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INAUGURAL TECHNICAL COMMITTEE MEETING

EU-EAC CORE PROGRAMME

DATE: 5TH APRIL 2024

VENUE: VIRTUAL MEETING (MS TEAMS)

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1. INTRODUCTION OF PARTICIPANTS OF THE TECHNICAL COMMITTEE

The inaugural Technical Committee meeting of the EAC—EU Core programme was held on 5th April 2024. The Technical Committee (TC) is the first tier in the governance structure of the EU-EAC CORE Programme. Its purpose is to provide technical guidance, expertise, and oversight to ensure that the programme's technical aspects align with established standards, industry best practices, and regional integration objectives.

The Technical Committee (TC) convenes quarterly before the Regional Steering Committee (RSC) meeting to prepare to report to and advise the RSC on technical matters and any other issues requiring action by the RSC. This is the inaugural TC meeting of the EU—EAC CORE Programme since the implementation of activities only commenced in February 2024, and it was only upon the commencement of activities that the TC was constituted.

By design, the TC is made of technical staff from the EAC Secretariat, the EU representative and experts representing the contractors implementing the three LOTs service Contracts that make up the programme, i.e. Fischer Consulting in consortium with DT Global implementing Lot 1, Expertise Advisors implementing Lot 2, and GOPA Worldwide Consultants implementing Lot 3 (Lot 3 includes the additional overall responsibility of coordinating the CORE Programme through the TC and RSC and carrying out programme management, and communication and visibility (C&V). All representatives from implementing agencies, EAC and EUD attended the TC. A list of meeting participants is attached to this report.

2. OPENING REMARKS BY EAC SECRETARIAT

Ms Flavia Busingye, the chair of the Director of Customs and acting Director of Trade at the EAC Secretariat, recognised all the participants in the meeting and thanked them for making time for the important inaugural Technical Committee meeting. The chair expressed confidence in the representation in the TC and registered her confidence that even though the task of steering the programme can be demanding, the participants were up to the task, given their expertise and experience. The chair expressed EAC's appreciation that even though the different service contracts were signed and implemented at different times, all implementing agencies had begun work. The chair noted that Lots 1 and 2 were almost finalising their inception reports.

The EAC also underscored the importance of visibility for the EU-EAC CORE Programme and emphasised the need for the meeting to invest time in discussing communication and visibility.

She wished the participants fruitful deliberations.

3. OPENING REMARKS BY THE EUD REPRESENTATIVE

Mr Sagoh Djete, the EU Programme Manager for Tanzania and the EAC stated that the EUD was pleased with the inauguration of the TC. He acknowledged the inaugural meeting of the TC as a significant milestone for the more extensive EAC-EU CORE programme implementation, as it provided a forum for all the key EAC Departments and Directorates to

discuss the programme and reflect with the implementing agencies on progress in implementing the agreed activities.

Furthermore, Mr Djete noted the need to discuss the proposed governance structure of the EAC – EU CORE programme, especially the number of representatives that participate, the duration of the meeting and where to hold the meetings. Because of the relationship between the LOTs, especially the dependence of LOT 2's work on the activities under LOT 1, the EU representative underscored the need for a longer time to be allocated to discuss this work following their respective inception phases detailedly.

4. ADOPTION OF THE AGENDA

The agenda had previously circulated among participants and was adopted without any amendments. Its brevity allowed for a more focused discussion on the key topics, setting a solid foundation for future meetings where more substantive issues could be addressed.

5. ADOPTION OF THE TECHNICAL COMMITTEE (TC) & REGIONAL STEERING COMMITTEE (RSC) MODUS OPERANDI

The proposed governance structure of the CORE Programme was discussed based on two guiding documents: the Terms of Reference (TOR) and background notes of the TC and RSC. The TOR spelt out the roles and responsibilities of the two committees and how they relate. At the same time, the background note underscored the relevance of each committee for proper programme steering.

The TOR proposed online/virtual meetings for the RSC and a hybrid format for TC meetings. In discussing this matter, the TC considered several facts. First, the RSC is the apex body responsible for addressing all issues that could be raised during the programme's steering. For this reason, RSC meetings could go beyond a day. Second, by virtue of its level, the RSC comprises senior representatives from stakeholders from public and private sector agencies from the EAC Partner States. Thirdly, RSC meetings were proposed to convene biannually following the TC meetings.

The meeting deliberated on the broad representation at the RSC, which currently includes Ministries of East Africa Community/Foreign Affairs, Ministries of Trade, Custom Authorities, Regional regulatory agencies, professional bodies and private sector associations (such as the East African Business Council, among others), EAC Secretariat (relevant Departments of Customs & Trade, Social Sectors, Planning and Finance); the EU Delegation in Tanzania; and sector donors and implementing agencies. The broad representation, though necessary, could likely lead to costly RSC meetings amid limited budgets when all participants have to be facilitated to attend an in-person meeting for more than a day. As a result, the meeting proposed that the proposed attendance would further be reflected on by the EAC Secretariat in light of every RSC meeting, and attendance will be limited to one representative per country from the regulatory authority and a professional body based on the service sector ongoing implementation to be discussed.

The meeting noted the complementarity between the EAC-EU CORE Programme and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH's implemented project on Leveraging integration frameworks for Trade in Services and Civil Society Organisations in the EAC (LIFTED).

The programme is co-funded by the EU and the BMZ. Its overall objective is to increase regional service trade and civil society engagement in the Africa Continental Free Trade Area (AfCFTA) framework for people-centred EAC integration. The initiative is anchored in the EAC Treaty, which aims to deepen cooperation among the Partner States in economic and social fields. It also contributes to realising the EAC common market by accelerating growth and development and facilitating the free movement of services. In addition, LIFTED is aligned with several regional strategic frameworks, including the EAC Strategy on Trade in Services, the 6th EAC Development Strategy, the EAC Gender and Youth policies, and the EAC-Consultative Dialogue Framework (CDF). LIFTED is expected to commence in early 2024 for up to 36 months. It will be implemented with the EAC Secretariat and selected regional private sector and civil society organisations. Focusing on the current seven EAC Partner States, this component is expected to increase trade in services and inclusive regional economic trade policies by delivering the specified outputs.

Therefore, the meeting discussed the ongoing implementation of the EU-GIZ LIFTED Project and the EAC-EU CORE Programme and how to optimise their synergies.

Given the above, the meeting resolved that:

- The TOR for the TC and RSC should be reviewed to ensure that RSC meetings will be face-to-face and planned for more than one day. The composition of the RSC should also be streamlined to create a lean structure without sacrificing the value brought in by crucial actors.
- The Director of Customs and Trade in the EAC would chair the Technical Committee.
- The RSC will be chaired by the incumbent chair of the Summit, in the current case, South Sudan.
- EU-GIZ LIFTED would be enjoined in the TC meetings to bring coherence to coordinating programmes driven by similar goals.

6. PRESENTATION OF THE OVERALL WORK PLAN FOR LOT 1

LOT 1, implemented by Fischer Consulting and DT Global, has the objective of moving towards a fully-fledged Customs Union by supporting more robust ICT-based data exchange protocols for the clearing of goods as well as integration of related regional customs functions and systems, appropriate processes for the involvement of other agencies, i.e. standards, health etc. as well as a stronger coordination and monitoring role of the EAC Secretariat. The Lot kicked off on February 1st, 2024 and was still in its inception phase through April 15th, 2024, in readiness for the first activity, a project orientation seminar, scheduled for 16-17, 2024 April. Though an output on its own, the proposed project orientation seminar would enable the technical assistance team (TAT) for Lot 1 to address some information gaps experienced at the current inception phase. However, a broader tentative work plan to guide the Lot was shared.

There was concern that with timelines fast approaching, any delays on Lot 1 would impact its implementation and the contractor's performance. The meeting guided the Secretariat in liaising with the Lot 1 contractor to expedite the inception phase for the Lot as soon as possible by 15th April 2024. Furthermore, the TC guided the EAC Secretariat and the Lot 1

contractor in proactively seeking the information critical to the completion of the current phase.

7. PRESENTATION OF THE OVERALL WORK PLAN FOR LOT 2

Lot 2 is implemented by Expertise Advisors, who are charged with providing quality assurance over the activities in Lot 1 and advising the EAC accordingly. Though still in the inception phase and its activities are predicated on the activities of Lot 1, Lot 2 has started engaging the different stakeholders, including holding a meeting with EAC, EUD, and Lot 1. The Lot 2 TAT also closely followed the activities of Lot 1 by reviewing the Lot 1 methodology and developing a review report, which had already been discussed with the EAC.

Upon further consultations with EAC and EU, the TAT for Lot 2 was required to conduct a situational assessment, which had already commenced. The situation analysis was already underway and involved meetings with module owners to discuss the status of the modules and legal framework, virtual meetings with some of the vendors to understand the status of the module's development, engagement with Partner States and review of the documents related to the modules. The first draft of the situation assessment had already been shared with the Lot 1 vendor for use in their assignment.

The meeting was informed of the need for discussions on developing IPIs, especially regarding who absorbs the relevant costs. This is especially true because the Lot1 Vendor was not responsible for API connectors on the module side. They were only built on the ESB side.

As part of its support to the EAC Secretariat in overseeing the implementation of Lot 1, the Lot 2 vendor was tasked with several key activities. Firstly, they were required to establish a supervision mechanism to ensure the timely and effective completion of the Lot 1 assignment. This mechanism should include project tracking per the Lot 1 contract and guide the EAC Secretariat on signing off each completion stage. Secondly, the vendor was responsible for monitoring the performance of the Lot 1 project, ensuring compliance with the Lot 1 contract, including the Terms of Reference (ToR) and the agreed Lot 1 Workplan. They must also maintain a log of issues and risks identified and anticipated during implementation, ensuring adequate follow-up by the Lot 1 contractor. To avoid duplication of effort and resources.

The TC recommended that the two Lots work closely with the EAC Secretariat to access and share information and address any impediments that might lead to delays.

8. PRESENTATION OF THE OVERALL WORK PLAN FOR LOT 3

The inception phase of Lot 3 began in November 2023, and the actual implementation of activities started in February 2024. To this end, several non-key experts had already been mobilised. These include experts in communication and visibility, financial procedures and compliance, and project management, and they are at different stages of implementing their plans to deliver in their respective areas.

Lot 3 primarily focuses on enhancing the implementation of EAC commitments related to the liberalisation of services. However, it also plays a crucial role in three other areas that encompass the entire CORE Programme. These include providing capacity support to the EAC Secretariat, which involves project management, monitoring, and evaluation. Lot 3 further clarified that their contract includes developing a comprehensive results-based monitoring system as one of the deliverables. This system will help streamline monitoring and evaluation efforts across the different Lots of the project. To this effect, the technical expert who set up the system was already mobilised.

Additionally, Lot 3 manages communication and visibility for the EU-EAC CORE Programme. Because of its cross-cutting nature, particularly in project management, Lot 3 collaborates closely with the EAC Secretariat to steer the CORE Programme effectively through the Technical Committee (TC) and the Regional Steering Committee (RSC).

The importance of communication and visibility (C&V) to the key partners – EU and EAC – was underscored; C&V is not only for publicity but also serves a crucial role in transparency and accountability. It ensures that stakeholders and, above all, citizens are aware of the goals, progress, and results of the EAC-EU CORE Programme. Clear and consistent communication helps build trust between partners, Partner States, and the public.

The TL – Lot 3 explained the prioritisation of C&V and the intense activities that were already at an advanced stage to brand the programme and have in place a comprehensive C&V function to accord the programme requisite publicity by piggybacking on every possible activity of the programme across the Lots using multiple (especially digital) channels of communication. To facilitate decision-making by the EU and EAC on branding and C&V materials, two to three versions of the logo, LinkedIn page, website, and report templates were ready for consideration and approval. Although the C&V is the vendor's responsibility for Lot 3, the other Lots should provide information about their activities to receive the requisite publicity desired for the CORE Programme.

The TC recommended a tripartite meeting between EAC, EU, and GOPA Worldwide to jointly agree on the proposed branding, communication and visibility plans.

The TL also explained the ongoing collaboration with the EAC Secretariat Department of Statistics and the national statistics institutes within the Partner States to collect, analyse, and interpret trade-in services data and harmonise standards and practices across countries. At the last meeting in Mombasa in March 2024, Partner States gave recommendations based on their existing practices. The EAC- EU CORE programme will undertake activities to support collecting sector-specific data based on these recommendations.

9. PROJECT ESTIMATES PLAN & EXPENDITURE

Under the Programme Estimates (PE), the EAC Secretariat updated the meeting on the critical objectives of the CORE programme, i.e., moving towards a fully-fledged Customs Union and the Common Market. The aim was to provide new impetus to promoting the free movement of services, a crucial building block for creating a well-functioning common market. Therefore, the PE contributes to some of the activities implemented under the Lots while carrying out others exclusively.

To ensure the effective and compliant implementation of the Programme Estimate (PE), Lot 3 supports the EAC Secretariat in applying EU-EDF rules to avoid ineligible expenses and the risk of fund disbursement suspension. To this end, the vendor has mobilised non-key experts in capacity building on project management, EDF procedures, financial management, and reporting. Before engaging with the EAC Secretariat, these experts prepare themselves to develop a customised capacity-building program and provide the necessary support.

Customs Specific Objective (SO) 1

Several activities had already been completed. Key among these was the awarding of contracts for Lots 1, 2 & 3, which signalled the commencement of the programme, albeit with some delays. Other activities implemented include a review of requirements for the proposed integration of a regional cargo tracking system, development of the integrated regional customs ICT system (Regional Custom Interconnectivity Integration Solution), review of Single Customs Territory (SCT) procedures and regulations to incorporate regulatory agencies and compilation of data on goods cleared under the Single Customs Territory and operationalisation of the One Stop Border Post (OSBP) Performance tool.

Other activities will commence after the inception report for Lot 2 is submitted. This report serves a supervisory and quality control role over Lot 1 and advises the EAC accordingly.

Trade in Services Specific Objective (SO) 2

Four key activities have been undertaken: convening annual National Trade in Services (TiS) Committee Meetings in each Partner State, holding Regional Trade in Services Committee meetings, developing the EAC Manual for TiS Statistical Reporting, and holding regional meetings to validate and train on the methodology/ Manual for collecting Statistical data.

When seeking to develop the trade in services statistics manual, it was found that guidelines for compiling the balance of payments and international investment positions use the same methodology as envisaged. Accordingly, the focus has shifted to training users to apply the guidelines.

10. DATE OF STEERING COMMITTEE

The meeting agreed that this would be discussed internally and communicated to relevant stakeholders. However, the meeting would take place in person and last 1.5 days.

11. DATE OF NEXT MEETING

The meeting agreed that the next TC meeting will be held in May, but the exact date will be confirmed. However, it will be a virtual meeting.

The meeting also recommended that the TC and RSC meetings be held at appropriate intervals to allow for the implementation of any actions or decisions.