

**Summary Update of Building an Inclusive East Africa Community (BIEAC) Project:
Phase II (Dec.09-Dec.10)**

Introduction

The East Africa Community (EAC) has witnessed consolidation and expansion of the process of integration in 2010. The EAC Common Market has been established and negotiations for the implementation of the tripartite discussions between the EAC, SADC and COMESA aimed at the integration of the three economic blocs progressed. Negotiations for an Economic Partnership Agreement (EPAs) between the EAC and the European Union (EU) were expected to be concluded by November, but have been delayed. The consultations among the EAC member states have resumed with Swedish support and it is hoped that their meeting with the EU in March 2011 will bring positive results. The BIEAC project of CUTS, supported by Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) is contributing to these initiatives with the proactive participation of the civil society organisations (CSOs) in the region.

The BIEAC-project was implemented by CUTS Geneva Resource Centre in all the five EAC Partner States: Burundi, Kenya, Rwanda, Tanzania and Uganda. The Project was aimed at helping CSOs to identify challenges relating to:

- the implementation of the internal EAC integration (Customs Union and Common Market);
- agreeing to future terms for cooperation and external trade as may be influenced by the required adjustments to the EAC common external market (CET) and external trade terms such as those relating to EPAs and the region's engagement with SADC and COMESA;
- the possible socio-economic adjustments which may result from the forces of integration forcing redistribution of resources away from some basic social sectors hence the need to support those within sectors which may be impacted negatively; and, lastly,
- the need for equity where it would be desirable to ensure that these developments most effectively contribute to promotion of inclusive developments and poverty reduction in the region, without marginalising some groups/sectors.

Successfully tackling these challenges will require a wide range of actions and cooperation across the EAC. Engaging citizens in the policy dialogue and implementation processes is a key action in this regard, so as to ensure action responds to their needs and attracts the ownership required to be politically sustainable is a prominent objective in this context.

Phase-II of the Project (Dec 2009-to-Dec 2010)

In its first phase (Dec 2008-Dec 2009) the project supported civil society organisations (CSOs) in the EAC countries to examine the implications of various aspects of the ongoing EPA negotiations between the EAC and the EU on the welfare and livelihood of the people of East Africa. In its second phase, the project supported a better understanding of both challenges and opportunities of regional integration. This was done through research, awareness raising and policy advocacy workshops over the past one year. Selected issues were taken up for research in

each EAC country focusing on different aspects of regional integration and pro-development solutions identified. The outreach partners and research themes were as follows:

Outreach Partners

1. Burundi: Conseil de consolidation des ONG de Développement (ADIR)
2. Kenya: CUTS Africa Resource Centre, Nairobi
3. Rwanda: Agency for Cooperation and Research in Development (ACORD)
4. Tanzania: Tanzania Association of NGOs (TANGO)
5. Uganda: Southern and East African Trade Information and Negotiations Institute (SEATINI).

Research Themes

1. Accession of Burundi and Rwanda into ERAC: Implications for private sector development.
2. State of Informal cross-border trade and implications on implementation of the EAC growth and integration.
3. Harmonization of EAC tax regimes: proposals for a SME.s friendly taxation system.
4. Rwanda: Integration Migration with Development in EAC: Policy challenges and Recommendations.
5. Tanzania: Non-Tariff Barriers in trading within EAC: status, challenges and way forward in 2010 and beyond.
6. Socio-economic Implications of the Uganda's Draft Competition Law: *Addressing Challenges at National and Regional Level*
7. A Case for Trade in the Resurgent EAC: Policy Challenges and Opportunities

The research reports and Policy Briefs based on them were finalised after national workshops in each country and a regional workshop in Nairobi. They are available on the websites of CUTS Geneva Resource Centre and CUTS Africa Resource Centre, Nairobi. The research has been presented in several awareness raising workshops bringing together multi-sectoral stakeholders. A series of Trade Guides capturing the technical research issues and findings into easy-to-read formats and local language have been disseminated. Civil Society Position Papers have been produced based on the findings and presented to the policy makers by the Outreach Partners in each EAC country. The project has also been able to hold sustained interaction with the policy makers during the year with a view to establishing an aware and informed CSO constituency in the region.

A paper synthesising the research outputs of both the phases of the project was drafted in the last quarter. Some gaps on both the issues of EPAs and regional integration were filled up and key pillars of regional integration identified. This paper was discussed in a Regional Conference in Arusha, Tanzania attended by more than 40 leading stakeholders of the region. Based on feedback received a book entitled “**Taking East African Regional Integration Forward: A**

Civil Society Perspective” has been published. Both the book and a report on the Conference are available on the CUTS Geneva and Nairobi websites, and copies of the book have been disseminated to stakeholders from all the five countries.

The project has been duly completed. The CSO partners continue to work on these issues through other projects/programmes.

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