UGANDA DEBT NETWORK
DEBT IS SLAVERY

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CAN SELFISHNESS GIVE WAY TO EAC AND COMESA ECONOMIC INTERGRATION?

1. INTRODUCTION

Re-established in 1999, the East African Community (EAC) today covers the 6 States of: Kenya, Uganda, Tanzania, Rwanda, South Sudan and Burundi. Meanwhile, the Common Market for Eastern and Southern Africa (COMESA) that commenced in 1994 today has 19 States including: Burundi, Comoros, Djibouti, Egypt, Eritrea, Ethiopia, DR. Congo, Sudan, Uganda, Kenya, Zambia, Mauritius and Zimbabwe.

Even though States may initially face a level of revenue loss in the short-run, such integrated blocs are critical for trade and commerce, regional infrastructure, free movement of people, goods, financial and macro-economic integration among others. Despite of some progress, some States in the blocs remain selfish, thus undermining the greater good of integration for the African people. This raises concerns.

2. KEY CONCERNS

1) Limited political will– manifested in such phrase as, “slow moving Partners” and “Coalition of the willing” have become common place in the EAC in recent years. The implication is that some States may be left behind or to do their bilateral wishes altogether, thus undermining the integrity of the EAC or even COMESA.

2) The prevailing Non– Tariff Barriers (NTBs), such as arbitrary police road-blocks and unnecessary checks along

highways and customs border posts fuel bribery. The NTBs overall violate Article 13 of the EAC Customs Union Protocol.

3) Some Partner States are still lagging behind in the otherwise mandatory Annual subscription fees, harmonization of national laws, policies and systems. Whilst the integrated blocs should achieve free movement of goods, services and people, such reports like Ugandan products being barred in Kenyan, Tanzanian and Rwandan markets.

4) With no reciprocity, Uganda continues to allow products, people and services of EAC and COMESA member States into her economy. Should States front nationalism at expense of working together? As such, Uganda’s non-retaliation and generosity should not be abused. Rather issues ought to be resolved amicably, for effectively functioning markets and greater good of the African people.

In the case of Rwanda– Uganda trade issues and manifestation, for example: According to Private Sector Foundation Uganda, Uganda Terms of Trade have declined by $16 million (approximately UGX 59 billion) every month since February 2019 when Rwanda closed her border against Uganda to-date. This action has adversely affected Uganda’s food and beverages, steel, roofing materials, cement and sugar exports.

3. RECOMEMNDATIONS

a) Harmonization of key national laws and regulations at each Partner State level. Then the EAC and COMESA can facilitate (rather than inhibit) regional trade and economic integration.

b) EAC and COMESA levels need to legislate for overarching laws as supra-entities, to supersede national laws and policy regimes for the greater good of the African people. States must be willing to relinquish part of their national sovereign decision-making powers to the regional authority which will facilitate the achievement of broader benefits for their citizens.

c) EAC States must learn from COMESA and establish plausible Conflict resolution or Arbitration mechanisms to deal with any Inter-State issues that may occur.

d) The EAC and COMESA must walk steadfast against the prevailing Non– Tariff Barriers (NTBs),

4. CONCLUSIONS

There is need for greater and renewed political commitment from the top most leadership of EAC and COMESA constituent Partner States. This renewed cooperation will give way to Selfishness greater integration.

L-R: Juliet akello-CSBAG, Patrick Katabaazi-Tax Expert, Julius Mukunda-CSBAG ED, Julius Kapwepwe-UDN and Regina Navuga- SEATINI Uganda during the press conference on CSO concerns on Domestic Revenue Mobilization organized by CSBAG at there office on 16th February 2020. at CSBAG offices.

Click on Media links below for more details about the Presser:

1) URA’s Tax Shortfalls (Luganda) :- NBS
2) CSOs want list of companies exempted from taxation published:-The Independent
3) Civil Society wants Tax Reforms:- Uganda Vanguard

PROPOSALS FOR ENHANCING DOMESTIC REVENUE MOBILIZATION TOWARDS IMPROVING SERVICE DELIVERY

CLICK HERE in order to download the publication on Proposals to Enhancing Domestic Revenue Mobilization towards Improving Service Delivery shared with (NPA) National Planning Authority.

READERS’ FEEDBACK CORNER

Birungi Ian (Email), in respect to : UDN Weekly Newsletter, Edition 337

If government worked on plugging leakages, there would be enough money to run the country. Every financial year, Uganda loses up to $1bn in corruption and wastage.
Take an example where the Entebbe Express highway of four lanes cost Ugandan tax payer $500m when the Kenyan government constructed a high way with eight lanes at $270m!

UDN appreciates support by: UDN Membership; DCA; DGF; Save the Children in Uganda; Inspectorate of Government; IBP and Trocaire.

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