

# East African Business Council



## EABC e-Newsletter September 28<sup>th</sup>, 2006

*EABC - The Voice of the Private Sector in East Africa*

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### **VISION STATEMENT**

To be an effective change agent for fostering an enabling business environment for a diversified, competitive, export-led, integrated and sustainable economy

### **MISSION STATEMENT**

To promote the Private Sector's regional and global competitiveness in trade and investment

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### **EABC DELEGATION MEETS KAGAME and NKURUNZIZA**

#### **..Business Community in both countries sign MoU with EABC**

A strong EABC delegation has held a historic visit to Rwanda and Burundi ahead of the two countries impending acceptance into the EAC. The delegation headed by EABC Chairman Abid Alam held discussions with President Paul Kagame and President Pierre Nkurunziza respectively. Speaking in Kigali, President Kagame lauded EABC for the willingness to see the steps Rwanda has taken to develop the Private Sector and create a conducive investment climate. He observed that the ongoing formal process of membership at the EAC notwithstanding, it was important to acknowledge the natural linkages that exist between the people of the region in terms of friendship and trade.



EABC delegation with President Kagame (middle) in Kigali recently

Investment and Export Promotion Agency and Faustin Mbundu, Vice President, Rwanda Private Sector Federation.

In Bujumbura, President Nkurunziza reiterated Burundi's proximity to the States in Central Africa as opportune for the interests of East Africa. He said his government was committed to holding the recent ceasefire signed in Dar.

The EABC officials also signed a Memorandum of Understanding with the Rwanda Private Sector Federation and the Burundi Chamber of Commerce that seeks to address and provide solutions to challenges of economic integration.

The Protocol allows the Private Sector bodies in both countries to access services of EABC which include participation in working groups and campaigns, and top level visits. In addition, representatives of the business community will strive to win additional Members into the apex body to integrate a representative spectrum of the Private Sector into EABC. EABC on its part is expected to look into the modalities of changing the constitution so as to avail an opportunity to both associations to become its Members.

Also present at the meeting were  
Hon. Vincent Karega, Minister of State for Commerce, Williams Nkurunziza, Director General of Rwanda

## **EABC TO HOLD SEMINAR ON INFRASTRUCTURE**

EABC is calling for a Seminar on Infrastructure and Urban Development in Dar es Salaam on October 12 and 13, 2006. The seminar targets government officials as well as business executives representing corporations and finance institutions in Sweden and Tanzania. The objective of the seminar is twofold: To offer relevant and current information in the field of infrastructure and business and to create platforms for business exchange.

The meeting will discuss the energy crisis in the region severely affecting the region's economy and look towards finding short and long term sustainable solutions to these challenges.

It further hopes to promote and explore business opportunities and possible synergies between Swedish industry and their Tanzanian counterparts and highlight projects and areas of interest for further development.

Opportunities within recent initiatives such as the East African Power Master Plan will also be explored. Keynote speakers and prominent panel participants will be drawn from government, business and finance sectors.

It is hoped that the Dar es Salaam meeting will be followed up by a bigger East African regional meeting planned for 2007.

For more information on the seminar, please contact EABC's Consultant Charles Mndeme-Yegella on the following email address: [charles@eabc-online.com](mailto:charles@eabc-online.com)

## **EABC LABOUR WORKING GROUP RE-CONSTITUTED**

EABC has re-constituted its Labour and Employment Working group. The Working Group met in Nairobi on Sept 7<sup>th</sup>, 2006. The meeting attended by representatives of employer bodies, Federation of Kenya Employers (FKE), Association of Tanzania Employers (ATE) and Federation of Uganda Employers (FUE), (all EABC members) approved in principle the draft Terms of References for its activities setting in place the way forward for the Working Group in the coming year.

The Committee's activities have in the past been on hold. However with the Protocol on the Common Market having recently commenced, it is now time for EABC to move this agenda forward.

FKE represented by Mr Abisai Ambenge, was elected to chair the working group

### **APSEA MEETS IN KAMPALA**

Association of Professional Societies in East Africa has held its 4<sup>th</sup> regional workshop in Entebbe, Uganda with a call for re-doubled efforts by professionals in the region in making submissions during negotiations on the Protocol on the Common Market and the Economic Partnership Agreements (EPAs).

Noting that trade in services accounts for between 45% to 65% of GDP in the region, participants advanced the need for encouraging export-led growth, enhanced knowledge systems to promote capacity and export for services in the region.

The APSEA Council later ratified the election of its Executive Committee led by APSEA President Mr Raphael Mwai.

## **FARMERS WANT MORE SAY AT EAC**

EABC and the EAC have joined forces to sensitize farmers in East Africa on East Africa's regional integration issues. This recently culminated in a sensitization tour of the region organized by the East African Farmers Federation (EAFF) and EABC with support from GTZ. The visits included the following border and interior towns visits: Monduli and Morogoro (Tanzania), Busia and Jinja (Uganda) and Thika and Bungoma (Kenya).

The visit was also an opportune moment for EAC to highlight areas of its new agricultural rural policy. Farmers on their part called on the EAC to assist them open up the markets and to enhance the removal non tariff trade barriers.

### **EALA ADOPTS BORDER VISIT REPORT**

Members of the East African Legislative Assembly this week adopted the report of findings of its mission to customs and border points in the region. The report observed that lack of regulations ensuring



proper enforcement of the Customs Union Act remains a big impediment to the Customs Union. Hon George Nangale, Chair of Communications and trade

Investment committee (pictured) said as he presented the report. The parliamentarians also reiterated the need to dismantle non-tariff barriers that increase the costs of doing business in the region. To read the report, visit [www.eabc-online.com/eac/pd.php?ea=policydocuments](http://www.eabc-online.com/eac/pd.php?ea=policydocuments)

## EABC MEMBER NEWS

### KENYA

#### BAT FUNDS EAC JUA KALI EXHIBITION

EAC in collaboration with BAT is set to hold the 8<sup>th</sup> informal Sector Jua Kali exhibition in Dar es Salaam on November 29<sup>th</sup>-Dec 5, 2006. BAT Kenya has donated USD 70,000 to this course.

BAT Director for Corporate and Regulatory Affairs Keli Kiilu handed over the cheque to the Tanzanian Vice President, Dr Mohammed Ali Shein in Arusha last week. Speaking after the presentation Mr Kiilu said the sector was critical in addressing demand for goods with the increase in rural-urban migration. He said the sector contributed for over 70% of the total workforce supporting livelihood of many.



Mr Kiilu

The exhibition ranges from equipment maintenance to spare parts and farming.

### TANZANIA

#### IMPROVE SMEs LOAN MODALITIES – TCCIA SAYS

Tanzania Chamber of Commerce and Industry (TCCIAA) is appealing to the government to improve the running of the credit guarantee schemes to allow SMEs unequivocal access to loans.

“This scheme needs to be improved to enable SMEs grow. At the moment, there are too many stringent conditions barring SMEs from accessing loans”, TCCIA President Elvis Musiba said in Dar es Salaam recently.

Mr Musiba was speaking at the end of TCCIA's Executive Committee meeting. Meanwhile TCCIA has signed a Memorandum of Understanding with the Canadian Chamber of Commerce aimed at strengthening business ties between the two countries.

### UGANDA

#### PRIVATE SECTOR TO WORK WITH VARSITY

Private Sector Foundation of Uganda (PSFU) and Makerere University have agreed to work together in improving the latter's curriculum in a bid to make the university's programmes of relevance to the employers in the region. In this regard, PSFU



and the University authorities signed a protocol to enable the undertaking, geared to match its present and future needs.

James Mulwana (l) PSFU Chairman exchanges the MoU with Prof Livingstone Luboobi as other officials look on recently

PSFU Chairman Mr James Mulwana and the Vice Chancellor of Makerere, Prof Livingstone Luboobi signed the agreement at PSFU offices on September 12, 2006. Under the agreement, Makerere would invite Private Sector technocrats to teach and instill practical skills in students.

#### Other News

##### Competition Bill Endorsed by EALA

EALA has passed the Competition Bill. The Bill seeks to prohibit anti-competitive practices, opens up Partner States markets, and discourages creation of new barriers to interstate trade. It guarantees opportunity for all market participants including Small and Medium enterprises and has a clause prohibiting collusion by competitors to fix prices.

The Bill also approves the establishment of the EAC Competition Committee constituting representation from each of the Partner States.

#### UPCOMING EVENTS

Please contact the Secretariat on the upcoming events.

[EABC Seminar on Infrastructure](#)

[EABC Media Forum](#)

### Contact EABC

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