

Taking Stock of Advocacy Actions and their Impacts in 2018

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- **Overall Achievements**
 - **Policy Actions and Impacts in 2018**
 - **Conclusion**
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- The logo of the East African Business Council is centered in the background. It features a circular emblem with a map of East Africa in the center, surrounded by concentric rings of yellow, green, and blue. Below the emblem is a grey ribbon with the text "EAST AFRICAN BUSINESS COUNCIL" in white capital letters.

Overall Achievements

- The project has overall enhanced EABC relationship with NFP and Sectoral Associations through following activities :
 - Jointly planning TACT Meeting to develop EABC Policy Advocacy Agenda 2018/19
 - Organise Training on Business Reporting for EABC Staff and Staff of NFPs and Business Associations in Nairobi, Kenya
 - Organizing Training on Fund Raising for EABC Staff and Staff of NFPs and Business Associations, Kampala Uganda
- The Project has enhanced evidence based policy advocacy through : development and printing of policy advocacy agenda, conducted study on edible oil etc.
- The project has enhance EABC Institutional Strengthen by support salaries of Trade & Policy Advisor and Public Relation Manager
- Project has enhanced EABC visibility through various activities i.e development of branding book , improvement of the website, Project has also increased EABC Annual revenue through

Advocacy Actions & Impacts 2018

→ Development of EABC Policy Advocacy Agenda 2018/19:

- Jointly developed with NFPs and Sectoral Associations through TACT and further consultations with stakeholders
- Contained cross cutting & sectoral issues for advocacy
- Copies were printed for dissemination (1st distributed in the 20th EABC Anniversary 23rd March 2018 Nairobi)
- Impacts: EABC CET proposals (sugar for industrial use, iron & Steel sector, paper & paper products, edible oil) adopted by EAC Partner States during 2018/19 pre-budget consultations and reflected in the National Budget of 2018/19 for Kenya, Uganda, Tanzania, Rwanda.
- Burundi also through EAC Gazette of June 2018 started implemented new CET on the same products

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Impacts: EABC CET proposals : EAC Partner States maintained the 10% import duty rate on Sugar for Industrial use (HS Code 1701.99.10) and issue *gazette ending propose to progressively increasing duty from 10% to 25%*

- Kenya, Tanzania and Uganda stay application of EAC CET and increase or apply specific duties as alternative to (25%) ad- valorem to over 50 tariff lines under iron & steel products

- EAC Partner States applied a variegated approach on CET for edible oil: ie TZ applied 25% instead of 0% on CPO (HS Code 1511.10.00) ??? 25% on crude edible oil from sunflower, maize, groundnuts etc., 35% instead of 25% on semi refined and double refined edible oil, Kenya applied 35% or USD500/MT instead of 25% on vegetable oil, Uganda applied 10% instead of 0% on semi refined base oil (HS Code 2710.19.10) : *See our advocate for refined edible oil be declared a ssensitive with CET rate of 40% or specific duties but maintain 0% and 10% on CPO & palm olein fractions respectively*

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- **On Comprehensive Review CET:** Partner States (Kenya Uganda and Rwanda) have shown willingness to replace 3-band tariff structure with 4-band tariff structure, TZ was proposing 5-band tariff
- There is general agreements among EAC PS to do away with stay applications
- Limiting duty remission to only products whose supply capacities cannot satisfy the demand of the regional market
- Willingness to introduce specific duty as alternative to the ad valorem duty rate for products prone to undervaluation, subsidies and world price dissertations

Advocacy Actions & Impacts 2018

- **On Elimination on NTBs:** positive progressive in rolling out products under Single Customs Territory (SCT), ECTS working for KE, UG & RW,
- **EAC Vehicle Load Control Act :** 3 regulations to implement the Act adopted i.e. enforcement measurements, Special load, and vehicle dimensions & axle configurations . Act may be implemented 2019
- **On TFA :** EAC PS are progressively implementing TFA e.g. formation of NTFCs, Trade Information Portals (operational in KE & RW, progress in TZ, UG,)), ratifications and notifications of Category A

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Standards and Technical Regulations.:

- Continued to advocate for Agreed position developed on finalization of the EAC SACA Bill 2015
- Conducted Sensitization Workshop of the private sector and public on adopted standards of edible oils, fish and fish products and sugar confectionaries in Tanzania



Advocacy Actions & Impacts 2018

Liberalization of services:

Progress in delinking of the temporary movement of services suppliers (Mode 4) from Schedule on Movement of Workers) by Partner States Drafting Regulations on movement of services and service suppliers. (Is in the final stages)

Draft East African Community Monitoring System for the Removal of Restrictions to Trade in Services (this should be used to keep track of all measures restricting market access and operations of foreign service suppliers across all sectors, that is, committed and non-committed)

Improved Revised Schedules of Commitments on Progressive Liberalisation of Services with more sectors + sub-sectors liberalised i.e.TZ 59 to 78

Improved Revised Commitments have horizontal commitments for Mode 4-Natural Persons : (Unbound)

Advocacy Actions & Impacts 2018

Liberalization of services:

- BR, RW & KE identified 5 categories of Natural persons : Contractual Services Suppliers, Independent Services Supplier , Business Visitors, Intra-Corporate Transferees and Trainees
- Uganda added visitors and Independent Professional Services Suppliers in the list but remained with 5 categories
- Tanzania identified only three categories : Contractual Services Suppliers, Independent Services Supplier and Business Visitors

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Liberalisation of EAC Transport Services :

- Presentation of EABC Study Findings to the 15th Air Transport Sub Committee Nov 2018 Uganda (Committee took note that liberalisation would result in increased frequencies, routes and connectivity)
- Despite of existence of BASAs PS have granted each other very limited 5th Freedom Traffic Rights which is against Yamoussoukro Decision (YD)
- Agreed to develop Multilateral Air Services Agreements (MASA) to make EAC BASAs compliant to YD after finalization of EAC Regulations on Air Transport Liberalization
- Allow TZ to consult further on Regulation 5 regarding exercising rights on 5th freedoms based on economic needs
- KE & Rw have joined Single African Air Transport Market (SAATM) . Benefits granting freedom rights up to minimum of 5th freedom rights, new routes & frequencies, shorter travel time, lower fares, air traffic growth, increased tourism & trade, inward investment, enhanced productivity, improved in GDP and employment creation

Advocacy Actions & Impacts 2018

Domestic Tax Harmonisation:-

- EABC developed Policy Paper on the Benefits from the EAC Multilateral Tax Treaty Agreement –TZ and BR to ratify after other EAC PS ratified it
- EAC Policy for Harmonisation of Domestic Taxes was not adopted as it was referred to subcommittee to consider Uganda comments
- EAC PS now to start working on actual harmonisation of Excise Tax Regimes

• Telecommunications :-

TZ & BR have agreed to join One Network Area (ONA) which currently comprises KE, UG, RW and SS under Northern Corridor Initiative Project

Conclusion

- **The Partnership has strengthened EABC Advocacy, visibility and increased its annual revenue from conferences**



**-The End--
Asante! Thank you -!**





The Voice of the Private Sector
in East Africa

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