

Regional Integration and Sustainable Development in the East African Community

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I will share some thought with you on *Regional Integration for Sustainable Development in the East African Community Region*.

I guess we need to ask the fundamental questions first. Why should Africa integrate? After all many of our countries have had almost 50 years of independence, with all the trappings that Sovereignty brings. We have the flags, the anthems, the Governance structures and the International recognition that many fought for, and others have yearned for decades with no success.

Many of the countries have navigated, albeit with some difficulty, the very difficult and sometimes competing challenges of nationhood, nationality, citizenship and State building. This decade has seen the rise of a new Africa. One that is increasingly dynamic, vibrant, and sure of its destiny.

It is a Continent that continues to find and redefine its narrative, going beyond the myths and narratives bequeathed by others. Sometimes successfully, other times not. I am glad that East Africa is composed of States that have redefined themselves, and are building home-grown narratives of national development, for some, in the aftermath of traumatic National events that provided them with a near tabula rasa.

It also happens to be an Africa, in my opinion, with an unfinished agenda, of integrating and mobilising her people to fully achieve their agenda.

But that brings us back to the original question? Why integrate? There are as many answers to this as there are people in this room, but my answer is simple. It is the right thing to do.

Take East Africa for example. Our region inherited borders, traced by others those many years ago in Europe. We were not consulted because we were the property of others and as you know, one does not consult his / her belongings before putting them on sale. So does sustainability for East Africa mean a ferocious defence of impermeable Intra East African borders? I say no. Our borders are meant to delineate our limits of Sovereignty, for we must do things properly. However they cannot, and should not impose rigid divisions of our people.

Some say we should integrate our markets for sustainable development. I agree. East African Integration is crucial for trade, commerce, and industrialisation. No country in the history has been able to succeed and prosper by turning inward and keeping the

"other" out. Those that tried to do so were inevitably forced to change track quickly. International trade is not a luxury to be enjoyed by some. It is a prerequisite for our development. But if you cannot trade with your neighbour, you will trade your neighbour! That is the lesson of Africa's history. Africans failed to trade with each other, and instead participated in trading each other as slaves.

So, yes, we must integrate to expand our markets and productive capacities.

In East Africa, our Customs Union and Common Market have shown promise. Intra EAC trade has more than doubled. Our trade with the rest of the world has grown more than 60 per cent. Foreign Direct Investment (FDI) has grown tremendously. EAC Partner States are becoming the most important sources of each other's FDI. We are dealing with barriers to intra EAC trade, and increasing the efficiencies of our ports, removing literal and figurative barriers to trade and investing in the hard and soft infrastructure required to support our growth. East Africa must integrate in order to survive. We know that. But we are more than just a market. We are a people with a historic mission and opportunity to create the kind of polity we deserve. In the past, we participated in trading each other. Now we are trading with each other. Our historic mission surely must be to move beyond this to a truly United Region, becoming One People with One Destiny!

This year, I look forward to the signing of an agreement on a Monetary Union Protocol and, as our Treaty provides for, an eventual Political Federation. This is because for East Africa, half integration is dangerous. It frontloads the pain of integration without providing the people of East Africa with its benefits. Our Monetary Affairs Committee, under the able leadership of the Governors of Central Banks has done tremendous work in harmonising our monetary policies. Our fiscal and financial policies are being harmonised. We are working towards sharing experiences and managing our natural resources in a harmonised fashion. Our security and defence establishments are cooperating day and night to enhance our security and safety.

So yes, we are a big, vibrant and growing market, but we are more than just a market. Much more!

There are those who love Africa without liking Africans. They want the benefits that Association with Africa brings them, as long as Africans are kept away from their lands. Well, although I strongly disagree with them, though it is their prerogative. The world does not owe Africa a living. Africa owes Africans a living! East Africa must be different. We cannot love East Africa without liking East Africans. That will not build Community. We cannot find our deepest affirmations in our own worth, as communities, sub-national or national identities, by branding the rest as the undesirable other! That is a recipe for disaster. We cannot have free movement of goods without the free movement of labour and people.

That is why the free movement of labour provisions, the rights of establishment, and the rights of residence are so important. East Africa needs to continue to work to make sure that movement and work in East Africa is hassle free for East Africans. A Common Market should allow people to use the market. A Monetary Union must anchor and contribute to the unity of the people of East Africa.

East Africa's integration of course sustains our common heritage.

As our economies continue to grow, however, and they most certainly will, we need to continuously work to make sure that today's growth translates into better living standards for all our people, and that it does not jeopardise the well-being of the generations to come. Ours is a trust to keep, for the present and the future.

This is why East African Cooperation is predicated, *inter alia*, on the need to ensure sound environmental and natural resources management principles for the proper functioning of our Common Market, as well as on the need to refrain from activities that are detrimental to the environment.

Over the recent past, the EAC has been on the forefront in addressing sustainable development challenges facing the region through concerted efforts by its organs and institutions established by the Treaty for the Establishment of the EAC including participation in regional and international policy processes. A point in case is the participation in the negotiations on climate change and trade negotiations under the United Nations Framework on Climate Change (UNFCCC) and the World Trade Organisation.

Sustainable Development Challenges in the Region

The EAC region continues to face multiple challenges to sustainable development. These range from financial, food, energy and water crises, human and technological capital and environmental management threats amongst others. New challenges such as climate change and natural disasters are exacerbating and threatening to retard and reverse social economic development gains and in particular attainment of Millennium Development Goals (MDGs) by 2015.

Climate Change and Food Insecurity

Climate change is one of the major threats to sustainable development in the region. Although our share of the human induced global carbon footprint is negligible, our region got its clearest wakeup call in 2009 when large parts of the region came under severe food insecurity after important loss of pastures and livestock in addition to widespread crops failure, mainly as a result of climate change. Today, large parts of the region continue to experience erratic weather conditions and events, characterised by extremes of weather conditions.

The impact of climate change on livelihoods, in particular food and cash crop production as well as livestock development, becomes even more pronounced since East Africa depends heavily on rain-fed agriculture where agriculture contributes 40 per cent of the region's GDP and provides livelihood for 80 per cent of the population.

With about 40 million undernourished people, food security is already one of the main challenges in the EAC where food production is challenged by extreme weather conditions.

EAC strongly believes that a clean and healthy environment is a prerequisite for sustainable development. Ours is a belief informed by scientific evidence and reality. Our focus on environmental and natural resource protection and conservation programmes on shared trans-boundary ecosystems that demand common approaches and collective measures is critical. Protection of our environment is too important to be left only to local and national authorities. It is and must continue to be an important regional, continental and global agenda. That is why I am pleased to inform you that EAC has developed a Post Rio+20 Plan of Action following the Rio+20 Summit held from 20-22 June, 2012 in Rio de Janeiro that provided the framework for post 2015 MDGs in the context of sustainable development and green economy through the sustainable development goals (SDGs).

The EAC recognises that green economy offers an opportunity to bring together and strengthen economic, environmental and social aspects to achieve sustainable development goals. The concept of "Green Economy" is inextricably linked to technology development, access and transfer, issues that in conjunction with the provision of new and additional financial resources and capacity building should be properly addressed through international cooperation. Energy accessibility, sustainability, affordability and security should be at the centre of the discussions on Green Economy and sustainable development.

I am glad that CUTS is a partner in our agenda for integration and development, including our collaboration in EAC agriculture - climate change- trade linkages and the EAC Geneva Forum. I thank you for this partnership.

But perhaps I should end where I started. Sustainability for our region should not mean the maintenance of *status quo*, like a patient on life support, whose doctors can be justly proud that they have sustained his/her life. Neither should it be like the actions of a man, who is told there is a lion in his path and promptly runs away in the opposite direction to sustain his life, without waiting to be informed that there is also a pot of gold beyond the lion.

This is a century pregnant with promise for Africa. East African partner states intend to reach middle income status within this generation. We cannot do so as balkanised states. We must deal with this, the lion between us and prosperity. That is the meaning

I give to what some have described as the emergence of Africa's lion or cheetah economies! Regional and continental integration is critical to this transformation. It provides the anchor for, and meaning to, development and sustainable sustainability, if there is such a concept.

EAC-CUTS Collaboration

CUTS International's goal is to contribute to the achievement of development and poverty alleviation through trade in its economic, environmental, social and political dimensions. Its objectives include: contributing to a better understanding of development concerns in trade and related policies; enabling participation of developing country stakeholders in trade and related policy making and its implementation; stimulating interest of key actors working on trade, development and poverty alleviation; and bridging the information gap for and among the trade and related policy communities.

In view of the above challenges and the goals of EAC and CUTS International, the two organisations are collaborating on the following projects as opportunities to use their strengths and comparative advantages to address some of the above challenges that are affecting regional integration in the region:

- (i) “*Promoting Agriculture-Climate-Trade Linkages in the EAC*” (PACT-EAC) Project whose aim is to build the capacity of stakeholders in EAC to better understand and implement sound policies to harness the potential of trade in reducing poverty and hunger in the face of climate change. Given the importance of agriculture which provides livelihoods to 80 per cent of the EAC population. Yet, about 40 per cent of East African are malnourished, a situation that can get worse due to climate change. PACT EAC project strives to meet this challenge through awareness-raising, inclusive research and training, and multi-stakeholder capacity building. The Project brings together EAC stakeholders, in five countries and in Geneva, to pursue a more integrated policy framework on issues of food security, climate change and trade and share information on the World Trade Organisation and its linkages with other related international policy dialogue processes including the UNFCCC; and
- (ii) The EAC-Geneva Forum where every two months, delegates from the missions of the five EAC countries to the World Trade Organisation meet in Geneva to discuss issues of common interest to them at the WTO. The Forum also improves information sharing between delegates and the grassroots in their respective countries, through the provision of update notes prepared for them by the local civil society on issues related to the interplay between national, regional and international trade policy.

In conclusion, I wish to reiterate EAC’s commitment to addressing sustainable development challenges in the region as part of the wider regional and international institutional framework for sustainable development that is under discussion as one of the themes of the Rio+20 Summit. The EAC is firmly committed to the principles of international environmental law.

I look forward to forging partnership with CUTS International and other regional and international stakeholders as we implement EAC’s strategic policy documents.

I thank you all for your kind attention.