workshop on EAC Export Procedures & Contract Farming aimed to bolster the competitiveness of the agri-food sector while fortifying food security across the EAC region.

Dr. Sarah Kagoye, Principal Agricultural Business Officer from the Ugandan Ministry of Agriculture,

Animal Industry, and Fisheries, graced the occasion as the Chief Guest. She lauded the workshop's emphasis on value chain integration, perfectly aligning with Uganda's National Development Plan theme of "Agro-industrialization." Dr. Kagoye reasserted the government's dedication to boosting productivity, ensuring nutrition security, creating employment opportunities both on and off the farm, promoting value addition, and facilitating trade in agricultural products.

Ms. Lydia Koch, representing Mr. Philipp Glaeser, Head of International Component at GIZ Business Scouts for Development, reaffirmed GIZ's commitment to supporting food security. She expressed optimism that the workshop would elevate the knowledge of participating associations regarding contract farming and export procedures. Moreover, it was seen as a platform for sharing best practices across East Africa. Mr. Martin Maku, Sector Coordinator for Agriculture, Agribusiness & Forestry at the Private Sector Foundation Uganda (PSFU), spoke on behalf of Mr. Stephen Asimwe, Executive Director of PSFU. Mr. Maku emphasized that boosting agricultural productivity is central to elevating food security and achieving the EAC Vision 2050.

The CEO of EABC, Mr. John Bosco Kalisa, called for the establishment of an East African food security alliance. He poignantly emphasized the monumental challenges posed by global crises, including the COVID-19 pandemic, ongoing conflicts, and the ever-looming specter of climate change. These crises have severely disrupted supply chains, hampered transportation, and led to shortages of agricultural inputs, ultimately resulting in food insecurity for a significant portion of the East African Community (EAC).

The CEO passionately stressed the pressing need to address these challenges collectively through meaningful partnerships.

Prof. Ojijo Nelson and Mabala Moses shared the latest insights on contract farming and export procedures within the EAC, leaving attendees with valuable tools and a renewed commitment to improving food security in the region.

Unlocking Agriculture's Potential

Enormous untapped potential lies within the EAC's agriculture sector. Staple foods like cereals, roots, tubers, and legumes have the capacity to make significant contributions to the region's food security. However, the agriculture sector faces challenges, including limited access to improved seed varieties, exorbitant seed costs, low adoption of improved seeds, and issues related to climate change, soil health, and pest infestations.

There is a pressing need for increased investment in the agriculture sector. This call to action is supported by statistics that reveal a surge in total foreign direct investment (FDI) within the EAC region. Notably, most FDI has historically been directed towards sectors such as manufacturing, construction, and services, often leaving agriculture with a smaller share.

Building Knowledge and Resilience

The Master Trainers Capacity-Building Workshops on EAC Export Procedures and Contract Farming represent a critical milestone in enhancing the competitiveness of the agri-food industry. These workshops not only equip agri-stakeholders with knowledge and expertise but also offer a pathway to building resilience within the EAC region's food systems.





EABC- WORLD CUSTOMS ORGANIZATION PARTNERSHIP ADVANCES AfCFTA RULES OF ORIGIN

The collaboration between the East African Business Council (EABC) and the World Customs Organization (WCO) in sensitization of EAC Private Sector on AfCFTA Rules of Origin is making significant strides. In a successful webinar held on May 12, 2023, over 200 businesses gained valuable insights into these rules, which are vital for intra-Africa trade.

In his opening remarks, Mr. John Bosco Kalisa said, “AfCFTA Rules of Origin will promote the ‘Made in Africa’ campaign.” He emphasized that Rules of Origin should be flexible, predictable, and simple for SMEs to trade in the 1.2 billion AfCFTA market. “Rules of Origin should integrate continental value chains of agro processing, automotive, textiles, pharmaceuticals, and transport and logistics to boost intra-Africa trade,” said Mr. Kalisa.

Mr. Sagoh Djete, Project Manager, Regional Cooperation-Infrastructure, EU Delegation to Tanzania and EAC, reiterated the European Union’s commitment to promoting the free movement of goods in the EAC and the continent.

In her presentation, Unami Tihole, Origin Expert, EU-WCO RoO Africa Programme, said, “As of February 2023, 46 countries have deposited their instruments of ratification of the AfCFTA Agreement.” She explained that 36 Tariff Offers, including three (3) Customs Unions (EAC, ECOWAS, and CEMAC), have been technically verified, and Rules of Origin (RoO) covering 88.3% of tariff lines have been agreed upon.

The AfCFTA Rules of Origin (RoO) will attract more Foreign Direct Investments, offer opportunities for SMEs to engage in regional value chains, provide preferential market access (No Quotas; waived duties; competitive prices), reduce the cost of doing business through self-certification by MSMEs (< USD5,000), and approved exporters. This will foster economic transformation of the continent through industrialization.

To qualify for AfCFTA Rules of Origin (RoO), businesses should know the criteria for tariff liberalization, types of proof of origin, the country’s designated competent authority, registration procedures, and procedures for the issuance of proof of origin.



ELEVATING EAST AFRICA: GIZ AND EABC'S TRANSFORMATIVE PARTNERSHIP

In a groundbreaking collaboration, the East African Business Council (EABC) and the German Development Cooperation (GIZ) partnership ignite a spark for remarkable regional growth and resilience within the East African Community (EAC). This dynamic partnership, executed under the Support East African to East African Integration (SEAMPEC II) Project, has yielded significant achievements poised to reshape East Africa's landscape.

Empowering East Africa through the AfCFTA Trade in Services Webinar

In February 2022, EABC and GIZ orchestrated a pivotal webinar, enlightening EAC's private sectors about the African Continental Free Trade Area (AfCFTA). This event, graced by over 150 participants from the public and private sectors across the EAC, unveiled the EAC's negotiating positions for the Schedule of Commitments and regulatory frameworks in priority service sectors under AfCFTA. This dynamic discussion yielded a harvest of recommendations and policy proposals, setting the stage for East African service sectors across the continent.

Revitalizing Cross-Border Trade

Cross-border trade received a significant boost as EABC and GIZ facilitated three Trade Facilitation Forums at key border posts, including Namanga OSBP, Holili OSBP, and Horohoro-Lunga Lungu OSBP. These forums witnessed traders engaging directly with border agencies to address challenges that had hindered the smooth movement of goods and services. Remarkably, these engagements resulted in a three-fold increase in goods clearance at Namanga OSBP in May 2022, following the successful elimination of Non-Tariff Barriers (NTBs) between Kenya and Tanzania. This tangible outcome showcases the effectiveness of public-private dialogue and GIZ's partnership.

Harmonizing Tariffs for a Stronger EAC

A pivotal Regional Private Sector Consultative Meeting on the East African Community's Maximum Common External Tariff (CET) Rate, convened by EABC and GIZ, aimed to build consensus among private sector on the maximum CET rate. This consensus was essential for the quick finalization of the review of the EAC CET by the Governments of the EAC Partner States. In line with the EABC Policy Brief on EAC CET, the EAC Council of Ministers' meeting adopted 35% as the maximum CET rate for 4th Band products, this will harness industrialization in the region.

Fostering Growth of SMEs, Youth & Women Entrepreneurs

Recognizing the vital role of Small and Medium-sized Enterprises (SMEs) and youth in the East African Community (EAC) integration, EABC, with support from GIZ, launched the East African SMEs Platform in July 2022 during the East African SMEs Summit. The East African SMEs Platform was mandated to champion advocacy on an SME-centric policy framework in the EAC region

EABC also organized the EAC SMEs Workshop that convened over 35 entrepreneurs to deliberate on trade-centric challenges for SMEs, policy frameworks for growth, AfCFTA, and the EABC SME Portal www.myeasoko.com. These workshops charted out a roadmap to address SME challenges in regional and continental trade and called for the implementation of the EAC SME Charter

Navigating the Pandemic with the EABC Business & Investment Barometer

EABC and GIZ unveiled the Barometer on Business & Investment in the EAC & Outlook 2022/2023, forecasting an 11% increase in business activity within the East African Community (EAC) for the year 2023. This Barometer gauged the sentiment of regional business stakeholders regarding the EAC's business environment in 2022 and 2023, indicating a positive trend in investments, operations, and business performance recovery within the EAC. The Barometer revealed that curfews, border closures, and other COVID-19 measures had significant

negative effects on businesses. The insights gathered from this initiative have been instrumental in shaping policy decisions, paving the way for coordinated efforts to control the spread of COVID-19 such as harmonizing testing costs and facilitating mutual recognition of testing certificates.

Barometer on the EAC Services Trade

The Barometer on the EAC Services Trade indicates an overall positive trend in the East African Community (EAC) services sector, with services contributing significantly to employment and exports. Despite a minor setback in 2020 due to the COVID-19 pandemic, there are signs of recovery based on 2021 statistics. The region remains a net exporter of services, and excluding COVID-19 impacts, service exports have grown by 46.6% since 2011. However, to further enhance the services market, national reforms aligning with EAC commitments under the Common Market Protocol (CMP) are essential. Regionally, the EAC should prioritize finalizing commitments, mutual recognition of qualifications, easing restrictions, addressing double taxation, and negotiating the inclusion of additional service sectors to foster integration and growth.

Empowering the EAC private sector for success within the African Continental Free Trade Area (AfCFTA)

EABC's drive to empower the EAC private sector for success within the African Continental Free Trade Area (AfCFTA) began with a transformative Regional Workshop on Training of Trainers in Nairobi, Kenya, in November-December 2022. Nineteen private sector representatives from all EAC Partner States were equipped with a comprehensive understanding of AfCFTA's provisions related to trade in goods and its annexes. This initiative recognized the pivotal role of the private sector in AfCFTA's success. The impact was significant, with these trainers going on to conduct Private Sector National Sensitization Workshops in Rwanda, Tanzania, and Kenya, reaching over 170 private sector participants. These workshops facilitated vital discussions on AfCFTA's challenges and opportunities, fostering an exchange of ideas between the private sector and government representatives for effective implementation.

Conclusion: Positioning the East African Community for a Future Marked by Growth

The GIZ and EABC partnership have not only achieved remarkable milestones but have also positioned the East African Community for a future marked by growth, collaboration, and resilience. This collaboration exemplifies the potential of international cooperation in fostering regional development and economic prosperity.

In his own words, John Bosco Kalisa, CEO of the East African Business Council (EABC), expressed his pride

and enthusiasm in sharing this remarkable journey of cooperation and progress, thanks to the unwavering support of the German Development Cooperation (GIZ) through the Support East African Integration (SEAMPEC II) Project. The partnership empowered the EAC private sector, enhanced capacity on AfCFTA, supported SMEs, and influenced policy decisions, all while fostering regional integration and economic growth.



SECTION 3

POLICY ADVOCACY AND REGIONAL INTEGRATION ECONOMIC INSIGHTS - REPORTS AND POLICY BRIEFS



REPORT ON EASE OF DOING BUSINESS IN THE EAST AFRICAN COMMUNITY (EAC) 2023

The East African Business Council (EABC), through the support of GIZ via the 'Support to East African Integration' (SEAMPEC II) Programme, conducted a comprehensive survey to assess the perceptions of EAC private sector on ease of doing business in the EAC region.

The survey gathered responses from 252 businesses across all the EAC Partner States, offering valuable insights into the region's commercial landscape.

The ease of doing business within the region was ranked on a scale from 1 - Very Easy to 5 - Very Hard. The ease of doing business was measured using eight indicators.

According to the survey, the perceived ease of doing business within the EAC region was ranked as "Moderate" (Rank 3.09), with all eight indicators receiving moderate rankings.

KEY FINDINGS:

Indicator Rankings

- The eight indicators were ranked as follows:
- Paying taxes (Rank 3.21)
- Regulations for starting and operating a business (Rank 2.66)
- Government operations (Rank 3.41)
- Infrastructure development (Rank 2.76)
- Trading across borders (Rank 3.12)
- Making cross-border payments (Rank 2.73)
- Removal of trade restrictions (Rank 3.37)
- Trade finance (Rank 3.46)

Positive Progress: The survey revealed that companies perceived positive progress in starting and operating a business and the ease of money remittance across the region. Businesses also cited various initiatives that have eased doing business in the region, including government reforms, business-friendly laws, political and economic stability, and government collaboration with the private sector through Public-Private Partnerships (PPPs).

Challenges Identified: Businesses identified several challenges to the ease of doing business in the EAC, including trade finance issues such as foreign currency availability, affordability of interest rates, and access to loans. Government operations, especially those related to payments, securing tenders, and tax-related matters, were also highlighted as problematic. Trade restrictions, trading across borders, and high trading costs also pose significant challenges.

To enhance the ease of doing business in the region, the survey recommends that EAC Partner States:

1. Enhance border efficiency to facilitate trade processes for goods and people
2. Expedite the implementation of EAC commitments, such as the Single Customs Territory (SCT), EAC Common External Tariff (CET), and Common Market commitments
3. Invest further in infrastructure, especially transport and communications networks
4. Address language barriers by translating official documents into French
5. Establish sector-specific Public-Private Dialogues (PPDs) to effectively address trade and investment constraints.

These findings provide a valuable resource for policymakers, businesses, and stakeholders in the EAC, guiding efforts to improve the business environment and foster economic growth in the region.

provision of improved inputs, modern farming techniques, and greater market access.

- Address currency depreciation to stabilize food commodity prices.
- Establish robust monitoring systems for food insecurity to identify areas and populations requiring immediate intervention.
- Foster the development of regional agricultural policy frameworks that support various facets of the food production and distribution chain.
- Harmonize Sanitary and Phytosanitary (SPS) measures across Partner States to facilitate trade and ensure food safety.



STUDY ON DISCRIMINATIVE TAXES & HARMONISATION OF EXCISE DUTIES IN THE EAST AFRICAN COMMUNITY (EAC)

The East African Business Council (EABC) in collaboration with TradeMark Africa (TMA), conducted study that delves into the critical issue of discriminatory taxes and the harmonization of excise duties within the East African Community (EAC). The study aimed to analyze the impact of these taxes on intra-EAC trade, cross-border investment, and the overall economic landscape of the EAC region.

Key Insights and Recommendations:

- 1. Elimination of Discriminatory Taxes:** The study underscores the importance of adhering to Article 15:2 of the Customs Union Protocol, urging EAC Partner States to eliminate discriminatory taxes on products from other Partner States. This elimination is crucial to ensure a level playing field for businesses and foster the free movement of goods, services, and workers within the EAC.
- 2. Harmonization of Domestic Taxes:** Highlighting the adverse effects of unharmonized taxes on trade and investment, the study calls for an urgent need to expedite the harmonization of domestic taxes in the EAC. Achieving tax harmonization is seen as a catalyst to attract more cross-border investments and bolster economic growth in the region.
- 3. Impact of Unharmonized Taxes:** The study underscores that unharmonized taxes distort intra-EAC trade, hinder cross-border investment, and pose challenges in marketing the EAC bloc as a unified investment destination. This disparity creates an uneven competitive landscape for businesses, affecting their growth and overall investment strategies.
- 4. Positive Economic Outlook:** Despite the challenges, the study emphasizes that East Africa remains the best-performing economy in Africa, showcasing resilience amidst global economic shocks.

5. **EAC Integration Efforts:** The study highlights ongoing efforts towards EAC integration, including the anticipated introduction of the EAC single currency in 2031 and updates to the Double Taxation Agreement, slated for ratification by year-end.
6. **Private Sector Involvement:** The study stresses the importance of private sector involvement in tax harmonization processes, advocating for a standardized excise tax regime to facilitate business growth, competitiveness, and investment across East African borders.
7. **Recommendations for Policy Change:** The study recommends the removal of excise duty on non-harmful goods and services, such as telecommunication products/services and financial services, to reduce the burden on businesses and enhance economic activities

The insights and recommendations of the study were presented during a Validation Webinar, which saw the participation of over 130 stakeholders, including government representatives, industry experts, and members of the business community. The webinar provided a platform for validating the study findings and collectively advocating for policy changes to drive a more inclusive, sustainable, and resilient economic landscape within the EAC. Finally the findings of the Study and Policy Brief were submitted to EAC Secretariat to be considered as one of the inputs during process of harmonisation of domestic taxes especially on going harmonisation of excise duties.

STUDY ON IMPACT OF GLOBAL CRISES ON FOOD SECURITY IN EAC

EABC - GIZ Business Scouts for Development study on impact of global crises on food security in the East African Community (EAC) reveals that the region's food insecurity is being compounded by a convergence of crises, including natural disasters, climate change, the global COVID-19 pandemic, and the Russia-Ukraine war. These global crises have given rise to unpredictable fluctuations in both global and regional food prices, thus significantly affecting food security within the EAC.

Despite the challenges posed by these crises, EAC member countries exhibited varying levels of adaptability to the COVID-19 pandemic. Some nations managed to improve their Global Food Security Index (GFSI) scores during the pandemic, while others faced greater difficulties. The cost of maintaining a healthy diet in Eastern Africa has been on the rise, reaching an estimated USD 3.367 per person per day in 2020. This increase has made it increasingly difficult for the general population to access and afford nutritious foods.

The impact of these global shocks has been particularly pronounced in terms of gender disparities. Women, in particular, have faced a disproportionate burden, both in terms of economic opportunities and access to nutritious foods within the EAC. Agriculture plays a significant role in the economies of EAC member states, albeit to varying degrees. For instance, Burundi boasts the highest contribution of agriculture to GDP, while South Sudan lags behind as the lowest contributor. Other member states fall within the range of 18.5% to 25.0% in terms of agricultural contributions to GDP.

The climatic challenges faced by EAC countries occur at different times throughout the year, presenting opportunities for collaborative food production and trade during surplus and deficit periods. Key food crops in the EAC region include maize, rice, potatoes, bananas, cassava, beans, vegetables, sugar, wheat, sorghum, millet, and pulses. Among these, cereals hold significant importance in regional trade.

The study also highlights how export bans and the imposition of export taxes have worsened food insecurity by driving up food prices and making essential food items, especially high-energy foods, inaccessible to vulnerable populations.

Further examination reveals that the highest economies of scale within the EAC's agricultural sectors are found in areas such as animal and animal products, dairy products, cereals, and food preparations. While intra-industry trade remained relatively stable, there was a notable 32% decline in 2022. This decline was attributed to reduced trade in grains, oilseeds, fats, and oils, largely due to the impact of global shocks.



Each EAC member country exhibits specific comparative advantages within the agricultural sector. For example, Rwanda excels in live animal production, Uganda in milk, maize, and fish, Tanzania in fish and rice, Kenya in fruits, nuts, vegetables, and meat.

To enhance food security and bolster the resilience of EAC agri-food systems, the study offers a set of recommendations:

- Increase and diversify food production.
- Expand both intra-regional and extra-regional trade in agriculture.
- Enhance food value chains to minimize waste and increase access to nutritious foods.
- Strengthen social safety nets to support vulnerable populations.
- Address inflation and improve the affordability of healthy diets.
- Invest in strategies for climate change adaptation.
- Tackle gender inequality, which is exacerbated by food-related crises.
- Enhance agricultural productivity through the

STUDY ON INVESTMENT OPPORTUNITIES IN AGRICULTURAL VALUE CHAINS

EABC - GIZ Business Scouts for Development study on investment opportunities in selected agricultural value chains across the East African Community (EAC) revealed that Foreign Direct Investment (FDI) into the EAC region experienced a modest increase from 2015 to 2021, with notable contributions from China and India. However, a significant portion of this FDI flowed into sectors such as manufacturing, construction, and services, with agricultural investment lagging behind.

The study identified considerable potential in value chains related to Wheat Grains, Edible Oil, Fertilizers, Tubers, and Leguminous Plants within the EAC. However, these opportunities face challenges including low production and productivity, technology gaps, post-harvest management and storage issues, trade and marketing hurdles, and policy-related concerns. Increased investment in these value chains has the potential to generate employment and enhance resilience in the agri-food sector, particularly during global crises.



EABC POLICY ADVOCACY AGENDA 2023/24: ENHANCING REGIONAL INTEGRATION AND TRADE IN EAST AFRICA

Overview: The East African Business Council (EABC), in collaboration with development partners and the East African Community (EAC) launched the annual Policy Advocacy Agenda for the year 2023/24. The Agenda was developed after through consultations of EAC Private Stakeholders led by National Apex Business Associations and Manufacturers Associations across the EAC region. This comprehensive agenda is an advocacy blueprint presented to the EAC Council of Ministers and the EAC Secretary General. Its primary focus is to address key challenges obstructing the seamless flow of goods, services, and investments within the East African Community.

Key Regional Policy Priorities and Recommendations:

1. Elimination of Discriminatory Taxes:

The Policy Advocacy Agenda emphasizes the need for EAC Partner States to eliminate discriminatory taxes on products originating from other Partner States, ensuring fair competition and the free movement of goods.

2. Harmonization of Customs & Domestic Taxes:

The unharmonized charges and the disparities between imports and domestic tax systems create challenges for businesses. The agenda recommends the elimination of discriminatory domestic taxes on EAC-originating goods and the harmonization of charges levied on imported goods. Additionally, the agenda calls for the expedited harmonization of domestic taxes within the EAC to streamline tax systems, attract investment, and reduce disparities in tax regimes that affect businesses.

3. 3.EAC Common External Tariff (CET) 2022 Version:

Challenges in implementing the new CET 2022 version are highlighted, including stays of application and country-specific duty remissions. EABC recommends uniform CET application across all Partner States and increased sensitization efforts to facilitate a smooth transition.

4. EAC Trade Agreements with Third Parties:

The agenda stresses the importance of collective negotiations with third parties to maintain trust and preserve the Customs Union and common external trade policies.

5. Elimination of Non-Tariff Barriers (NTBs):

Persistent NTBs hinder trade, increase costs, and cause delays. EABC calls for the elimination of all outstanding NTBs and clear timelines for amending the EAC Elimination of NTB Act, 2016, and its regulations.

6. 6.Activation of Trade Remedies Committees to Handle Trade Disputes in EAC:

Advocacy for the finalization of the amendment of the EAC Customs Union Protocol to activate formation of Committee on Trade Remedies. Once established the Committee will handle trade disputes related to rules of origin, anti-dumping measures, NTBs and safeguard measures etc.

7. EAC Common Market- Liberalization of Trade in Services:

EABC prioritizes the liberalization of trade in services and recommends expedited implementation of revised commitments and negotiations for broader service integration.

8. Telecommunications and Air Transport Services:

Challenges in telecommunications and air transport include high costs and limited competitiveness. The agenda calls for the adoption of the One Network Area (ONA) model, finalization of EAC Liberalization of Air Services Regulations, and adoption of the Single African Air Transport Market (SAATM).

9. Free Movement of Workers:

Advocates for a harmonized work permit regime in the EAC to enhance the free movement of workers.

10. Support for SMEs:

Policy reforms are proposed to support SMEs, youth entrepreneurs, and women in business, including streamlined tax administration, improved access to finance, and harmonized legal and regulatory frameworks.

Impact and Collaboration: The EABC Policy Advocacy Agenda serves as a critical tool to drive meaningful change and create an enabling business environment within the EAC. Its successful implementation relies on collaboration among governments, development partners, and the private sector to foster regional integration, boost trade, and stimulate economic growth in East Africa.

Launch and Leadership: The official launch of the EABC Policy Advocacy Agenda 2023/24 took place on 6th July 2023 in Arusha, Tanzania. Key figures, including Mr. Rwabwogo Businge, EABC Board Member, Hon. Francoise Uwumukiza, Chairperson of EALA Committee on Agriculture, Tourism, and Natural Resources, and Mr. John Bosco Kalisa, CEO of EABC, led the event and emphasized the agenda's significance in shaping the future of the EAC's economic landscape.



NAVIGATING THE PANDEMIC WITH THE EABC BUSINESS & INVESTMENT BAROMETER

EABC and GIZ unveiled the Barometer on Business & Investment in the EAC & Outlook 2022/2023, forecasting an 11% increase in business activity within the East African Community (EAC) for the year 2023. This Barometer gauged the sentiment of regional business stakeholders regarding the EAC's business environment in 2022 and 2023, indicating a positive trend in investments, operations, and business performance recovery within the EAC. The Barometer revealed that curfews, border closures, and other COVID-19 measures had significant negative effects on businesses. The insights gathered from this initiative have been instrumental in shaping policy decisions, paving the way for coordinated efforts to control the spread of COVID-19 such as harmonizing testing costs and facilitating mutual recognition of testing certificates.

BAROMETER ON THE EAC SERVICES TRADE

The Barometer on the EAC Services Trade indicates an overall positive trend in the East African Community

(EAC) services sector, with services contributing significantly to employment and exports. Despite a minor setback in 2020 due to the COVID-19 pandemic, there are signs of recovery based on 2021 statistics. The region remains a net exporter of services, and excluding COVID-19 impacts, service exports have grown by 46.6% since 2011. However, to further enhance the services market, national reforms aligning with EAC commitments under the Common Market Protocol (CMP) are essential. Regionally, the EAC should prioritize finalizing commitments, mutual recognition of qualifications, easing restrictions, addressing double taxation, and negotiating the inclusion of additional service sectors to foster integration and growth.

Informed by the findings of the barometer on trade in services, in May 2023, the East African Business Council (EABC) submitted essential recommendations to improve the liberalization of trade in services within the East African Community (EAC). These following recommendations were presented during the EAC Regional Committee Meeting on Trade in

Services and incorporated into the Implementation Plan for the EAC Strategy on Trade in Services.

General Recommendations:

- Continued national efforts to align domestic laws with EAC commitments.
- Regional actions to enhance the framework for integrated services markets.
- Finalizing commitments for the progressive liberalization of trade in services.
- Addressing double taxation issues.
- Initiating negotiations for the five remaining service sectors under CMP.

Sector-Specific Recommendations:

- Completing negotiations for legal services and mutual recognition agreements.
- Reviewing MRAs for engineering and accounting services.
- Establishing regulatory bodies for engineering and accounting services.
- Mandatory registration for accounting professionals.
- Joining the One Network Area for lower voice and data costs.
- Removing taxes and charges on roaming.
- Reviewing taxes on ICT services and equipment for affordability.
- Implementing the open skies policy and harmonizing taxation regimes in air transport.
- Removing restrictions on tourism practitioners and streamlining the EAC tourist visa.
- Promoting mutual recognition of tourism qualifications and education collaboration.
- Supporting low-cost airlines for intra-EAC tourism.
- Enacting the EAC Insurance Act to support mutual recognition of insurance policies.
- Implementing the EAC regional Payment System roadmap for reduced cross-border transaction costs.
- Addressing high credit costs and improving access for MSMEs.

STUDY ON AIR SPACE LIBERALIZATION IN THE EAST AFRICAN COMMUNITY (EAC)

Introduction:

The East African Business Council (EABC) has conducted a study in collaboration with TradeMark Africa (TMA) and funded by the Ministry of Foreign Affairs of the Netherlands. This study focuses on the critical issue of air space liberalization within the East African Community (EAC). Its primary objective is to analyze the cost drivers, regulations (including taxes, levies, and other charges), and their impact on the cost of doing business within the EAC region.

Key Findings:

- 1. High Passenger Charges:** Juba International Airport has the fourth-highest passenger charges in Africa, with airport taxes of USD 122 per passenger. This is above the EAC regional average of USD 60.4.
- 2. Non-Uniform Passenger Handling Charges:** Uganda imposes unique charges not seen in other EAC member countries, such as USD 0.6 per boarding pass and USD 10 on transfers.
- 3. Regional Comparisons:** Passenger departure and transfer fees in the EAC are relatively higher than in Common Market for Eastern and Southern Africa (COMESA), Southern Africa Development Community (SADC), Europe, and the Middle East but lower than in the Economic Community of West African States (ECOWAS) and Central African Economic and Monetary Community (CEMAC) blocs.
- 4. Uniform Departure Fees:** EAC countries charge uniform passenger departure fees for both domestic and international flights, while other regional blocs have preferential fees for flights among member states.
- 5. Cost Components:** Passenger departure charges account for 13% of ticket prices for EAC flights and 8% for flights to other African countries. Other indirect costs include aircraft-related charges,

labor costs, and fuel costs

6. **Aircraft-Related Charges:** Airports in the EAC have relatively low aircraft-related charges compared to other regions, with an average of USD 429.6.
7. **Regulatory Environment:** Bilateral Aviation Safety Agreements (BASAs) and domestic air services regulations influence the air transport regulatory environment in EAC Partner States.
8. **Challenges:** Limited infrastructure, lack of standardized regulations, high air transport costs, and limited control of airspace in some countries, such as South Sudan and limited flights to Bujumbura, Burundi, pose challenges in the EAC.
9. **Yamoussoukro Decision:** No single African state fully implements the Yamoussoukro Decision provisions, with EAC partner states having a compliance rate of only 19%.
10. **Economic Impact:** Air transport positively impacts the economy, with an increase in passenger traffic leading to a 0.0515% increase in GDP and similar positive effects on tourism receipts
11. **Tourism Sector Challenges:** The tourism sector faces challenges related to limited investment, infrastructure gaps, limited air connectivity, lack of direct flights to some tourist destinations, and visa restrictions within EAC countries
12. **Cargo Transportation:** Air cargo from the EAC mainly consists of perishable goods, with the Netherlands and Belgium as major destinations.
3. **Eliminate Non-Uniform Charges:** Uganda should consider eliminating non-uniform charges, including the passenger handling charge and transfer fees.
4. **Replace BASAs:** Replace Bilateral Air Services Agreements (BASAs) with a single air services agreement for the EAC to facilitate air transport liberalization.
5. **5.Conclude EAC Air Transport Liberalization Regulation:** Finalize the signing and implementation of the EAC Air Transport Liberalization Regulation.
6. **Domesticate Competition Rules:** Ensure compliance with the recently agreed-upon rules to harmonize and promote fair play in the aviation sector
7. **Implement Single Tourist Visa:** Tanzania, Burundi, and South Sudan should adopt a single EAC tourist visa to promote tourism and increase air transport demand
8. **Joint EAC Airline Business:** In the long term, EAC partner states can develop and implement a joint EAC airline business to enhance the region's competitiveness in the global aviation industry

Recommendations:

1. **Harmonize Regulatory Charges:** EAC countries should harmonize regulatory charges and fees to promote fair competition in the air transport sector.
2. **Revise Airport Tax:** Reduce the airport tax charged at Juba International Airport to align with the EAC regional average.

Webinar Validation:

The study's insights and recommendations were presented during a Validation Webinar, attended by over 70 stakeholders. The webinar provided a platform for stakeholders to validate the study's findings and collectively advocate for policy changes that will enhance air transport services in the EAC, promote economic growth, trade, and job creation in the region.





EABC POLICY BRIEF ON EAC TARIFF OFFER FOR CATEGORIES B & C UNDER AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA)

The East African Business Council (EABC) policy brief on the East African Community (EAC) tariff offer for Categories B and C under AfCFTA recommends moving more tariff lines to Category B to meet the adopted modalities for the tariff negotiations threshold under the African Continental Free Trade Area (AfCFTA).

The EABC policy brief explains that EAC Partner States have reached some level of convergence for both Category B and C tariff lines. Convergence has been achieved for a total of 307 tariff lines under Category B and 75 tariff lines under Category C.

However, it is important to note that EAC's intra-Africa import value for the 75 tariff lines in Category C, where convergence has been reached, accounts for 8 percent (worth US\$ 192.2 million). This implies that the total value of EAC's intra-Africa import value limit for Category C should not exceed US\$ 250.2 million for the period 2015-2017, leaving room for only additional tariff lines worth US\$ 58 million. This implies that Partner

States ought to consider moving more tariff lines to Category B to meet the adopted modalities for the tariff negotiations threshold. It is important to note that products under Category B may exceed 7 percent to accommodate products above the 10 percent intra-Africa import limit.

The EABC policy brief shows that the EAC has already met the threshold of 90 percent tariff liberalization for Category A products under AfCFTA, but that it still has 9.8 percent of tariff lines to schedule under Categories B and C. EABC policy brief proposes that most of the products designated under Category C in the outstanding tariff lines could be moved to Category B given the low or no trade value, especially in Chapters 52, 61, 62, 69, and 72.

In the policy brief, EABC recommends that the EAC Partner States should focus on converging into required thresholds of Category C, especially the modality which requires that the total tariff offer under Category C should not exceed 10 percent.

of the EAC's intra-Africa import value limit. The remaining tariff lines should be moved to Category B as there is no harm in tariff offers under Category B exceeding 7 percent of total tariff lines

EAC Partner States should take into account Private Sector proposals of 104 tariff lines for Category C and 68 tariff lines for Category B as they negotiate for convergence into the required threshold B.

EABC's call comes as the EAC is in the process of finalizing its tariff offer for Categories B and C products under AfCFTA. The EAC is expected to submit its tariff offer to the AfCFTA Secretariat by the end of September 2023.

The AfCFTA is a trade bloc that aims to create a single market for goods and services across Africa. The AfCFTA currently has 54 member states, including all EAC partner States.

The AfCFTA is expected to boost intra-African trade by up to 50 percent. However, the success of the AfCFTA will depend on the ability of member states to liberalize their trade regimes.

EABC's call for the EAC Partner States to move more tariff lines to Category B is a positive step towards ensuring that the EAC is able to fully benefit from the AfCFTA.

SUMMARY OF THE PRIVATE SECTOR PROPOSAL ON THE OUTSTANDING TARIFF LINES

Product Categories	Sum of EAC Intra-Africa Imports (2015 - 2017)	Count of HS8 Tariff Lines	Share of Intra-Africa Import (%)	Required Outstanding EAC's Intra-Africa Import Value US\$ for Category C
B	66,728,430	68	2.7%	
C	310,110,953	104	12.4%	
C*B	1,132,226	4	0.0%	
Grand Total	377,971,609	176	15.1%	
Total Intra-Africa Import Value EAC US\$	2,501,568,114		250,156,811	
Agreed Category C	192,192,176	75	7.7%	57,964,636



EABC POLICY BRIEF ON THE AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA) GUIDED TRADE INITIATIVE

Introduction:

- AfCFTA unveiled the Guided Trade Initiative on July 25, 2022, to facilitate commercially meaningful trade.
- Seven countries (Rwanda, Cameroon, Egypt, Ghana, Kenya, Mauritius, and Tanzania) were selected for the pilot trade phase.
- Aimed to test AfCFTA trading documents and establish a legal basis for intra-African trade.

Commencement of Trade:

- Official trading under AfCFTA began on January 1, 2021, with challenges related to rules of origin.
- Each trading bloc had its Common External Tariff.
- Kenya was the first in the East African region to ratify the trade deal.
- Seven countries were chosen for the pilot phase to access West and Central African markets at

preferential rates.

- Kenya and Rwanda, among others, trade products like textiles, milk, and horticulture.
- 90% of tariff offers in Category A will be reduced over ten years under the AfCFTA.

Criteria for Selection:

- Countries selected based on development of AfCFTA Implementation Strategies, tariff schedules, and readiness in terms of environmental, legal, and trade policy basis.

Pilot Products:

- Kenya exports car batteries and tea to Ghana.
- Tanzania's coffee exports receive a customs duty reduction.
- Rwanda exports coffee and other products to explore West Africa markets.

AfCFTA Guided Trade Instruments:

- Key operational instruments include e-Tariff book, Rules of Origin Manual, Non-tariff barrier reporting mechanism, Africa trade observatory, and Pan African Payment and Settlement System.
- Enabling tools and regulations also support AfCFTA implementation.

Opportunities for EAC Region:

- Opportunities include an online mechanism for monitoring and eliminating non-tariff barriers, payment and settlement system, and the African Trade Observatory.
- Potential regional infrastructure development, political stability, FDI, tourism, and access to African talent and financial resources.

Challenges:

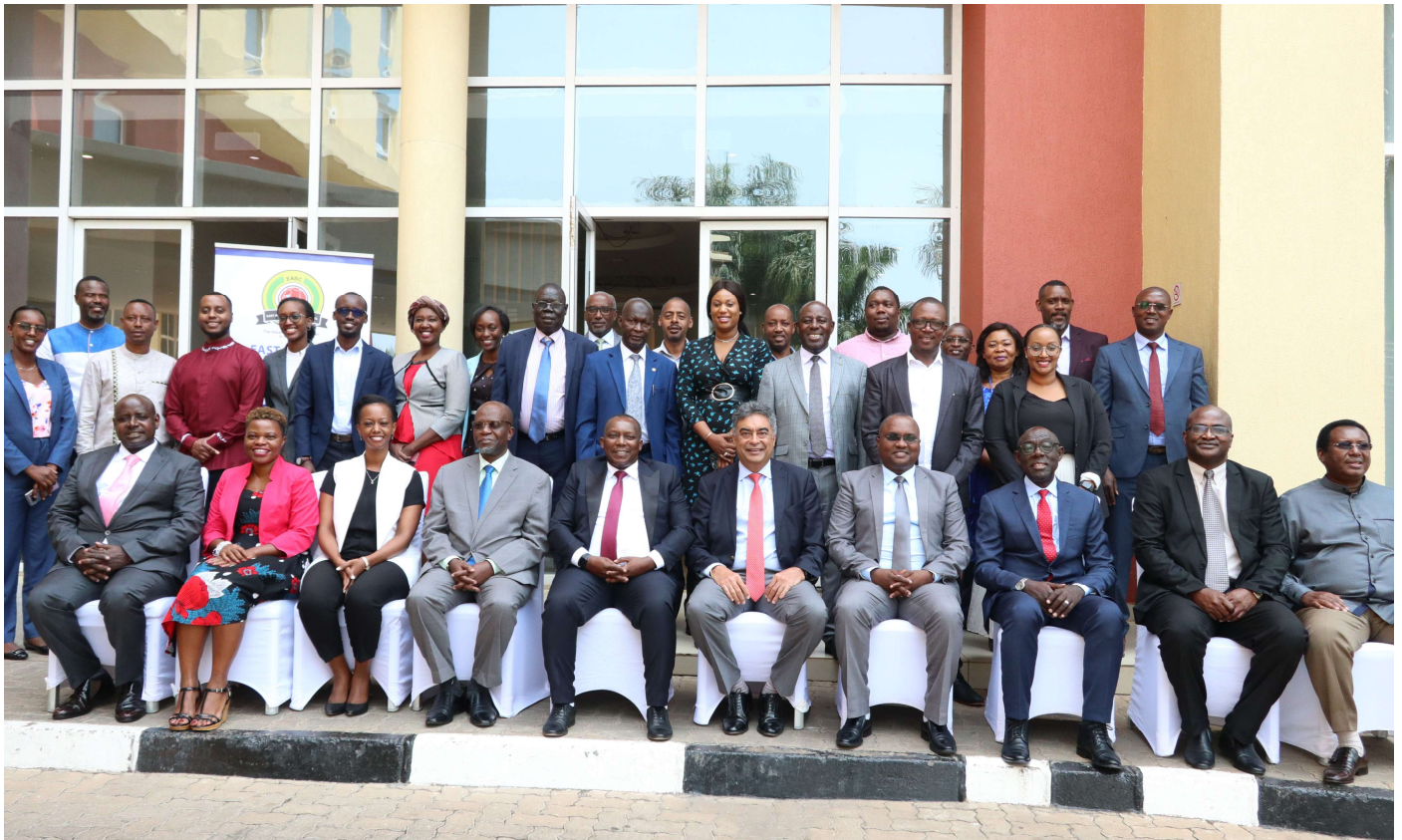
- Exports from Kenya to Ghana initially reduced import tariffs only slightly.
- Cross-border taxes on 90% of goods under AfCFTA should fall by 2030.
- Logistic challenges include lengthy shipping routes.
- Inadequate shipping between African ports.
- Poor infrastructure increases logistics costs.
- High cost of packaging, sending goods overseas for processing and packaging and then shipping them back.



SECTION 4

STRENGTHENING PUBLIC PRIVATE DIALOGUE FRAMEWORKS





EABC, COMESA, AND SADC BUSINESS COUNCILS UNITE TO PROPEL AfCFTA IMPLEMENTATION AND FOSTER REGIONAL GROWTH

Turning AfCFTA Rhetoric into Real Action

In a momentous two-day event that took place on August 10 and 12, 2022, in Kigali, Rwanda, the collective force of regional business councils from across Africa came together to usher in a new era of trade on the continent. Organized by the East African Business Council (EABC) with invaluable support from TradeMark Africa (TMA), the event showcased a series of resolutions and actions aimed at translating the African Continental Free Trade Area (AfCFTA) Agreement from mere words into tangible reality.

Moving AfCFTA from Rhetoric to Action

- The first day of the event was dedicated to a Consultative Meeting of Regional Business Councils on the Implementation of the AfCFTA Agreement. Leaders from EABC, COMESA, and SADC Business Councils converged to

chart a roadmap for hastening AfCFTA's actual implementation, underlining the urgency of shifting from rhetoric to pragmatic trade under this historic agreement.

- Key highlights from this day included:
- Mr. Dennis Karera, EABC Vice Chairman & AfCFTA Focal Point, expressed the collective aspiration to see AfCFTA become a reality as he stressed the need to turn strategies into actions to harness the potential of AfCFTA.
- Hon. Dr. Jean Chrysostome NGABITSINZE, Minister of Trade and Industry-Rwanda, emphasized that Africa contributed only 3% to global trade, and that it was high time to put actions to the continent's trade strategies.
- Ms. Patience Mutesi, TMEA Country Director-Rwanda, reiterated TradeMark East Africa's commitment to partnering with governments and the private sector to remove trade barriers and enhance business

capacities across East Africa and the continent.

- Al Hajj Rashid Kibowa, EAC Director of Trade, represented the EAC Secretary-General, urging EABC-COMESA and SADC business councils to ensure that private sector institutional frameworks under AfCFTA were effectively established and aligned at national, regional, and continental levels.
- Mr. John Bosco Kalisa, EABC Executive Director, presented a staggering statistic from UNCTAD, stating that improving trade facilitation under AfCFTA could add USD 85 billion to intra-African trade, a remarkable 128.4% increase.
- Ms. Simone Assah Kuete, Regional Integration and AfCFTA Cluster, UNECA, Sub-Regional Office for Eastern Africa, called upon the private sector to actively participate in the Phase II negotiations of the AfCFTA Agreement, focusing on investment, competition, and Intellectual Property Rights (IPR).
- The day concluded with a series of resolutions aimed at turning AfCFTA into a transformative force for Africa's trade and economic development. These resolutions included private sector involvement in AfCFTA negotiations, capacity building for MSMEs, youth, and women, curbing illicit trade, free movement of services and service providers, and more.

accelerating the implementation of these critical trade agreements.

- Mr. Dickson Poloji, CEO of COMESA Business Council, emphasizing the importance of the private sector's understanding of trade instruments and advocating for private sector co-chairing of AfCFTA's implementation committees.
- Mr. Peter Varndell, CEO of SADC Business Council, highlighting that the African Tripartite Business Council will enhance coordination and the development of positions on AfCFTA policy formulation and negotiations.
- The event concluded with resounding calls for African nations to ratify the Tripartite Free Trade Area and translate the promise of AfCFTA into tangible actions, ensuring that Africa can respond effectively to external shocks, such as conflicts, pandemics, and climate change.
- The resolutions made during these two impactful days ranged from sustaining political goodwill, capacity building for youth in technology, and enhancing trade facilitation to the elimination of non-tariff barriers, industrialization, and the promotion of regional value chains. These resolutions collectively mark a significant step towards making African trade agreements a reality, ultimately fostering economic growth and development across the continent.

Birth of the African Tripartite Business Council

- Building upon the momentum generated during the first day, the second day of the event witnessed the official launch of the African Tripartite Business Council, representing a groundbreaking partnership between EABC, COMESA, and SADC Business Councils. This council's mission is to ensure that private sector policy proposals are integrated into the negotiations of the AfCFTA Agreement and the African Tripartite Free Trade Area (TFTA).

Key developments from this day included:

- Mr. John Bosco Kalisa, EABC Executive Director, highlighting the African Tripartite Business Council's role in presenting unified private sector policy positions to the AfCFTA Secretariat and Tripartite Ministerial Council Meetings, thereby

EAC-EABC TECHNICAL WORKING GROUP

The EAC-EABC Technical Working Group (TWG) was established under the leadership of the EAC Secretary-General and the EABC Board of Members and comprises staff from the two institutions to spearhead private sector development in the region. The TWG was launched during the East African Business and Investment Summit & Expo 2023. The EAC-EABC Technical Working Group analyzes and mainstreams private sector policy priorities in EAC technical and sectoral committees. It is Chaired by EAC Secretary-General and Co-Chaired by EABC Executive Director.

SECTION 5

ADVOCACY AND POLICY INFLUENCE: STANDARDS AND TRADE FACILITATION





PRIVATE SECTOR STAKEHOLDERS ADVOCATE FOR EAST AFRICAN STANDARDS HARMONIZATION TO BOOST INTRA-EAC TRADE

Introduction:

Private sector stakeholders from the East African Community (EAC) gathered to discuss the importance of harmonizing and adopting East African Standards during the EABC-TMA Regional Public Private Dialogue (PPD) on Standards. The PPD provided insights into the benefits of standard harmonization for regional trade.

EABC through the support from EU – EAC Market Access Upgrade Programme (MARKUP) also organized stakeholders from coffee and horticulture sectors to validate and adopt the Framework for Private Sector Self-Regulation of Safety and Quality of Coffee, Fresh fruits, and Vegetables in EAC. EABC also held engagements with private sector technical experts to prioritize the development and harmonization of East African Standards in the food and beverages sector.

Positive Impact of Standard Harmonization:

The Dialogue highlighted the positive impact of standard harmonization, including a 10% increase in intra-regional trade, a reduction in

inspection and clearance costs at borders (from USD 500 to USD 400), and a significant decrease in clearance times (from 10 days to 0.5 days). This harmonization not only promotes trade within the region but also enhances competitiveness, safeguards consumers and the environment, and streamlines trade processes.

Current State of Standardization:

EAC Partner States have adopted 624 indigenous standards, with an additional 2,500 standards earmarked for harmonization at the EAC level. However, National Standards Bureaus in EAC Partner States were at varying stages of standards harmonization, ranging from 70% to 90%. Burundi and South Sudan faced administrative and capacity challenges, hindering the adoption of harmonized East African Standards.

Participants:

The dialogues convened 267 representatives from the EAC Secretariat, National Bureau of Standards, Manufacturers Associations, the Association

of Burundi Industries (AIB), the Tanzania Women Chamber of Commerce (TWCC), the Eastern African Sub-Regional Support Initiative for the Advancement of Women (EASSI), the Kenya Private Sector Alliance (KEPSA), the South Sudan Chambers of Commerce Industries & Agriculture, the Private Sector Foundation Uganda (PSFU), the Kenya Association of Manufacturers (KAM), Coffee, Farmer, and Horticulture associations such as Tanzania Horticulture Association (TAHA – GreenCert) and South Sudan Agricultural Producers Union (SSAPU)

Highlights of discussions:

Key issues discussed included concerns over multiple inspections at borders, high standardization and compliance costs for micro, small, and medium-sized enterprises (MSMEs), and the revival of the East African Business Council Standards Platform.

Manufacturers emphasized a demand-driven and cost-effective approach to standards development. Discussions also covered the use of artificial sweeteners, nutritive and non-nutritive sugars in the production of various products, focusing on their impact on competitiveness and innovation.

Stakeholders emphasized on the adoption of the Private Sector Self-Regulation Framework to promote conformity and adoption of standards for safety and quality in the coffee, fresh fruits, and vegetable sectors.

Stakeholders from the food and beverages sector were engaged to develop a Policy Brief on Fostering Regional Trade and Health: The Imperative for Harmonized Beverage Standards in EAC.

Recommendations and Call to Action:

The EABC-TMA Regional Public Private Dialogue on Standards and SPS called for:

- Expedited adoption of the Standardization, Accreditation, and Conformity Assessment (SACA) Bill.
- Regular peer reviews and increased awareness about East African Standards.
- Enhance the participation and involvement of the private sector in standards development.
- Fast track the legal drafting, development, and

ratification of the SPS and Metrology Bill.

- Partner States to enhance the capacity of both human and physical infrastructure for standards and SPS especially at the borders.
- National Standard Bodies to certify and accredit existing private laboratories to support testing and certification of priority value chain actors.

EABC and EU-EAC MARKUP Private Sector Self-Regulation Framework for Safety and Quality of Coffee, Fresh fruits, and Vegetables in EAC recommended for:

- Engagement of the EAC Standards and SPS Department and Partner States Government Ministries, Department, and Agencies, Development Partners, and other private sector associations in the implementation and operationalization of the Framework.\
- Apex Associations to develop partnerships and support for the establishment of Third-Party Certification Bodies.
- Partner States should recognize the role of Apex Associations in the certification of Business Operators in the coffee, fresh fruits, and vegetable sectors.

Food and Beverages Technical Expert recommendations:

- EAC Standards Monitoring Committee (SMC) to finalize the harmonization of Standards on the use and application of Nutritive and Non-Nutritive Sweeteners in EAC.
- EAC Partner States in collaboration with the private sector to train government officials, industry stakeholders, and technical experts on the reformulation of products using Low No Calorie Sugar in beverages.
- SMC should commit to periodic review of the regional standards to ensure they remain relevant and updated with evolving scientific knowledge.
- SMC to collaborate with international organization and trade partners to leverage global expertise in harmonization effort.





TRADE AND LOGISTICS



IMPACT STORY: EABC-TRADEMARK AFRICA ADDRESS HIGH TRANSPORT COSTS TO BOOST EAST AFRICAN COMPETITIVENESS

Overview:

High transport and logistics costs within the East African Community (EAC) have posed a significant challenge to the region's competitiveness and trade balance. In response to these challenges, a webinar organized jointly by the East African Business Council (EABC) and TradeMark Africa (TMA) on "Corridor Performance & Its Impact on EAC Business Competitiveness" convened key stakeholders to address these issues. The discussions resulted in a call for the development of an EAC transport and logistics charter or framework to enhance the region's competitiveness.

The Problem:

Transport and logistics costs in the EAC have reached alarmingly high levels, making it increasingly challenging for businesses to compete on both regional and international fronts. Dr. Merian Sebunya, Chairperson of the National Logistics

Platform in Uganda, underscored that these costs account for 35%-42% of production, a stark contrast to Asian countries where the figure stands at a mere 8%. These exorbitant costs have had a detrimental impact on the competitiveness of the EAC bloc and have contributed to an unfavorable trade balance. A glaring statistic revealed that EAC transport costs amount to 1.8 USD per kilometer per container, significantly exceeding the international best practice benchmark of 1 USD per kilometer per container. Consequently, EAC exports have struggled to compete effectively, both within the African Continental Free Trade Area (AfCFTA) and on the global stage.

Key Points and Recommendations:

- 1. Call to Action:** Urged the governments of EAC Partner States to take decisive actions aimed at reducing transport and logistics costs in the region. A reduction in these costs is imperative to bolster the competitiveness of EAC exports.

2. Trade & Investment Report: Highlighting

findings from the EAC Trade & Investment Report (2020), which revealed that EAC exports globally amounted to USD 16.2 billion in 2020, while imports reached USD 35.6 billion, resulting in a negative trade balance of USD 19.4 billion. Addressing the issue of high transport costs is vital to rectify this trade imbalance.

3. Decline in Port Throughput: Mr. Agayo Ogambi from the Shippers Council of Eastern Africa noted a 0.9% decline in throughput at Mombasa port in 2020, with cargo handling falling short by 1.8 million tons compared to the 35.90 million tons target set in 2019. Containerized cargo also experienced a 4% decline. To justify the fees levied, he urged government agencies to provide services commensurate with these charges.

4. Improving Export Competitiveness: Emphasizing the need for the EAC bloc to enhance its export competitiveness and production capacities, ensuring that imported containers are returned filled with EAC exports.

5. Recovery of Transit Times: Mr. Emmanuel Imaniranzi from the Northern Corridor Transit and Transport Agreement (NCTTA) reported an increase in cargo throughput at the port of Mombasa, along with the gradual return to normal transit times in the Northern Corridor following the easing of COVID-19 restrictions. However, transportation costs remained elevated.

6. Infrastructure Improvements: The Northern Corridor Transport Observatory monitors 40 performance indicators, encompassing aspects such as transit time, productivity, efficiency, costs, volume, capacity, and intra-regional trade. It was highlighted that infrastructure enhancements, automation, and interconnectivity hold the potential to reduce transport costs.

7. Reduction of Weighbridges and Road Tolls: Mr. Melchior Barantandikiye, Head of Logistics at the Central Corridor Transit and Transport Facilitation Agency (CCTTFA), detailed measures undertaken to enhance the Central Corridor's performance, including reducing the number of weighbridges

from 9 to 3 and lowering road tolls.

8. Holistic Approach: Mr. John Mathenge, Managing Director of VIASERVICE LTD, called for a comprehensive regional approach and vision to enhance the competitiveness of the transport and logistics sector. He stressed the importance of developing an EAC transport and logistics charter/framework to seamlessly integrate the ecosystem, promote synergies, enhance efficiency, and reduce production costs.

9. Geo-fencing for Trade Facilitation: Mr. John Bosco Kalisa, EABC Executive Director, advocated for the implementation of geo-fencing for the Northern Corridor and Central Corridor to facilitate trade.

Conclusion:

Addressing the issue of high transport and logistics costs is paramount for the competitiveness and trade balance of the East African Community. The webinar has underscored the urgency of this challenge and has led to a call for the establishment of a comprehensive framework to tackle these issues. By fostering collaboration among governments, businesses, and regional organizations, there is optimism that the EAC can reduce transport costs, enhance competitiveness, and fully realize its trade potential within the region and on the global stage.

EABC'S CALL FOR FRESH PRODUCE CONSOLIDATION CENTERS TO BOOST EAC BLOC EXPORTS

In a regional private sector engagement on sea freight transport and logistics, the East African Business Council (EABC) and TradeMark Africa (TMA) joined forces to address challenges in exporting fresh produce within the East African Community (EAC) region. The event, funded by the Ministry of Foreign Affairs of the Netherlands, highlighted key issues and proposed solutions for enhancing export volumes and competitiveness.

Key Highlights:

- **Low Intra-Trade:** Intra-trade within the EAC stands at only 17%, mainly due to barriers and high transportation costs, estimated at approximately USD 1.8 per ton per kilometer.
- **Transport and Logistics Vital:** The intricacies and competitiveness of EAC economies heavily rely on the transport and logistics sector, making its efficiency crucial.
- **Benchmarking Best Practices:** Ports in the region, particularly Dar es Salaam and Mombasa, were urged to learn from global best practices, such as those in Durban, to enhance their efficiency, ship turnaround times, and reduce congestion, thus remaining competitive in the African Continental Free Trade Area (AfCFTA) and international markets.
- **Sea Freight Benefits:** Sea freight was emphasized as an eco-friendly option that can significantly reduce carbon emissions, potentially by 84%-95%.
- **Cost Comparison:** Airfreight for fresh produce costs USD 2 per kg (for a 40ft quantity or 22 metric tons), totaling up to USD 40,000. In contrast, sea freight costs USD 12,000, with a transit time of 24-30 days from Mombasa to Europe.
- **Port Rankings:** The World Bank's Global Container Port Performance Index (CPPI) for

2021 ranked the ports of Mombasa and Dar es Salaam relatively low due to delays, congestion, and facility management.

- **Economic Transformation:** The Central Corridor is poised to transform into an economic corridor, with value centers connecting manufacturing hubs to boost exports and create jobs.
- **Country-Specific Strategies:** Participants called for an EAC strategy on fresh produce based on each country's comparative and competitive advantages.
- **Infrastructure Investment:** Investment in both physical and soft infrastructure, benchmarking international best practices, and improving the regional transport system were emphasized.
- **Consolidation Centers:** The establishment of consolidation centers for horticultural produce was stressed, with Kenya's successful export model cited.

Several proposals were put forth to boost fresh produce exports from the EAC bloc, including port infrastructure development, trade facilitation measures, railway expansion, and automation of processes. The engagement brought together key stakeholders, including representatives from freight forwarders, horticulture and shippers associations, transporters, agriculture officials, exporters, and inland container depots from the EAC region.

SECTION 6

CAPACITY BUILDING AND EMPOWERMENT





EABC-AFREXIMBANK: EMPOWERS UGANDA'S BUSINESSES FOR AfCFTA SUCCESS

On August 9, 2023, the partnership between the East African Business Council (EABC) and the African Export-Import Bank (Afreximbank) marked a significant milestone by empowering 60 Ugandan SMEs, youth, and women entrepreneurs on African Continental Free Trade Area (AfCFTA) Protocols and their significance in driving business growth. This workshop was designed to focus on trade facilitation procedures and strategies for accessing markets effectively under the AfCFTA.

EABC, Afreximbank train SMEs in Rwanda on AfCFTA, 21st-22nd August 2023

East African Business Council (EABC) and Afreximbank trained 35 SMEs in Rwanda on African Continental Free Trade Area (AfCFTA) protocols. The two-day national sensitization workshop held in Kigali aimed at promoting intra-African trade through raising awareness about (AfCFTA for SMEs and women in business.

- **Mr. Dennis Karera**, EABC Vice Chairperson in Rwanda hailed Afreximbank for their commitment to enhancing the capacity of the EAC private sector to leverage opportunities arising from liberalized trade within Africa under the AfCFTA framework. “Despite Africa contributing only around 2.0 per cent to global trade and with just 17 per cent of African exports being intra-African, the AfCFTA offers a chance to boost intra-African trade,” Mr. Karera said through a release yesterday.

However, he said, various aspects of the agreement, such as tariff offers and rules of origin, still require finalization by member states. “To ensure successful implementation, EABC is focusing on equipping the private sector with the necessary skills to engage in trade with continental partners,” he said.



- **Mr. Fred Mugabe**, Director General of Entrepreneurship and Industry Promotion in Rwanda emphasized the significant role that SMEs play in driving economic development, contributing to almost 90 per cent of the EAC's GDP. "However, many SMEs face trade barriers, both tariff and non-tariff, which hinder cross-border trade," Mr. Mugabe said. Additionally, he said that the AfCFTA is designed to address these challenges across member states, particularly for SMEs, by promoting intra-African trade and investment. Mr. Mugabe said Kigali negotiated 90 per cent tariff liberalization and started to experience economic gains from the AfCFTA market through its involvement in the guided trade initiative.

The workshop attended by 35 SMEs provided an opportunity to discuss AfCFTA's available opportunities and explore how the private sector can position itself to maximize potential benefits. The workshop covered topics such as the description of the AfCFTA agreement, the structure of the protocol on trade in goods and its annexes, AfCFTA instruments, and opportunities within the guided trade initiative.

Kenyan SMEs Empowered for AfCFTA Success - August 23, 2023

On August 23, 2023, EABC and Afreximbank joined forces to extend capacity-building training to SMEs and women in business in Kenya. The focus was clear: to empower SMEs with knowledge about the AfCFTA protocols and their relevance within the East African Community (EAC) region.

Key highlights from this transformative event included:

- The CEO of EABC, Mr. John Bosco Kalisa, began with a powerful statement, citing statistics that underscore the EAC as the most performing Regional Economic Community (REC) in Africa, despite the formidable external challenges faced by the continent. He emphasized the driving force behind a robust economy – private sector commitments. Mr. Kalisa underlined the critical role of SMEs, which contribute over 90% to the EAC's economy. His vision extended to 2050, with the AfCFTA potentially propelling Africa's GDP to an astounding \$29 trillion USD if fully implemented.
- **Targeting Women and Youth:** Mr. Kalisa's speech highlighted the youth-centric approach of the AfCFTA. Given that more than 70% of Africa's population consists of youth, they hold the key to the continent's future. The CEO also emphasized the need for EAC to expand its reach into West and Central markets.
- **Afreximbank's Contribution:** Mr. Kalisa expressed heartfelt appreciation for Afreximbank's unwavering support to the private sector. He commended their Pan African Payment & Settlement System (PAAPS) initiative, poised to revolutionize cross-border payments in Africa.
- Mr. Victor Ogalo, Deputy CEO of KEPSA, echoed the sentiments of appreciation to EABC and Afreximbank for organizing this valuable training. He emphasized the potential-rich nature of Africa, where the continent contributes 30% - 35% of raw materials to the global market but only 17% to the world's economy. Challenges, including limited access to information, inadequate capacity, and restricted access to finance, still hinder SMEs. However, Mr. Ogalo passionately argued that these hurdles should not deter businesses from capitalizing on AfCFTA opportunities.
- Representing the Ministry of Investments, Trade, and Industry in Kenya, Mr. Olivier Konje applauded EABC for their commendable work in building capacity for SMEs on AfCFTA. He highlighted the substantial benefits that AfCFTA holds not just for major players but also for SMEs and women in trade. Collaboration between the public and private sectors, he emphasized, is crucial to harnessing these opportunities.
- This national workshop served as a game-changer, enabling over 40 Kenyan participants to grasp the immense potential of AfCFTA. SMEs emerged as key drivers of employment, economic growth, and development across Kenya, the EAC, and the entire African continent.

Bujumbura's AfCFTA Affirmation - September 11, 2023

- The ripple effect of EABC and Afreximbank partnership extended beyond Kenya's borders, with EABC and Afreximbank launching a sensitization workshop on AfCFTA for SMEs and women in business in Burundi on September 11, 2023. The goal was clear: to equip these vital segments of the population with the skills and knowledge needed to capitalize on AfCFTA's opportunities.

Key highlights from the event included:

- **Hon. Marie Chantal Nijimbere's Address:** Hon. Marie Chantal Nijimbere, the Minister of Trade, Transport, Industry, and Tourism, took the stage as the Chief Guest. She underscored the importance of keeping youth and women in business informed about regional and continental trade dynamics. Recognizing the challenges, including infrastructural deficits and non-tariff barriers, she stressed that AfCFTA offers the EAC region a transformative opportunity to establish regional value chains and enhance domestic value addition, ultimately boosting GDP.
- **Mr. John Bosco Kalisa's Optimism:** CEO of EABC, Mr. John Bosco Kalisa, expressed gratitude to the Republic of Burundi for finalizing and validating

the AfCFTA National strategy. He highlighted the immense market potential of AfCFTA, projected to encompass 1.7 billion consumers by 2030, with an expected combined GDP of \$3.4 trillion. Effective AfCFTA implementation is set to lift millions out of poverty by 2035.

- **Mr. Antoine Muzaneza's Insights:** Mr. Antoine Muzaneza, Board Director of EABC and Chairman of ACOBU, emphasized the potential increase in investments and Foreign Direct Investment (FDI) resulting from AfCFTA's implementation. He stressed the need for investments in infrastructure and trade facilitation to facilitate cross-border trade, including transportation and logistics supply chains.
- **The Path Ahead:** The workshop paved the way for 40 SMEs and Women in Business to assess the status of AfCFTA negotiations and comprehend the implications of AfCFTA protocols on their businesses. It equipped them to engage in trade with counterparts across Africa confidently.

Through workshops, training programs, and knowledge-sharing sessions, businesses were empowered with invaluable insights into AfCFTA trade opportunities and growth strategies.

In conclusion, this transformative partnership serves as a beacon of hope and empowerment for SMEs and women in business across Africa.



EMPOWERING EAST AFRICA'S TRADE: AfCFTA RULES OF ORIGIN WORKSHOP AND WEBINAR

In a bid to promote economic integration and facilitate trade across East Africa and the broader African continent, the East African Business Council (EABC) has taken proactive steps in advancing knowledge and expertise in the African Continental Free Trade Area (AfCFTA) Rules of Origin. Two significant events, a three-day workshop and a successful webinar, have played pivotal roles in this endeavor.

Dar es Salaam Workshop - July 16, 2023, Dar es Salaam, Tanzania, witnessed the commencement of a three-day workshop on AfCFTA Rules of Origin, organized by the EABC with invaluable support from the World Customs Organization and funded by the European Union. This event brought together prominent stakeholders, including National Associations, Chambers of Commerce from the region, and delegates from the European Union and the EAC Secretariat.

Mr. Paul Makanza, a Board Member of the East African Business Council, expressed heartfelt

gratitude to the European Union and the World Customs Organization for their critical roles in implementing this training initiative. He highlighted the vital importance of partnerships in building capacity and sharing knowledge to foster a dynamic and inclusive trade environment. AfCFTA represents a monumental milestone in the journey towards African economic integration, creating a single market of 1.3 billion people with a combined GDP of USD 3.4 trillion. To fully leverage the benefits of AfCFTA, a comprehensive understanding of various aspects of the agreement is essential, with the Rules of Origin being particularly fundamental. These rules play a crucial role in ensuring fair competition, preventing trade deflection, and safeguarding products originating from the region.

Mr. Cedric Merel, Head of Cooperation to the EU, underlined the significance of Rules of Origin as powerful trade policy instruments contributing to the correct implementation of trade agreements. These rules determine customs duties and taxes applied to

goods and establish their economic nationality. The EU, in collaboration with its European member states, reaffirmed its commitment to supporting African countries in economic integration and trade matters, aligning with the African Union Agenda 2063.

Mr. Donald Tindamanyire, Principal Customs Officer representing the EAC Secretariat, described the AfCFTA agreement as a historic achievement in African regional integration. He highlighted that the Rules of Origin would determine trade liberalization under the agreement, marking a transformative shift in African industrialization by eliminating import tariffs and quotas. Anticipating a 33% boost in trade once tariffs are fully liberalized among state parties, Tindamanyire emphasized that AfCFTA implementation would attract intra-African investment and create market opportunities, fostering African industrialization through regional value chains. Moreover, the AfCFTA would serve as a shock absorber for global disruptions to supply chains, such as the COVID-19 pandemic and geopolitical sanctions.

The workshop focuses on key topics, including an introduction to Rules of Origin in international trade, an exploration of the content of the AfCFTA Rules of Origin, discussions on various regional free trade agreements, and the intricacies of origin certification and verification. This training equips participants with essential knowledge to navigate the complexities of the AfCFTA and contribute to the region's economic growth and stability

Webinar - May 12, 2023 The EABC, in collaboration with the World Customs Organization (WCO) through the European Union-WCO African Rules of Origin Programme, conducted a highly successful webinar on the AfCFTA Rules of Origin. This webinar brought together over 200 businesses from East Africa and the broader continent

Mr. John Bosco Kalisa, in his opening remarks, emphasized that AfCFTA Rules of Origin would promote the 'Made in Africa' campaign and should be designed to be flexible, predictable, and simple for small and medium-sized enterprises (SMEs) to trade within the 1.2 billion AfCFTA market. He highlighted the importance of integrating continental value chains in sectors such as agro processing, automotive, textiles, pharmaceuticals, and transport and logistics to boost intra-Africa trade.

Mr. Sagoh Djete, Project Manager, Regional Cooperation-Infrastructure, EU Delegation to Tanzania and EAC, reiterated the European Union's commitment to promoting the free movement of goods within the East African Community (EAC) and the continent

The webinar equipped 200 businesses from the East African Community (EAC) with the necessary skills and knowledge regarding the technical and administrative aspects of the AfCFTA Rules of Origin, enabling them to seize opportunities provided by the preferential trade regime under AfCFTA.

During the webinar, Unami Tlhole, an Origin Expert from the EU-WCO RoO Africa Programme, provided insights into the progress of the AfCFTA, with 46 countries having ratified the agreement as of February 2023. She explained that 36 Tariff Offers, including three Customs Unions (EAC, ECOWAS, and CEMAC), have been technically verified, and Rules of Origin (RoO) covering 88.3% of tariff lines have been agreed upon.

Rules of Origin are crucial regulations that determine the "economic nationality" of a product, and the

AfCFTA Rules of Origin will have far-reaching effects. They are expected to attract more Foreign Direct Investments, offer opportunities for SMEs to engage in regional value chains, provide preferential market access, reduce the cost of doing business through self-certification by MSMEs, and approved exporters. This transformation is poised to foster economic growth and industrialization across the continent.

To qualify for AfCFTA Rules of Origin (RoO), businesses need to understand criteria for tariff liberalization, types of proof of origin, the country's designated competent authority, registration procedures, and procedures for the issuance of proof of origin.

These two events, the workshop and the webinar, have collectively contributed to empowering East Africa's private sector with the knowledge and expertise required to navigate the complexities of AfCFTA Rules of Origin and, in turn, foster economic growth, trade integration, and industrialization in the region and across the African continent.





GIZ –EABC EMPOWERS EAST AFRICAN PRIVATE SECTOR WITH KNOWLEDGE ON AfCFTA TRADE IN GOODS PROTOCOL.

Introduction:

The African Continental Free Trade Area (AfCFTA) is a game-changer for African economies, creating opportunities for increased intra-Africa trade and economic growth. Recognizing the pivotal role of the private sector in AfCFTA's success, the East African Business Council (EABC) in partnership with GIZ's Support to East African Integration Programme II has taken proactive steps to empower the private sector within the East African Community (EAC) to leverage this historic trade agreement.

EABC's journey to empower the EAC private sector for success within AfCFTA began with a transformative Regional Workshop on Training of Trainers held in Nairobi, Kenya, in November 2022. During this workshop, 19 private sector representatives

from all EAC Partner States were equipped with a comprehensive understanding of AfCFTA's provisions related to trade in goods and its annexes.

National Sensitization Workshops on AfCFTA Trade in Goods

The impact of this initiative was significant. The trained representatives went on to conduct Private Sector National Sensitization Workshops on AfCFTA Trade in Goods in Rwanda, Tanzania, Uganda and Kenya, engaging over 200 private sector participants. These workshops served as platforms for vital discussions on the challenges and opportunities presented by AfCFTA, fostering an exchange of ideas between the private sector and government representatives for effective implementation.

Key Highlights:

- 1. Intra-Africa Exports:** In 2021, intra-Africa goods exports reached an impressive USD 82.2 billion, with EAC exports of goods to Africa accounting for USD 7.9 billion, comprising a remarkable 42% share of EAC total exports of goods to the world, valued at USD 18.7 billion.
- 2. Top Exports:** Key EAC exports to Africa included precious stones, coffee, tea, cement, animal fats, mineral oils, iron, and steel, highlighting the diverse range of opportunities within the AfCFTA framework.
- 3. Empowering Trainers:** The Training of Trainers workshop gathered 19 representatives from various business membership organizations across EAC Partner States. These trainers received certificates of competence, enabling them to further disseminate AfCFTA knowledge within their respective countries.
- 4. Sustainability:** To ensure the sustainability of awareness campaigns, business membership organizations were urged to integrate AfCFTA-related activities into their work plans and in collaboration with EABC rolled out national sensitization workshops on AfCFTA trade in goods.

East Africa's Potential:

As the private sector takes center stage as the main implementer of the AfCFTA Agreement, governments play a facilitating role by creating a conducive business environment. The implementation of AfCFTA will significantly reduce tariffs and non-tariff barriers, opening up opportunities for East Africa to export a wide range of products to the continent. This includes vegetables, tea, rice, coffee, sugar, textile products, soap, sesame seeds, edible oils, tubers, and milk.

Conclusion:

The East African private sector's readiness and understanding of AfCFTA are crucial factors in leveraging the benefits of this historic agreement. With initiatives like the Training of Trainers workshops and ongoing sensitization efforts, EABC, in collaboration with partners, is paving the way for East African businesses to thrive in the AfCFTA era. As East Africa stands on the cusp of increased intra-Africa trade, it is well-prepared to seize the opportunities that AfCFTA offers, contributing to economic growth and prosperity for the region.





EMPOWERING EAST AFRICA'S AGRI-FOOD SECTOR

The East African Community (EAC) had been grappling with the disruptive effects of the pandemic, global economic uncertainties, and the looming specter of climate change. During the height of the pandemic, only Burundi and the Democratic Republic of Congo (DRC) made significant improvements in their food security scores, with 37 and 40.7, respectively. In contrast, across Sub-Saharan Africa, 30% of people faced hunger, a rate lower than the EAC Region's 25%. However, Africa as a whole saw 35 million people afflicted by hunger in 2020, a stark increase from 2019.

Given these pressing challenges, EABC, in partnership with GIZ Sequa GmbH through the Business Scouts Fund, identified EAC Export Procedures and Contract Farming as pivotal areas necessitating capacity building to improve food security.

Knowledge Empowers Transformation

The Regional Masters Training of Trainers (ToT) Capacity-Building Workshop on EAC Export Procedures & Contract Farming, organized by EABC in partnership with GIZ Sequa GmbH through the Business Scouts Fund under the project title,

“Enhancing Competitiveness of Agri-food Industry and Mitigating the Impact of Global Crises to Improve Food Security in the EAC Region,” empowered 40 associations with knowledge on contract farming and export procedures to transform the region's agricultural landscape

In her address, Dr. Sarah Kagoye, Principal Agricultural Business Officer from the Ministry of Agriculture, Animal Industry, and Fisheries in Uganda, lauded the workshop for its emphasis on value chain integration. This focus aligns with the Ugandan government's vision of “Agro-industrialization,” which strives to promote productivity, nutrition security, employment opportunities, value addition, and trade in agricultural products.

Ms. Lydia Koch, representing Mr. Philipp Glaeser, Head of the International Component at GIZ Business Scouts for Development, reaffirmed GIZ's commitment to supporting food security. She stressed that the workshop would empower associations with knowledge on contract farming and export procedures, facilitating knowledge sharing across East Africa.

Mr. Martin Maku, Sector Coordinator for Agriculture, Agribusiness & Forestry at the Private Sector Foundation Uganda (PSFU), emphasized the central role of increased agricultural productivity in achieving food security and the EAC Vision 2050.

A Vision for Food Security

East Africa, like many regions, confronted the daunting trio of a pandemic, global economic uncertainties, and the specter of climate change. Recognizing the paramount importance of food security, Mr. Businge Wilson Rwabwogo, EABC Board Member, emphasized the need for urgent action. Some East African Community (EAC) countries had struggled with low food security index scores even before the COVID-19 pandemic

Mr. Rwabwogo shed light on studies conducted by EABC in partnership with GIZ - Business Scouts, which not only assessed the impact of global crises on food security in the EAC region but also pinpointed investment opportunities within select agriculture value chains.

Challenges and Opportunities in Agriculture

Mr. Rwabwogo highlighted the immense potential of the EAC's agriculture sector, highlighting staple foods such as cereals, roots, tubers, and legumes. However, he acknowledged the sector's challenges, including limited access to improved seed varieties, high seed costs, low adoption of improved seeds, and various hurdles related to climate change, soil fertility, and pests.

Investment in the agriculture sector is paramount, emphasized Mr. Rwabwogo, citing statistics that revealed a surge in foreign direct investment (FDI) in the EAC region. Notably, most of this investment had been directed toward manufacturing, construction, and services, rather than agriculture.

Mr. John Bosco Kalisa, CEO of the East African Business Council (EABC), called for the establishment of an East African food security alliance. He underscored the formidable challenges posed by global crises, including the Covid-19 pandemic, conflicts, and climate change, to the region's food security and agricultural sectors. The disruptions caused by these global crises affected supply chains, transportation,

and the availability of agricultural inputs, resulting in food insecurity for millions within the East African Community (EAC).

Mr. Kalisa stressed the urgency of addressing these challenges through collective action and meaningful partnerships.

The experts, Prof. Ojijo Nelson and Mabala Moses, shared the latest updates on contract farming and export procedures in the EAC, equipping participants with valuable insights and knowledge.

Kenya Capacity Building Workshops on Contract Farming in Agri-Value chains.

Following the Regional Masters Training of Trainers Workshop, the East African Business Council (EABC), in collaboration with GIZ Sequa GmbH through the Business Scouts Fund, conducted the Kenya Capacity Building Workshops on Contract Farming in Agri-Value chains. This initiative empowered 35 agri-value chain stakeholders with knowledge on contract farming and addressed pressing food security challenges.

Mr. Lordesturs Gordon, a representative from the Kenyan Ministry of Agriculture and Livestock Development, expressed gratitude to EABC and the Kenya Private Sector Association (KEPSA) for organizing the workshop. He urged stakeholders to leverage the knowledge gained to enhance investments in agricultural value chains.

Dr. Agatha Thuo, Managing Director of the Agriculture Sector Network (ASNET), emphasized the need to strengthen the Agri-Value chain. She highlighted that 80% of producers, often small-scale farmers, struggle to market their products effectively due to information gaps. Agriculture contributed 23% to the GDP and 65% to all exports.

Ms. Edda Otieno, Junior advisor at GIZ Business Scout for Development, called for partnerships to promote a sustainable supply chain amid global disruptions. The workshop facilitated knowledge sharing among 35 Agri-Value chain stakeholders on Contract Farming principles and best practices, marking a significant step toward enhancing food security and sustainable agriculture in the region.



UN AGENCIES AND EABC JOIN FORCES: PARTNERING FOR AfCFTA EMPOWERMENT

UN agencies, including the International Trade Centre, UN Development Programme, and UN Women, partnered with the East African Business Council (EABC) to conduct a workshop in September 2022. The workshop aimed to empower business support organizations (BSOs) in East Africa to better understand and leverage the opportunities presented by the African Continental Free Trade Area (AfCFTA). Over 70 representatives from the region's business ecosystem participated in the workshop, gaining insights into AfCFTA negotiations and its implementation progress. BSOs received tools and knowledge to enhance their services, with a focus on boosting the competitiveness of micro, small, and medium-sized enterprises (MSMEs), especially those led by women and youth entrepreneurs. The workshop emphasized the importance of including women and youth in policy negotiations, facilitating access to finance, and providing training on international and regional trade requirements.

EABC AND ITC LAUNCH MyEastAfricanSoko

In November 2022, the East African Business Council (EABC) and the International Trade Centre (ITC)

launched www.myeasoko.com, an online platform aimed at boosting the competitiveness of East African small businesses. This collaborative effort provides a digital avenue for these businesses to recover, build resilience, and spur growth.

The platform, developed through a partnership with ITC's One Trade Africa program, enables traders and service providers to access critical business information, market their products online, attract international buyers, and expand their trade opportunities. Additional services include an integrated e-marketplace, business listings portal, and SME training academy. Small businesses can also access essential information for cross-border trade under the AfCFTA.

In terms of operational performance, myeasoko digital platform has made the following milestones;

- 8 Products purchased
- 487 registered Vendors
- 1,187 Directory Businesses registered
- 346 Academy students enrolled
- 4 Digital Training Applications



SECTION 7

SUSTAINABILITY AND CIRCULAR ECONOMY





EABC CLIMATE CHANGE SUB-COMMITTEE

The East African Business Council (EABC) Secretariat convened two meetings for the EABC Climate Change Sub-Committee to deliberate on climate change interventions undertaken by the EABC Secretariat. The sub-committee identified key priority areas focusing on climate change, notably: legal and regulatory frameworks; awareness and capacity building; conservation; and research and surveys on ongoing regional interventions. The sub-committee also developed a draft EABC Private Sector Climate Action, incorporating components of blue, green, and circular economy interventions.

The African Leaders Nairobi Declaration On Climate Change And Call To Action

PREAMBLE

We, the African Heads of State and Government, gathered for the inaugural Africa Climate Summit (ACS) in Nairobi, Kenya, from 4th to 6th September 2023, in the presence of other global leaders, intergovernmental organizations, Regional Economic

Communities, United Nations Agencies, the private sector, civil society organizations, indigenous peoples, local communities, farmer organizations, children, youth, women, and academia, hereby:

1. Recall the Assembly Decisions (AU/Dec.723(XXXII), AU/Dec.764 (XXXIII), and AU/Dec.855(XXXVI)) requesting the African Union Commission to organize an African Climate Summit and endorsing the offer by the Republic of Kenya to host the Summit.
2. Commend the Committee of African Heads of State and Government on Climate Change (CAHOSCC) under the Leadership of H.E. President William Ruto for providing a unified approach and political leadership on an African vision that simultaneously pursues climate change and a development agenda.
3. Commend the Arab Republic of Egypt for the successful COP27 and its historic outcomes, in particular loss and damage, just transition, and energy, and call for the full implementation of all COP27 decisions.

4. Take Note of the 6th Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC), stating that the world is not on track to keeping within reach the 1.5°C limit agreed in Paris and that global emissions must be cut by 45% in this decade.
5. Underscore the IPCC confirmation that Africa is warming faster than the rest of the world and, if unabated, climate change will continue to have adverse impacts on African economies and societies, hampering growth and well-being.
6. Express concern that many African countries face disproportionate burdens and risks arising from climate change-related, unpredictable weather events and patterns, including prolonged droughts, devastating floods, and wildfires, which cause massive humanitarian crises with detrimental impacts on economies, health, education, peace, and security, among other risks.
7. Acknowledge that climate change is the single greatest challenge facing humanity and the single biggest threat to all life on Earth. It demands urgent and concerted action from all nations to lower emissions and reduce the concentration of greenhouse gases in the atmosphere.
8. Recognize that Africa is not historically responsible for global warming but bears the brunt of its effects, impacting lives, livelihoods, and economies.
9. Reaffirm the principles set out in the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement, namely equity, common but differentiated responsibilities, and respective capabilities.
10. Further recognize that African cities and urban centers are growing rapidly, and by 2050, they would be home to over 1.0 billion people. Cognizant of the fact that rapid urbanization, poverty, and inequality limit planning capacities and other urban dynamics, which increase people's exposure and vulnerability to hazards, turning cities into disaster hotspots across the continent.
11. Recall that only seven years remain to achieve the Sustainable Development Goals of the 2030 Agenda and note with concern that 600 million people in Africa still lack access to electricity while 970 million lack access to clean cooking.
12. Emphasize that Africa possesses both the potential and the ambition to be a vital component of the global solution to climate change. It is home to the world's youngest and fastest-growing workforce, coupled with massive untapped renewable energy potential, abundant natural assets, and entrepreneurial spirit, making our continent the foundation for pioneering a climate-positive pathway, thriving as a cost-competitive industrial hub with the capacity to support other regions in achieving their net-zero ambitions.
13. Acknowledge Africa's role as one of the largest carbon sinks through the Congo forest and peatland, as well as the potential in Africa's savanna grasslands, mangroves, swamps, coral reefs, and marine reserves. We note the progress made by African countries in promoting land and ecosystem restoration through various initiatives and programs.
14. Recognize the critical importance of the ocean in climate action, reversing biodiversity loss, and the sustainable development of African and other countries globally. We acknowledge commitments made on ocean sustainability in multiple fora such as the Second UN Oceans Conference in 2022, the African Union Agenda 2063, and UN Agenda 2030, in COPs 26 and 27, and most recently in the Moroni Declaration for Ocean and Climate Action in Africa.
15. Reiterate Africa's readiness to create an enabling environment, enact policies, and facilitate investments necessary to unlock resources not only to meet our own climate commitments but also to contribute meaningfully to the decarbonization of the global economy.
16. Express concern that despite Africa having an estimated 40 percent of the world's renewable energy resources, only \$60 billion or two percent of US\$3 trillion renewable energy investments in the last decade have come to Africa. Meeting the 300 Giga Watts (GW) target by 2030 at an estimated cost of \$600 billion translates to a tenfold increase in the finance capital flowing into Africa's renewable energy sector over the next seven years. Unlocking Africa's climate-positive growth potential on a scale that can contribute meaningfully to the decarbonization of the global economy will require several multiples of the current development and investment finance flows.



17. Call upon the global community to act with urgency in reducing emissions, fulfilling its obligations, keeping past promises, and supporting the continent in addressing climate change, specifically to:

- Accelerate all efforts to reduce emissions to align with goals set forth in the Paris Agreement.
- Honor the commitment to provide \$100 billion in annual climate finance, as promised 14 years ago at the Copenhagen conference.
- Uphold commitments to a fair and accelerated process of phasing down coal and abolishment of all fossil fuel subsidies.
- Swiftly operationalize the Loss and Damage facility agreed at COP27.

18. Call for climate-positive investments that catalyze a growth trajectory, anchored in the industries poised to transform our planet and enabling African countries to achieve stable middle-income status by 2050.

19. Urge global leaders to join us in seizing this unprecedented opportunity to accelerate global decarbonization, while pursuing equality and shared prosperity.

20. Urges the operationalization of the Loss & Damage fund as agreed at COP27 and resolve for a measurable Global Goal on Adaptation (GGA) with indicators and targets to assess progress against negative impacts of climate change.

We commit to:

21. Developing and implementing policies, regulations, and incentives aimed at attracting local, regional, and global investment in green growth and inclusive economies.

22. Propelling Africa's economic growth and job creation in a manner that not only limits our own emissions but also aids global decarbonization efforts, by leapfrogging traditional industrial development and fostering green production and supply chains on a global scale.

23. Focusing our economic development plans on climate-positive growth, including the expansion of just energy transitions and renewable energy generation for industrial activity, climate-aware

and restorative agricultural practices, and essential protection and enhancement of nature and biodiversity.

24. Strengthen actions to halt and reverse biodiversity loss, deforestation, desertification, as well to restore degraded lands to achieve land degradation neutrality.

25. Strengthening continental collaboration, which is essential to enabling and advancing green growth, including but not limited to regional and continental grid interconnectivity, and further accelerating the operationalization of the Africa Continental Free Trade Area (AfCFTA) Agreement.

26. Advancing green industrialization across the Continent by prioritizing energy-intensive industries to trigger a virtuous cycle of renewable energy deployment and economic activity, with a special emphasis on adding value to Africa's natural endowments.

27. Redoubling our efforts to boost agricultural yields through sustainable agricultural practices, to enhance food security while minimizing negative environmental impacts.

28. Taking the lead in the development of global standards, metrics, and market mechanisms to accurately value and compensate for the protection of nature, biodiversity, socio-economic co-benefits, and the provision of climate services.

29. Finalizing and implementing the draft African Union Biodiversity Strategy and Action Plan, with the view to realizing the 2050 vision of living in harmony with nature.

30. Integrating climate, biodiversity, and ocean agendas and instruments at national plans and processes to assure their full potential to support sustainable development is realized and support nature-based ocean solutions for climate, livelihoods, and sustainability objectives, that support and increase the resilience of local communities, coastal areas, and national economies.

31. Supporting smallholder farmers, indigenous peoples, and local communities in the green economic transition given their key role in ecosystems stewardship.

32. Identifying, prioritizing, and mainstreaming adaptation into development policy-making and planning, including in the context of national

plans and Nationally Determined Contributions (NDCs).

33. Building effective partnerships between Africa and other regions, to meet the needs for financial, technical, and technological support, and knowledge sharing for climate change adaptation.
34. Promoting investments in urban infrastructure, including through upgrading informal settlements and slum areas to build climate-resilient cities and urban centers.
35. Strengthening early warning systems and climate information services, as well as taking early action to protect lives, livelihoods, and assets and inform long-term decision-making related to climate change risks. We emphasize the importance of embracing indigenous knowledge and citizen science in both adaptation strategies and early warning systems.
36. Accelerating implementation of the African Union Climate Change and Resilient Development Strategy and Action Plan (2022-2032).

More is needed

37. We call for collective global action to mobilize the necessary capital for both development and climate action, echoing the statement of the Paris Summit for a New Global Financing Pact that no country should ever have to choose between development aspirations and climate action. To achieve the necessary levels of urgency, scale, and inclusivity, we consider the following elements to be indispensable:
38. We call for concrete action on the proposals to reform the multilateral financial system currently under discussion, specifically to (a) build resilience to climate shocks, including better deployment of the SDR liquidity mechanism and disaster suspension clauses; better leveraging of the balance sheets of MDBs to scale up concessional finance, and addressing the inordinate disparities emerging and advanced economies cost of financing from the capital markets.
39. Full implementation of the measures included in the Paris Agenda for People and the Planet – including:
 - Multilateral Development Banks (MDB) capitalization and deployment reform,

to (1) increase available concessional capital with MDBs, (2) channel a greater proportion of this concessional capital to emerging and frontier economies, and (3) incentivize investment in climate-aligned opportunities.

- Redesign of the MDB governance, to ensure a “fit for purpose” system with appropriate representation, voice, and agency of all countries.
 - Measures to improve debt management, including: a) the inclusion of ‘debt pause clauses’, and b) the proposed expert review of the Common Framework and the Debt Sustainability Analysis.
 - Focused innovative solutions to address the high cost of capital in Africa, such as the partial foreign exchange (FX) guarantee for emerging and frontier economies.
40. Further acceleration of global capital mobilization to simultaneously and more effectively tackle the global crises of climate change and development:
 - New debt relief interventions and instruments to pre-empt debt default – with the ability to: a) extend sovereign debt tenor, and b) include a 10-year grace period.
 - New universal global instruments to collect additional revenue.
 - Decisive action on the Promotion of inclusive and effective international tax cooperation at the United Nations (Resolution A/C.2/77/L.11/REV.1)– with the aim to reduce Africa’s loss of \$27 billion annual corporate tax revenue through profit shifting, by at least 50% by 2030 and 75% by 2050.
 - Additional measures to crowd in and de-risk private capital, such as blended finance instruments, purchase commitments, industrial policy collaboration, and guarantee mechanisms, which should be informed by the risks that drive the lack of private capital deployment at scale.
 41. To accomplish this vision of economic transformation in harmony with our climate needs, we call upon the international community to contribute to the following:
 - Increasing Africa’s renewable generation capacity from 56 GW in 2022 to at least



300 GW by 2030, both to address energy poverty and to bolster the global supply of cost-effective clean energy for industry.

- Shifting the energy-intensive primary processing of Africa's raw material exports to the continent, also to serve as an anchor demand for our renewable energy and a means of rapidly reducing global emissions.
- Calling for access to and transfer of environmentally sound technologies, including technologies that consist of processes and innovation methods to support Africa's green industrialization and transition.
- Designing global and regional trade mechanisms in a manner that enables products from Africa to compete on fair and equitable terms.
- Ensuring that trade-related environmental tariffs and non-tariff barriers must be subject to multilateral discussions and agreements and not be unilateral, arbitrary, or discriminatory environmental measures.
- Accelerating efforts to decarbonize the transport, industrial, and electricity sectors through the use of smart, digital, and highly efficient technologies and systems.
- Reducing the cost of capital for investment in Africa, through a mix of availing credit rating data, smart guarantee instruments, and additional concessional finance to attract private capital.
- Designing industry policies that incentivize global investment in locations that offer the most and substantial climate benefits, while ensuring benefits for local communities.
- Implementing a mix of measures that elevate Africa's share of carbon markets.

of Africa's natural assets for the continent's progression toward low-carbon development, and contributing to global decarbonization.

3. Call for acceleration of the on-going initiatives to reform the multilateral financial system and global financial architecture, including the Bridgetown Initiative, the Accra-Marrakech Agenda, the UN Secretary-General's SDG Stimulus Proposal, and the Paris Summit for a New Global Financing Pact.
4. Urge the efforts to refine the G20 Common Framework for Debt Treatments but remain concerned that these efforts lack both adequacy and timeliness.
5. Call for a comprehensive and systemic response to the incipient debt crisis outside of default frameworks to create the fiscal space that all developing countries need to finance development and climate action.
6. Note that multilateral finance reform is necessary but not sufficient to provide the scale of climate financing the world needs to achieve the 45 percent emission reduction required to meet the Paris 2030 agreements, without which keeping global warming to 1.5% will be in serious jeopardy. Additionally, that the scale of financing required to unlock Africa's climate-positive growth is beyond the borrowing capacity of national balance sheets or the risk premium that Africa is currently paying for private capital.
7. Urge world leaders to rally behind the proposal for a [global] carbon taxation regime, including a carbon tax on fossil fuel trade, maritime transport, and aviation, that may also be augmented by a global financial transaction tax (FTT) to provide dedicated affordable and accessible finance for climate-positive investments at scale and ringfencing of these resources and decision making from geopolitical and national interests.
8. Propose to establish a new financing architecture that is responsive to Africa's needs, including debt restructuring and relief, including the development of a new Global Climate Finance Charter through UNGA and COP processes by 2025.
9. Decide to establish the Africa Climate Summit as a biennial event convened by the African Union and hosted by AU Member States, to set the continent's new vision taking into consideration emerging global climate and development issues.

CALL TO ACTION

We, therefore:

1. Call upon world leaders to appreciate that decarbonizing the global economy is also an opportunity to contribute to equality and shared prosperity.
2. Invite Development Partners from both the global south and north to align and coordinate their technical and financial resources directed toward Africa to promote sustainable utilization

10. Decide also that this Declaration will serve as a basis for Africa's common position in the global climate change process to COP 28 and beyond.
11. Request the African Union Commission to develop an implementation framework and roadmap for this Declaration and to make Climate Change an AU theme for the Year 2025 or 2026.
12. ADOPTED by African Heads of State and Government in the presence of global leaders and high-level representatives on 6 September 2023 in Nairobi, Kenya.





AFRICA PRIVATE SECTOR COALITION ANNOUNCES COMMITMENT TO CLIMATE RESPONSIBILITY FRAMEWORK DURING INAUGURAL AFRICA CLIMATE SUMMIT

On September 13, 2023, during the inaugural Africa Climate Summit (ACS23) held in Nairobi, Kenya, the Africa Private Sector Coalition officially declared its dedication to the Climate Responsibility Framework. The event was attended by more than 20 African Heads of State, the United Nations Secretary-General, and global dignitaries, marking a crucial milestone in the fight against climate change.

At ACS23, a statement was presented, outlining the roles and responsibilities of the private sector. This statement aligned with the Nairobi Declaration proposed by African Heads of State, serving as a testament to the private sector's commitment to collaborating with African governments to address climate change challenges and opportunities. Dr. James Mwangi, Group Managing Director and CEO of Equity Group Holdings, represented the Africa Private Sector Coalition in delivering this statement.

Dr. Mwangi emphasized the importance of unity and urgency in tackling the climate crisis. He highlighted the coalition's dedication to supporting African governments' efforts in climate action and green growth, recognizing the vital role of the private sector in shaping Africa's sustainable future.

The statement, titled "Africa Private Sector Climate Statement on the Occasion of the Inaugural Africa Climate Summit – Building Climate Action for Resilience and Green Growth," was backed by a robust coalition of partners from various sectors and organizations. Founding signatories included Equity Group Holdings, ALN, Kenya Private Sector Alliance (KEPSA), the Commonwealth Enterprise and Investment Council (CWEIC), East African Business Council (EABC), and Kenya Association of Manufacturers (KAM). Notably, the Statement received support from the UN Global Compact, Africa Business Leaders Coalition, and the United

Nations Resident Coordinators Office in Kenya. The Africa Private Sector Coalition made the following notable commitments at the ACS23 Forum:

Commitments for Climate Action and Green Growth:

1. **Climate Finance:** The private sector pledges to establish a mechanism to increase green investments within its ranks.
2. **Green Investments:** Commitment to embrace green and circular business models, design environmentally friendly products, and ensure sustainability is integrated throughout value chains.
3. **Decarbonization:** Active pursuit of nature-based solutions in decarbonization efforts, a dedication to achieving net-zero emissions, participation in carbon markets, and a commitment to a Just Transition.
4. **Green Transition Minerals:** Investment in green mineral projects and value chains with a focus on fair working conditions, equitable wages, and the safety of employees and informal sector participants.
5. **Food and Agriculture:** Commitment to building critical infrastructure such as refrigeration facilities and warehouses to reduce post-production waste and support market and trade opportunities in the food and agriculture sector.

6. **Nature and Carbon Sinks:** A commitment to research and investment in nature-based solutions to promote sustainable socio-economic development and protect Africa's natural assets.
7. **Adaptation and Resilience:** Allocation of climate finance toward climate adaptation and resilience efforts.
8. **Climate and Sustainable Reporting:** Implementation of international and national best practices in climate and sustainability reporting, integration of ESG (Environmental, Social, and Governance) factors into business decision-making, and reporting on progress toward achieving Nationally Determined Contributions (NDCs).

Requests from African Governments:

1. **Policy Reforms:** Request for coherent and predictable policy reforms to drive the mainstream climate agenda.
2. **Incentives for Private Sector:** Request for appropriate incentives to encourage private sector engagement in supporting the climate agenda, particularly in areas like renewable energy, agriculture, manufacturing, and the development of strategic green minerals.
3. **Long-Term Policy Consistency:** Call for a long-term perspective to ensure consistency and reliability in policies related to climate action and green growth.





EASTERN AFRICA WASTE IS WEALTH CONFERENCE: PIONEERING EFFORTS IN SUSTAINABLE WASTE MANAGEMENT AND CIRCULAR ECONOMY

The Eastern Africa Waste is Wealth Conference commenced on June 6, 2023, with an official inauguration by Eng. Festus Ng'eno, Permanent Secretary of the Ministry of Environment, Climate Change and Forestry in Nairobi, Kenya. This event marked the debut of the Africa Waste is Wealth Series (AWWS), organized collaboratively by Taka Ni Mali, the East African Business Council, and the Alliance for Science.

Themed “Promoting Effective Waste Management Practices for Environmental Conservation and Climate Change Mitigation,” the three-day conference coincided with the UN-Habitat General Assembly meeting in Nairobi, Kenya. Africa was then generating approximately 80 percent of solid waste, valued at around eight billion dollars annually if recycled; however, only about 11 percent underwent recycling, primarily through informal

channels. With Africa’s population projected to rise to 2.4 billion by 2050 and eventually reaching 4.2 billion by 2100, addressing waste management issues was of paramount importance.

Eng. Festus Ng'eno emphasized Kenya’s leadership in promoting waste recycling within the region but highlighted challenges faced by waste recycling industries due to a lack of formalized, sustainable waste management systems. He mentioned the government’s commitment to creating green jobs, entrepreneurship, environmental protection, and a circular economy, with Extended Producer Responsibility Regulations in the final stages of development.

Dr. Sheila Ochugboju, Executive Director of the Alliance for Science, commended East Africa’s proactive stance on waste management and

sustainability. She noted that countries like Rwanda and Kenya were pioneers in implementing plastic bans, placing them ahead of many countries in the Global North. Given population growth, rapid urbanization, and a burgeoning middle class, African nations had to urgently accelerate their waste management efforts to combat climate change and tackle current waste management challenges while preparing for increased waste generation in the future.

Mary Ngechu, the patron of Taka Taka ni Mali, outlined the conference's objectives, which included identifying policy and regulatory priorities for sustainable waste management, showcasing innovative approaches to commercialize sustainable waste management, demonstrating the use of technology in sustainable waste management, and devising an action plan for green financing investments in sustainable waste management.

John Bosco Kalisa, CEO of the East African Business Council (EABC), underscored the significance of

climate change and the circular economy for the council. EABC had established a board subcommittee on climate change in partnership with GIZ-GFA and had organized community engagement and dialogues on zero waste in East Africa. Kalisa urged East Africans to embrace the concept of zero waste and transition business models from linear to a circular economy.

Running from June 6th to 8th, 2023, the Eastern Africa Conference provided stakeholders with a platform to assess waste management policies across various sectors of the economy. It highlighted urbanization as a key driver of waste management challenges in Africa and aimed to unite government institutions, private sector actors, development partners, and financial organizations to formulate regional commitments for scaling sustainable waste management models based on best practices.



EABC GIZ-GFA, AZANIA BANK, SALINERO HOTEL, COCA-COLA BONITE BOTTLERS, A TO Z TEXTILES MILLS CHAMPION ZERO WASTE FOR A GREENER EAST AFRICA

In Kilimanjaro, Tanzania, on March 29, 2023, the East African Business Council (EABC), in collaboration with GIZ-GFA, Azania Bank, Salinero Hotel, Coca-Cola Bonite Bottlers, A to Z Textiles Mills, Tanzania Coffee Association, and Tanzania Horticulture Association, marked the International Day of Zero Waste. This event aimed to promote sustainable waste management practices and raise awareness about the importance of reducing waste. The Regional Commissioner of Kilimanjaro, Hon. Kisare Makori, represented by District Commissioner Hon. Kisare Makori, emphasized the Tanzanian government's commitment to creating an enabling environment for businesses and achieving sustainable development goals. Kilimanjaro became the first region in Tanzania to celebrate this international day.

The event included calls for increased public awareness campaigns and collaboration among

stakeholders to address waste management and environmental conservation effectively. Hon. Emmanuela Kaganda, District Commissioner of Arumeru, encouraged investors to explore opportunities in the circular economy, particularly waste recycling. Mr. John Bosco Kalisa, CEO of EABC, highlighted the global rise in waste generation and the need for coordinated efforts to protect the environment.

During the event, Bonite Bottlers donated cleaning equipment and gear to the Kilimanjaro District Commission to support waste management efforts. The celebrations also involved a cleanup activity at the Manyema Market in Moshi Municipality, where over 100 officials and members of the public joined forces.

The following day, on March 31, 2023, a CEO RoundTable on International Day on Zero Waste

was held in Kilimanjaro. Government officials, industry leaders, and partners convened to discuss strategies for achieving zero waste in East Africa. Mr. John Bosco Kalisa urged all participants to embrace the concept of zero waste and transition business models from linear to circular economies.

The Chief Guest, Hon. Emmanuela Kaganda, highlighted Tanzania's investment opportunities in waste management and the incentives available for such investments. The CEO RoundTable aimed to promote private sector investment in waste management and circular economy initiatives to support the 2030 Agenda for Sustainable Growth and Development.

Speakers and experts discussed various aspects of waste management, including pharmaceutical waste disposal, electronic waste recycling, and the economic opportunities presented by the circular economy. Azania Bank expressed its commitment to providing financial solutions to SMEs and businesses in the circular economy and waste management sector.

The event also featured case studies and success stories, such as Kilimanjaro International Leather Industries Co. Ltd recycling leather cuttings and shavings. Participants learned about the economic opportunities and environmental benefits of the circular economy, including reduced waste management costs and reduced carbon emissions.

The CEO RoundTable brought together over 50 stakeholders who shared insights, experiences, and innovative projects related to waste management and circular economy solutions in East Africa and beyond. The event emphasized the importance of adopting circular business models to promote sustainability, reduce waste, and meet regional and global environmental goals. Zero waste initiatives were recognized as integral to achieving the circular economy's objectives.



SECTION 8

AGRICULTURE





INDUSTRIAL AGGLOMERATION IN AFRICA'S AGRIBUSINESS SECTOR: KEY TO UNLOCKING ECONOMIC GROWTH AND FOOD SECURITY

Wednesday, July 12, 2023, Nairobi, Kenya - The Agribusiness and Food Security session at the 14th African Union High-Level Private Sector Forum focused on upscaling agriculture over the next five years. The goal is to increase productivity and agribusiness to create jobs and feed the population through industrial agglomeration. Esteemed panelists and engaged participants convened to discuss critical issues and potential solutions for ensuring food security in Africa.

Moderated by Dr. David Phiri, Sub-Regional Coordinator and FAO Representative to AU and UNECA, the session highlighted Africa's vast agricultural potential and the necessary strategies to achieve food security by 2040.

Prof. M.H. Khalil Timamy from Pwani University emphasized the need to reorganize the agricultural sector in African countries to address the intensive

importation of cereals, which adversely affects economic growth. He stressed the importance of protecting cereal agro-producers through effective agriculture frameworks, policies, and regulations. Prof. Timamy also highlighted the significance of establishing local markets for agro-processed cereals and leveraging renewable energy production systems, such as mini-grids, to drive sustainable agriculture and agro-processing.

Mr. John Bosco Kalisa, CEO of EABC, highlighted the impact of the COVID-19 pandemic, climate change, and conflict on Africa's food systems, resulting in over 30 million citizens facing poverty. He expressed appreciation to GIZ-Business Scouts for Development for partnering with EABC in the study on the impact of global crises on food security and investment opportunities in agricultural value chains in the EAC.

Mr. Kalisa emphasized the issue of post-harvest losses, which account for nearly 40% of agricultural yields in East Africa, and called for improved infrastructure to enhance production efficiency and competitiveness. He underscored the importance of greater investment in agriculture, the elimination of non-tariff barriers on agri-food products, and the provision of venture capital for youth in agriculture.

Mr. Kalisa also urged African governments to implement the Malabo Declaration by investing 10% of their GDP in agriculture, as exemplified by Rwanda. Victor Djemba, Africa Director of UNIDO, stressed the need to increase local sourcing, enhance the capacity of the local private sector, and improve production capacity through large-scale production, quality assurance, and technology adoption. He advocated for the establishment of regional agro-industrial hubs and parks to create a network of production systems, emphasizing the importance of a multi-stakeholder approach to integrating agriculture, industry, and trade policies. Djemba highlighted the significance of innovation in addressing existing challenges and promoting sustainable agricultural development.

Michael Dunford, Regional Director for Eastern Africa at the UN World Food Programme (WFP), highlighted the impact of rising food insecurity,

which has affected over 80 million people in the last two years. He discussed WFP's shift towards local and regional procurement policies to stimulate private sector activities and investments in the region. Dunford emphasized the multiplier effect of WFP's investments, with a return of 2.3 times for every dollar spent, and their substantial contribution to GDP and job creation. He expressed WFP's commitment to further engage with the private sector and sought recommendations for enhanced collaboration.

During the floor discussions, the importance of engaging youth in agriculture to boost agricultural production was emphasized. Hon. Uwumukiza, Francoise, Member of EALA, highlighted the significance of irrigation in mitigating climate change, ensuring access to affordable nutritious foods, and promoting the free movement of food to improve food security.

The session provided valuable insights into the challenges and opportunities in the agribusiness sector, underlining the necessity for collaboration between governments, private sector entities, and international organizations to achieve food security and sustainable development in Africa.



3RD HIGH-LEVEL FORUM ON THE EAST AFRICAN COMMUNITY (EAC) COMPREHENSIVE AFRICA AGRICULTURE DEVELOPMENT PROGRAM (CAADP) BIENNIAL REVIEW REPORT

The 3rd High-Level Forum on the East African Community (EAC) Comprehensive Africa Agriculture Development Program (CAADP) Biennial Review Report was held virtually on October 31, 2022. Mr. John Bosco Kalisa, CEO of EABC, participated in this forum, which aimed to present the CAADP Biennial Review Report to EAC Partner States and stakeholders in the food and agriculture sector.

The forum brought together dignitaries from various sectors, including agriculture, trade, industry, planning, and infrastructure, as well as representatives from organizations like the East African Legislative Assembly (EALA), the Alliance for a Green Revolution in Africa (AGRA), the African Union Commission (AUC), and TradeMark Africa (TMA). The discussions revolved around establishing inclusive public-private financing and investments in agriculture and food systems, as well as finding solutions to bottlenecks in the agricultural sector.

Key points highlighted during the forum included:

- 1. Government Commitment:** Representatives emphasized the commitment of EAC Partner States to invest in regional and national agricultural transformational plans.
- 2. Inter-continental Investment:** AGRA urged EAC Partner States to boost inter-continental investment and mutual accountability in the agriculture sector.
- 3. Climate Resilience:** The African Union Commission (AUC) encouraged EAC Partner States to invest more in climate resilience within the agriculture sector.
- 4. Economic Significance:** Mr. John Bosco Kalisa noted that agriculture accounts for a significant portion of the EAC GDP (25%-40%) and employs over 80% of the population.

Additionally, more than 70% of industries in the EAC are agro-based.

- 5. Impact of Geopolitical Events:** The impact of Russia's war in Ukraine on East Africa's recovery from the COVID-19 pandemic was discussed. This war disrupted trade, raised food and fuel prices, and affected development finance in the region due to Russia's significant role as a global oil producer and wheat exporter.

Recommendations and challenges in the agricultural sector in the EAC were also highlighted, including low crop and livestock productivities, high post-harvest losses, minimal value addition, poor infrastructure, low use of improved technologies and irrigation, inappropriate policies, and non-tariff barriers to cross-border trade.

To address these challenges and improve the agricultural sector in the EAC, recommendations included investment in agro-related value chains, strengthening research and development, technology, and innovation, increasing regional food supply, promoting industrial value addition of agricultural commodities, leveraging the African Continental Free Trade Area (AfCFTA) for intra-regional agri-food markets, and adopting modern farming technology, digital tools, and biotechnologies to transform food systems.

SECTION 9

STRATEGIC PARTNERSHIPS

Promoting Trade and Economic Growth



Memorandum of Understanding	Areas of Collaboration	Date
EABC & Abuja Chamber of Commerce and Industry (ACCI)	EABC entered partnership with Abuja Chamber of Commerce and Industry to promote & facilitate trade cooperations in East & West Africa, enhancing import & export of goods & services and establish a dispute resolution mechanism for EABC. This engagement has aimed to increase intra African trade under the African Continental Free Trade Area (AfCFTA)	15th December 2022
EABC & Compass Global Business Services Limited	EABC has signed an MoU with Compass Global Business Services Limited in growing and scaling the My East African Soko (MYESOKO) digital platform in boosting and empowering Women & Youth SMEs entrepreneurs in West and East Africa to trade across borders. Support the training and upskilling programs for women and youth SME entrepreneurs to enhance their digital trade capabilities and collaborate in organizing trade missions, capacity building programs, and other initiatives aimed at scaling the digital solution.	18th July 2023
EABC & Mama Mia Soko	EABC has signed MoU with Mama Mia's Soko to partner to ease cross border payment system, financial inclusion to informal sectors to meet financial standards and to promote regional market visibility.	15th March 2023
EABC & Parliamentary Forum on East African Community Affairs (PEACA)	EABC signed MoU with Parliamentary Forum on East African Community Affairs (PEACA) on development and implementation of EALA related activities, resource access, and regional activity implementation, awareness and research programs for integration and rights education on EALA and EAC affairs, and organizing Inter-Parliamentary relations' seminars.	
EABC & Africa Higher Education Research Institute (AHERI)	EABC signed MOU with the Africa Higher Education Research Institute (AHERI) to promote higher education and industrial growth in the EAC and the continent.	16th June 2022





EABC VICE CHAIRMAN PRESENTS CONTINENTAL PRIORITIES TO AFCFTA SECRETARY GENERAL

Kigali, Rwanda, March 12, 2023

In a significant development promoting African trade integration, Mr. Dennis Karera, Vice Chairman of the East African Business Council (EABC), played a crucial role during the launch of the AfCFTA Adjustment Fund in Kigali, Rwanda. The event was hosted by Rwanda's Ministry of Foreign Affairs and International Cooperation in partnership with AfCFTA Secretariat and Afreximbank.

The AfCFTA Adjustment Fund:

The AfCFTA Adjustment Fund is designed to support initiatives aligning with the AfCFTA's implementation. Ms. Kanayo Awani, Executive VP of the Intra Africa Trade Bank, announced the immediate operationalization of the fund, with AfreximBank committing an impressive \$1 billion to facilitate AfCFTA goals.

Mr. Dennis Karera, the EABC Vice Chairman, commended the AfCFTA Secretariat, Afreximbank, and the Rwandan government for launching the

AfCFTA Adjustment Fund. This fund is poised to aid AfCFTA State Parties in adapting to the newly established liberalized and integrated trading environment envisioned in the AfCFTA Agreement.

Engagement with AfCFTA Secretary General:

Simultaneous during the fund launch, Mr. Dennis Karera hosted H.E. Wamkele Mene, the AfCFTA Secretary-General, and his team. The discussions centered on various continental integration initiatives and partnerships crucial to the successful AfCFTA implementation, with a particular focus on how this agreement can benefit the East African private sector.

The Vice Chairman lauded Secretary-General Mene for actively involving the private sector in the AfCFTA implementation process. He emphasized the importance of the AfCFTA Guided Trade Initiative, an initiative that has effectively facilitated cross-border trade for businesses.

The Vice Chairman presented the following priorities to H.E. Wamkele Mene, the AfCFTA Secretary-General:

1. Support for Regional Business Councils:

The AfCFTA Secretariat was urged to assist regional Business Councils, including EABC, in establishing formal engagement platforms and jointly implementing the AfCFTA Agreement.

2. Awareness Strategy:

A joint AfCFTA Awareness Strategy, aimed at intensifying private sector sensitization regarding AfCFTA protocols and benefits, is in the works. This strategy will be launched during the forthcoming AfCFTA Business Forum scheduled for April 15th-19th, 2023, in Cape Town.

3. Resource Mobilization:

Commitments were made to support EABC's AfCFTA promotion programs through technical assistance facilitation and the African Development Bank's support program.

4. Regional Business Councils Summit:

Plans were discussed to convene a summit involving regional Business Councils to engage governments on the progress of AfCFTA implementation.

5. One-Stop Center:

The establishment of a One-Stop Center aimed at streamlining continental business operations was proposed.

6. Data Centers:

The creation of data centers to provide market-related information across the continent was endorsed. The AfCFTA Secretary-

General pledged support for EABC's efforts to establish a Regional Data Center in all Partner States.

7. Regular Engagement:

Commitment was given to regularly engage with Business Member Organizations (BMOs) and host private sector representatives from Regional Economic Communities (RECs) in the Annual Business Forum to discuss continental-level private sector priorities.

EABC AND USA AMBASSADOR EXPLORE TRADE AND INVESTMENT PARTNERSHIPS

The United States Ambassador to Tanzania, Michael A. Battle, Sr., visited the East African Business Council (EABC) in Arusha, Tanzania, on May 18, 2023. During the visit, Ambassador Battle met with EABC Executive Director John Bosco Kalisa to discuss ways to strengthen trade and investment ties between the East African Community (EAC) and the United States. They highlighted the importance of EAC integration and its role in promoting economic growth in the region. The discussion also touched on various initiatives, including promoting the blue economy and supporting women, youth, and SMEs in trade. EABC welcomed U.S. investors to upcoming events aimed at fostering business opportunities in East Africa.



EABC EXPLORES TRADE OPPORTUNITIES IN BURUNDI

On November 23, 2022, Mr. John Bosco Kalisa, CEO of the East African Business Council (EABC), paid a courtesy visit to Dr. Catherine Faïda, Permanent Secretary of the Ministry of Commerce, Transport, Industry, and Tourism of Burundi. During the meeting, Mr. Kalisa emphasized the importance of trade for the economic resilience of the East African Community (EAC). He commended the re-opening of borders between Burundi and Rwanda and called for enhanced joint border committees to facilitate trade. The discussion also focused on trade barriers, forex accessibility, and policy issues to boost trade between Burundi and its neighbors.

EABC DISCUSSES CROSS-BORDER TRADE WITH BURUNDI REVENUE AUTHORITY

On November 22, 2022, Mr. John Bosco Kalisa, CEO of the East African Business Council (EABC), held talks with Mr. Kabura Leopold, Deputy Commissioner General of the Burundi Revenue Authority (OBR). They commended Burundi's efforts to automate customs procedures, facilitating cross-border trade. The discussion highlighted Burundi's economic outlook, imports and exports, and the need for partnerships between tax authorities and business associations. Efforts to enhance efficiency at border points and support women cross-border traders were also discussed.

EABC VISITS RWANDA TO STRENGTHEN TRADE TIES

Mr. John Bosco Kalisa, CEO of the East African Business Council (EABC), paid a courtesy visit to Mr. Antoine Kajangwe, Director General of Trade & Investment at Rwanda's Ministry of Trade & Industry, on November 19, 2022. They discussed strengthening trade ties between Rwanda and East African counterparts, emphasizing the opportunities presented by the African Continental Free Trade Area (AfCFTA). The conversation covered tariff alignment, trade facilitation measures, and economic recovery programs amid the COVID-19 pandemic.

EABC ENGAGES RWANDA REVENUE AUTHORITY ON TRADE FACILITATION

On November 17, 2022, the East African Business Council (EABC) held discussions with Mr. Pascal Bizimana Ruganintwali, Commissioner General of Rwanda Revenue Authority (RRA), regarding taxes and the elimination of Non-Tariff Barriers (NTBs) for increased trade facilitation. They commended Rwanda's economic recovery and discussed topics such as road toll fees, domestic tax harmonization, digital transformation, and the importance of tax contributions to GDP in the East African region. Measures to facilitate trade, such as the Guided Trade Initiative under AfCFTA, were also highlighted.





EABC PARTNERS WITH EQUITY BANK FOR AFRICAN TRADE AND CLIMATE RESILIENCE

On August 25, 2023, Mr. Kalisa, EABC Executive Director held a strategic partnership meeting with Equity Group Holdings Ltd in Nairobi, Kenya. The collaboration focuses on the Africa Recovery and Resilience Plan, aiming to boost trade and investment in Africa amid global challenges, including climate change, COVID-19, and the Russia-Ukraine war.

BRITISH CHAMBER OF COMMERCE KENYA - BUSINESS AND INVESTMENT CLIMATE REFORM ROUNDTABLE

On August 4, 2023, Mr. Kalisa, CEO of EABC, attended the Business and Investment Climate Reform Roundtable organized by the British Chamber of Commerce Kenya and the State Department for Investments Promotion (SDIP) of Kenya. The discussion, attended by CEOs from various Chambers of Commerce, aimed to review whether issues previously raised by the private sector regarding the 2023 Finance Act had been addressed. The RoundTable deliberated on obstacles to business and investments in Kenya, the EAC, and globally.

EQUITY BANK'S DIGITAL TRADE MISSION SPOTLIGHTS TANZANIA'S AGRICULTURAL POTENTIAL

Equity Bank partnered with EABC, TPSF, and TANTRADE to unveil its Digital Trade Mission, spotlighting Tanzania's agriculture.

Highlights:

- **Trade Opportunities:** The mission explored Tanzania's agriculture sector, promoting market access, and enhancing trading corridors.
- **Africa Resilience Plan:** Aligned with Equity Bank's plan, it aimed to catalyze agricultural growth and connect to global supply chains.
- **Sector Support:** 30% of Equity Bank's lending portfolio backs agriculture and extractive industries.
- **Economic Landscape:** Amid challenges like the Russia-Ukraine conflict, the mission sought to strengthen integration and access to resources.
- **Business-Friendly Environment:** Public-private dialogues and Tanzanian reforms were emphasized.
- **Investment Focus:** Insights were shared on investment prospects, particularly in Sunflower and rice production.

SECTION 10

ACADEMIC PUBLIC PRIVATE PARTNERSHIP





DRIVING GRADUATE EMPLOYABILITY: EAST AFRICAN COLLABORATION BETWEEN ACADEMIA AND PRIVATE SECTOR

In the ever-evolving landscape of education and employment, the East African Community (EAC) is taking significant strides towards enhancing graduate employability. At the 12th Academia-Public-Private Partnership Forum (APPPF) and Exhibition held in Dar es Salaam, Tanzania, leaders from academia and the private sector converged to address this critical issue.

A Collaborative Call to Action:

Hon. Prof. Adolf Faustine Mkenda, the Minister of Education, Science, and Technology, emphasized the importance of collaborative efforts between academic institutions and private sector entities. He urged them to forge strong partnerships geared towards producing graduates equipped with the skills needed to excel in the job market.

Adapting to Market Demands:

Dr. Irene C. Isaka, representing the EAC Secretary General, stressed the need for academic institutions to adapt their curricula in sync with the dynamic requirements of the labor market. She

encouraged ongoing collaboration to ensure that education aligns with the region's development agenda and labor market needs.

Evolving Skills for Future Success:

Prof. Gaspard Banyankimbona, the IUCEA Executive Secretary, highlighted the ever-changing landscape of employment skills, driven by developments like Artificial Intelligence and machine learning. He underlined the importance of academia-private sector partnerships to identify and nurture skills required for future job market success.

German Commitment to Skill Development:

The German Government's commitment to East African skill development was unveiled by Mr. Johannes Sperrfechter, BMZ Representative and Head of Regional Development Cooperation at the German Embassy. Additional funds of 2.5 million Euros were pledged to support initiatives like digital skills training and entrepreneurship under the dSkills@EA project.

A Focus on Productivity:

Mr. John Bosco Kalisa, the Chief Executive Officer of the East African Business Council (EABC), emphasized the need for demand-driven technical and vocational education, particularly in sectors like agriculture and manufacturing. He also highlighted the importance of STEM disciplines and technology adoption in driving regional productivity.

APPPF: Fostering Collaboration:

The APPPF serves as a biennial platform for universities, technical colleges, entrepreneurs, policymakers, and the private sector to foster dialogue and strengthen the relationship between higher education institutions and the private sector.

This year's forum, organized by the Inter-University Council for East Africa (IUCEA) in collaboration with the German Cooperation (GIZ), the East African Business Council (EABC), and the Tanzania Commission for Universities (TCU), demonstrates the commitment of the EAC to enhance graduate employability through meaningful collaboration.



SECTION 11

ADMINISTRATION & FINANCE



ADMINISTRATION



During the period July 2022-September 2023, EABC Secretariat recruited eight (8) personnel on short term consultancy basis.

S/No.	Name	Position	Date Joined
1	Jesca Gilliard	Account Assistant	August 2022
2	Frank Dafa	Manager SPs	1st August 2022
3	Emmanuel Gilbert Tukora Saulo	NLO – South Sudan	1st April 2023
4	George Mmbando	HR & Procurement (intern, then consultant)	15th January 2023
5	Amoniche Mlelwa	Photographer & Videographer (intern then consultant)	1st March 2023
6	Hidaya Mkwizu	Company Secretary & Legal Officer	18 July 2023
7	Emmanuel Busuulwa	NLO - Uganda	1st June 2023
8	Mbithe Yoma	NLO - Kenya	1st June 2023



During the period, eleven (11) consultants left EABC to pursue personal development and other opportunities.

S/No.	Name	Position	Date Joined	Date Left
1	Safi Ndama	Office Assistant & Ag NLO Tanzania	June 2023	30th September 2023
2	Julieth Kombe	Communication Assistant	1st May 2022	July 2023
3	Nathan Ga- shayija	Resources Mobilization Officer	1st April 2023	9th July 2023
4	Emmnauel Lubega	NLO Uganda / Events Planner & Media Coordinator	1st June 2019	30th June 2023
4	Emmnauel Lubega	NLO Uganda / Events Planner & Media Coordinator	1st June 2019	30th June 2023
5	Lilian Wairimu	Intern – Trade & Policy Department	1st March 2023	5th June 2023
6	Everlyne Odoro	Administration Coordinator/ Executive Assistant	1st August 2019	24 March 2023
7	Maria Kabe- gambire	NLO - Uganda	1st February 2023	30 March 2023
8	Brian Kalekye	NLO - Kenya	1st June 2020	21 April 2023
9	Emmanuel Kissinger	Accounts Assistant	16th May 2022	16th November 2022
10	Nadine Munyemana	HR & Procurement	November 2021	November 2022
11	Edgar Lindiro	Project Coordinator	10th July 2022	10th December 2022

SECTION 12

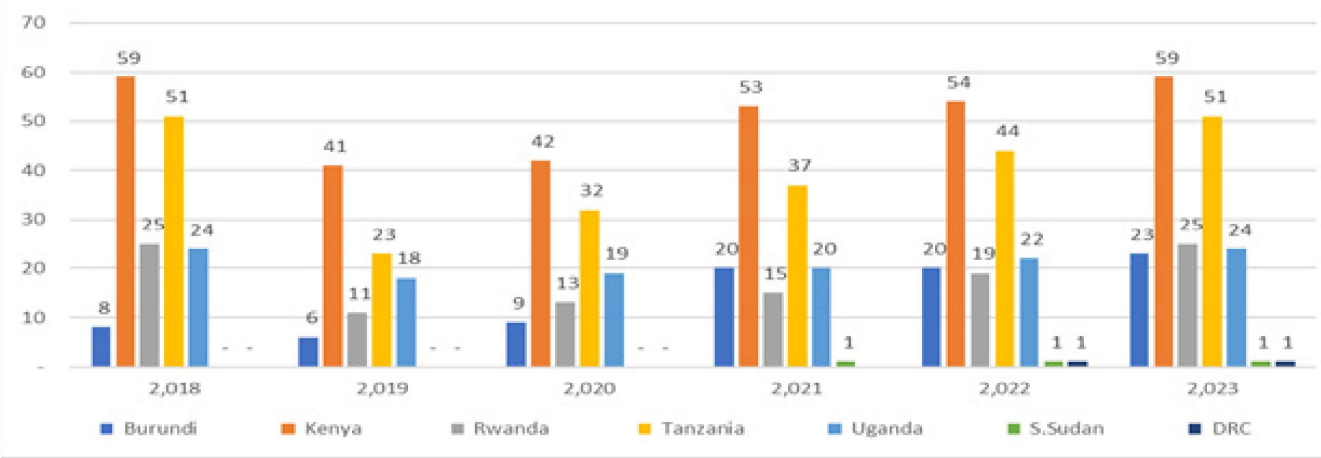
MEMBERSHIP



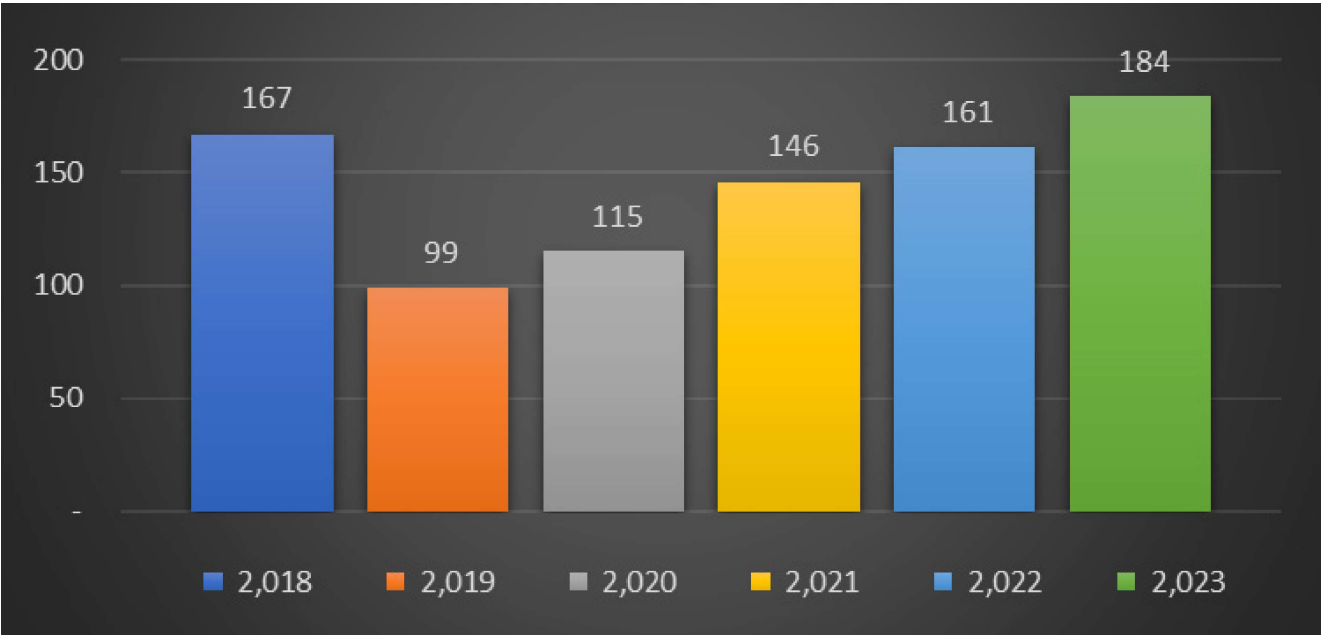
For the year 2022 and 2023, East African Business Council attracted 184 members spread in throughout the seven (7) EAC Partner States. The East African Business Council enhanced collaboration with National Focal Points, Regional Associations and Sectoral Association across East Africa to reach more businesses at country level, collect regional policy related issues and co-develop the EABC annual policy advocacy agenda.

EABC is proud to have (5) as Elite Members: Equity Bank, Coca-Cola Africa, BAT Kenya, Groupe Eis Eka and Gatsby Africa. Corporate membership comprised of 114 companies, Ordinary Membership -46 associations, Associate Membership - 4 government agencies and SME membership 15 businesses.

MEMBERSHIP GROWTH TREND ANALYSIS PER COUNTRY FOR THE YEAR 2018 TO 2023.



MEMBERSHIP GROWTH TREND THE YEAR 2018 -2023.



LIST OF EABC MEMBERS FOR THE YEAR 2022 AND 2023

S/No	Burundi Members	Membership Type
1	ABEF	Ordinary
2	Rubeya & Co- Advocates	SME
3	ABADT	Ordinary
4	BARKA	SME
5	Savonor	Corporate
6	TIPC	Corporate
7	ACOBU	NFP
8	Best Company	Corporate
9	Brarudi	Corporate
10	ABADT	Ordinary
11	Rubeya & Co- Advocates	SME
12	BUMAC	Corporate
13	KSH Company Ltd	Corporate
14	Groupe Eis Eka	Corporate
15	GOLISE	Corporate
16	Via Tanganyika	SME
17	ABEF	Ordinary
18	Federal Chamber of Commerce and Industry Burundi	Ordinary
19	Association Des Agences De Voyage Du Burundi	Ordinary
20	Kaze Delphinkage Ltd	Corporate
21	SODETRA SPRL	Ordinary
22	Burundi Insurance Corporation	Corporate
23	INNOVATION	Corporate

S/No	Kenya Members	Type
1	Koko Networks Ltd	Corporate
2	British American Tobacco	Corporate
3	Pricewaterhousecoopers Ltd	Corporate
4	Isuzu East Africa Ltd	Corporate
5	Kenya Private Sector Alliance	NFP
6	Nestle Kenya Ltd	Corporate
7	B Braun	Corporate
8	Brookside Dairy Limited	Corporate
9	Bidco Africa Limited	Corporate
10	Kenya Association of Manufacturers	Ordinary
11	Kenchic	Corporate
12	AGL KENYA LIMITED	Corporate
13	Equity Bank	Elite
14	Coca- Cola Central, East and West Africa Ltd.	Elite
15	Pricewaterhousecoopers Ltd	Corporate
16	Isuzu East Africa Ltd	Corporate
17	Safer Power Limited	Corporate
18	Twiga Foods East Africa	Corporate
19	Plast Packaging Industries Limited	Corporate
20	Bidco Africa Limited	Corporate
21	Gatsby Africa	Elite
22	Bamburi Cement Ltd	Corporate



23	Global Off-Grid Lighting Association	Corporate
24	HMH Rainbow	Corporate
25	ICorporate AK	Corporate
26	Kenya Commercial Bank	Corporate
27	Krones LCS Center E.A Ltd	Corporate
28	Safal Group	Corporate
29	Safaricom Ltd	Corporate
30	Simba Corporation Ltd.	Corporate
31	Line Art Solutions Limited	Corporate
32	Nestle Kenya Ltd	Corporate
33	Association of Kenya Insurers	Ordinary
34	GlaxoSmithKline	Corporate
35	Deloitte Consulting Ltd	Ordinary
36	Eastern Africa Grain Council	Ordinary
37	Kenya Association of Pharmaceutical Industry	Ordinary
38	Musyoka Murambi & Associates	Corporate
39	AfriTrade & Enterprise Advisory Services	Corporate
40	ARM Cement Ltd	Corporate
41	Beta Healthcare International Ltd	Corporate
42	DT Dobie -& Co (Kenya) Ltd/ CFAO Group	Corporate
43	East African Breweries Ltd	Corporate
44	East African Portland Cement Co. Ltd	Corporate
45	Haco Tiger Brands	Corporate

46	Industrial Promotion Services	Corporate
47	Kenya Pipeline Company Limited	Associate
48	Kenya Railways Corporation	Associate
49	Mabati Rolling Mills Ltd	Corporate
50	Nation Media Group Ltd.	Corporate
51	Procter & Gamble Services Ltd	Corporate
52	Savannah Cement	Corporate
53	SC Johnson and Son Kenya Ltd	Corporate
54	SGS Tanzania Superintence Co. Ltd	Corporate
55	Spinners & Spinners Ltd	Corporate
56	Standard Chartered Bank	Corporate
57	Standard Group Ltd.	Corporate
58	The Wrigley Company (E.A) Ltd	Corporate
59	Toyota Tsusho East Africa Limited	Corporate

S/No	Rwanda Members	Type
1	Sulfo Rwanda Industries	Corporate
2	Bank of Kigali	Corporate
3	Intraspeed Ltd	SME
4	I&M Bank (Rwanda) Limited	Corporate
5	Rwanda Development Board	Corporate
6	MRB Attorneys	Corporate
7	MK Consult Ltd	Corporate
8	Cimerwa	Corporate



9	Trinity Lawyers	Ordinary
10	Bralirwa	Corporate
11	Eri Rwanda Ltd	Ordinary
12	Data Systems Avenue	SME
13	Rwanda Air	Corporate
14	RWANCO Engineering Services Ltd	Corporate
15	Private Sector Federation Rwanda	NFP
16	Transpeed Ltd	Ordinary
17	Crystal Ventures Ltd	Corporate
18	Horizon Group Ltd	Corporate
19	Pal Logistics	Corporate
20	Speranza Ltd	Corporate
21	Biomasters	SME
22	Danco Mode Ltd	SME
23	Development Bank of Rwanda	Associate
24	Rwanda Shippers Council	Ordinary
25	Magasins Generaux du Rwanda	Corporate

S/No	Uganda Members	Type
1	Mukwano Group of Companies	Corporate
2	Private Sector Foundation Uganda	NFP
3	Roofings Ltd	Corporate
4	Century Bottling	Corporate
5	Movit Products Ltd	Corporate
6	Uganda National Chamber of Commerce	Ordinary

7	Uganda Manufacturers Association	Ordinary
8	The New Forests Company Limited	Corporate
9	K. ROMA LTD	SME
10	Crown Beverages Limited	Corporate
11	Ugandan Law Society	Ordinary
12	African Queen No.1 Distributor Ltd	Corporate
13	Mukwano Group of Companies	Corporate
14	Steel & Tube Industries Ltd	Corporate
15	Uganda Sugar Manufacturers' Association	Ordinary
16	Bidco Uganda Ltd	Corporate
17	Tembo Steel	Corporate
18	Uganda Clearing Industry & Forwarding Association	Ordinary
19	Uganda Investment Authority	Ordinary
20	Uganda Plastic Manufacturers&Recyclers Association	Ordinary
21	Aloesha Organic	Corporate
22	Britania Allied Industries Ltd.	Corporate
23	Kakira Sugar Works Ltd	Corporate
24	Nile Breweries	Corporate

S/No	South Sudan Members	Type
1	South Sudan Chamber of Commerce, Industry and Agriculture	NFP

S/No	Democratic Republic of Congo (DRC)	Type
1	ETS Masirika	Corporate



SECTION 13

INFORMATION COMMUNICATION AND EDUCATION



The East African Business Council (EABC) Secretariat employed a variety of communication channels to effectively disseminate information, engage with stakeholders, and enhance its visibility and credibility. Members were updated on EABC initiatives, events, and advocacy campaigns via the EABC Jumuiya Watch Newsletters and Messages from the EABC Chairperson and CEO on trade and investment developments across the EAC and beyond.

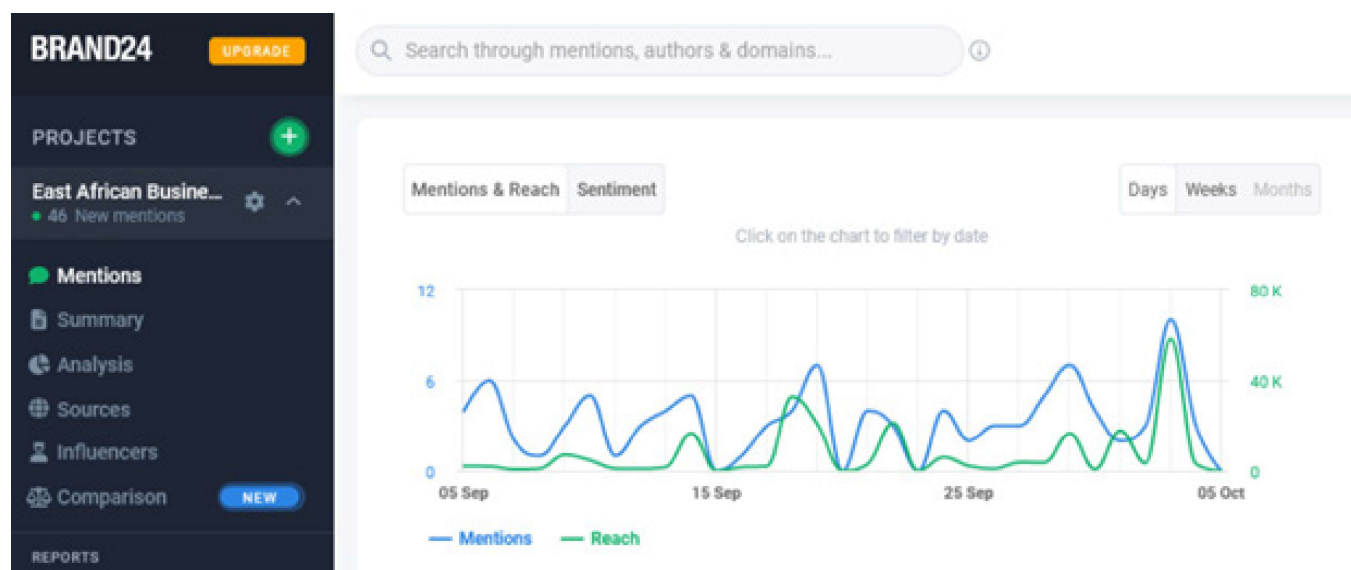
Key Publications Issued

1. EABC Policy Advocacy Agenda 2023/24
2. East African Business Spotlight showcased important events and milestones in the regional business landscape.
3. Study on Ease of Doing Business in EAC
4. Study Barometer and Outlook on Business and Investment 2022/23
5. Study Barometer on Trade in Services in EAC
6. EABC 25th Anniversary Journal - Documented EABC's journey and achievements.

7. Policy briefs on EAC Common External Tariff (CET), EAC's Tariff Offer under AfCFTA Preferences, Digital Tax Stamp, EAC Partner States Budgets, EA Harmonization of Standards
8. Studies on discriminatory taxes and the harmonization of excise duties in EAC
9. Study on Liberalization of air transport services: EABC advocated an EAC single air transport services agreement.

Publicity and Media Engagement

EABC Secretariat also conducted press conferences and issued press releases to provide timely information on significant events, and it leveraged the website www.eabc-online.com, social media platforms to expand audience reach. EABC also collaborated with media houses to ensure effective communication and information sharing with members and the community.



For the Month of September 2023, EABC's social media, blogs, news, website, videos channels mentions reached over 50,000 people. (Source: Brand24)

COMPARISON OF EABC COMMUNICATIONS CHANNELS WITH OTHER SIMILAR INSTITUTIONS (IN 2023)

Institution	Twitter followers	Google News Alerts Mentions	YouTube subscribers	LinkedIn followers	Facebook followers	Website Statistics Sept-October 2023 Source Similaweb
East African Business Council EABC	10,700	20100	268	5276	2800	Global rank 11,915,032 Monthly visits: 5000
COMESA Business Council	2,360	46	41	3475	8,200	Global rank 12,357,390 Monthly visits: 5000
SADC Business Council	1,393	182	N/A	85	N/A	Global rank #16,251,534 Monthly visits: 5000
EAC	169,7000	29,700	6,160	3137	18000	Global rank #596,207 Total Monthly Visits 87,869

CALENDAR OF EVENTS & ACTIVITIES

SEPTEMBER 2023

Sensitization Workshops for SMEs, Women In Business on AfCFTA

26th-27th Sept 2023 Dar es Salaam, Tanzania

High-level e-Conference on Building a resilient agricultural sector and a food-secure EAC region

28th September 2023

OCTOBER 2023

Sensitization Workshops for SMEs, Women In Business on AfCFTA

10th - 11th Oct 2023 Juba, South Sudan

Sensitization Workshops for SMEs, Women In Business on AfCFTA

24th - 25th Oct 2023 Kigali, Rwanda

NOVEMBER 2023

Sensitization Workshops for SMEs, Women In Business on AfCFTA

14th - 15th Nov 2023 Goma, DRC

LAKELAND INTERNATIONAL EXPO

16th -19th November 2023, Mwanza, Tanzania

Email: zshaidi@eabc-online.com

Bootcamp on AfCFTA -Pre-Youlead Summit

13th - 19th, Nairobi Kenya

Youlead Summit

20th - 23rd, Nairobi Kenya

DECEMBER 2023

EABC Legislative Round Table with EALA

Members End of Year Cocktail

NMG's 5th Kusi Ideas Festival





The Voice of the Private Sector
in East Africa

Location: Ninth Floor, Mafao House Old Moshi Road | Arusha, Tanzania

Email: info@eabc-online.com | P.O. Box 2617 | +255 27 2520162/3

www.eabc-online.com

