



Republic of Kenya

PARLIAMENT
OF KENYA

Ministry of the East African Community

Responsive Regional Integration

Strategic Plan

2008-2012



The Popular – Shorter Version



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Responsive Regional Integration



Strategic Plan

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© **Government of Kenya**
Ministry of The East African Community
Co-operative Bank House
16th- 19th Floor
Haile Selassie Avenue
P.O. Box 8846-00200
City Square
Nairobi, Kenya

Tel: +254-2025324

Fax: +254-020-2229650

Email: ps@meac.go.ke

Website: www.meac.go.ke

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Acronyms

AEC	African Economic Community
AIDS	Acquired Immuno-Deficiency Syndrome
AU	African Union
COMESA	Common Market for Eastern and Southern Africa
CPU	Central Planning Unit
CPMEU	Central Planning Monitoring and Evaluation Unit
DANIDA	Danish International Development Agency
DFID	Department for International Development
DRC	Democratic Republic of Congo
EA	East Africa
EAC	East African Community
EAC-IN	East African Community Implementers Network
EAC-TTT	East African Community Technical Think Tank
EACSO	East African Common Services Organisation
EACJ	East African Court of Justice
EALA	East African Legislative Assembly
EPAs	Economic Partnership Agreements
GDP	Gross Domestic Product
GTZ	German Technical Corporation
HIPC	Highly Indebted Poor Countries
HIV	Human Immunodeficiency Virus
ICTs	Information, Communication Technologies
IEC	Information, Education and Communication
IGAD	Inter-Governmental Authority on Development
JICA	Japan International Corporation Agency
KV 2030	Kenya Vision 2030
LVBC	Lake Victoria Basin Commission
LVFO	Lake Victoria Fisheries Organisation
MDGs	Millennium Development Goals
MEAC	Ministry of the East African Community
M&E	Monitoring and Evaluation
MAC	Ministerial Advisory Council
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
NTB	Non-Tariff-Barriers
PA	Policy Analyst
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
RB	Results-Based
RICs	Regional Integration Centres
SADC	Southern Africa Development Community
SIDA	Swedish International Development Agency
SWOT	Strengths, Weaknesses, Opportunities and Threats
UNDP	United Nations Development Program
USAID	United States Agency for International Development

Definition of Key Terms

Assembly:	The EALA established by Article 134 of the Treaty.
Bill:	The EALA Bill.
Civil Society:	A team of organized social life that is voluntary, self-generating, self-supporting, autonomous from the state, and bound by a legal set of shared rules.
Common Market:	Partner States markets integrated into a single market in which there is Free Movement of Capital, Labour, Goods and Services.
Community:	The East African Community as established by Article 2 of the a Treaty.
Co-operation:	Undertakings by Partner States in common, jointly or in concert, of activities undertaken in furtherance of the objectives of the community as provided for under the Treaty or under any contract or agreement made there under or in relation to the objectives of the Community.
Council:	Council of Ministers of the East African Community established by Article 9 of the Treaty.
Court:	EA Court of Justice established by Article 9 of the Treaty.
Gender:	Socially defined roles of women and men in society.
Head of Government:	A person designated as such by a Partner State's constitution.
Head of State:	A person designated as such by a Partner State's constitution.
Non-Tariff Barriers:	Administrative and technical requirements imposed by a Partner State in the movement of goods.
Organs of the Community:	Organs of the Community established by Article 9 of the Treaty.
Partner States:	The Republic of Uganda, The Republic of Kenya, The United Republic of Tanzania and any other country granted membership to the Community under Article 3 of the Treaty.
Principle of Asymmetry:	Principle which addresses variances in the implementation of measures in an economic integration process, for purposes of achieving a common objective.
Principle of Complementarity:	Principle which defines the extent to which economic variables support each other in economic activities.
Principle of Subsidiarity:	Principle which emphasises multi-level participation of a wide range of participants in the process of economic integration.
Principle of Variable Geometry:	Principle of flexibility which allows for progression in co-operation among a sub-group of members in a larger integration scheme in a variety of areas and at different speeds.
Private sector:	Part of the economy that is not owned or directly controlled by the State.
Protocol:	Any agreement that supplements amends or qualifies the Treaty.
Secretariat:	Secretariat of the community established by Article 9 of the Treaty.
Sectoral Committees:	Sectoral Committee established by Article 20 of the Treaty.
Sectoral Council:	Sectoral Council provided for under Article 14 of the Treaty.
Summit:	Summit established by Article 9 of the Treaty.
Treaty:	Agreement establishing the EAC and any annexes and protocols thereto.

Foreword

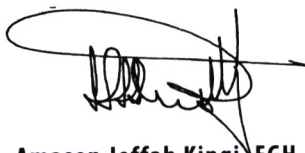
This shortened, popular version of the *MEAC Strategic Plan* for the period 2008-2012 provides an easier summary of the more comprehensive and longer version published concurrently with this one. The Plan outlines the strategic direction the ministry intends to take over the next five years while also spelling out the Ministerial Vision, Mission, Strategic Objectives as well as the Core Values of the Ministry as re-defined in light of input provided by all key stakeholders. This particular Plan marks a departure from the previous one whose focus was predominantly informed by the successful implementation of the *Economic Recovery for Wealth and Employment Creation* and the desire to achieve the Millennium Development Goals (MDGs).

The Strategic Plan takes cognizance of the importance of globalization and how it affects the conduct of economic affairs beyond our Kenyan, national boundaries. Specifically, it focuses on the centrality of Regional Economic Integration as a major plank of our overall economic development. It has fully responded to the guiding long term policy blue-print, the *Kenya Vision 2030* and its first *Medium Term Plan* for 2008-2012 while taking into account the provisions and expectations of the Treaty that established the East African Community.

In a nutshell, the MEAC revised Strategic Plan has adopted a serious and thorough internal re-assessment of the existing capacity of the ministry against the demand to effectively deliver services in all areas of co-operation and has thus proposed major policy actions and re-organisation in order to fully respond to the identified gaps and challenges. It has fully recognised the importance and the role of other government departments and agencies; the Private Sector, Development Partners, Civil Society and the East African public at large, in tandem with the principle of sublimity which expects consultations and decision making to be taken as closely to the people as possible. Policy recommendations on mobilizing additional financial and technical resources, strengthening and streamlining coordination and efficient use of resources are integral to this plan.

It is equally important to single out that a broad based Ministerial Advisory Council (MAC) will be established to bring together key stakeholders. The Ministry's profile will be raised by expanding its outreach programme through the implementation of a more robust, Information, Education and Communication (IEC) policy and strategy. Other key reforms will entail the strengthening of linkages with Kenya's own national parliament and the East African Legislative Assembly (EALA) as important vehicles for the mobilization of citizens and for establishing a rapid response mechanism, both at the Headquarters and in the field, in order to deal with non-tariff measures and administrative barriers.

It is my hope that the Ministry, along with all its stakeholders will deliver on its mandate and ensure that the proper and full political and economic integration of East Africa is realised.



Hon. Amason Jeffah Kingi, EGH, MP
Minister for the East African Community

Preface and Acknowledgements

This version of the *MEAC Strategic Plan, 2008-2012* is intended to provide a shorter summary of the main issues contained in the main version published concurrently. It is to be appreciated that our revised Strategic Plan represents a revision, re-orientation and re-prioritisation of important activities as necessitated by the dynamics of a fast-changing environment both at the national and the regional level in East Africa. Among the more important dynamics has been the felt need to restructure the MEAC in order to enable it respond more effectively to the demands of fast-tracking the vision of regional integration. At the national level, the formation of the Grand Coalition Government in Kenya equally fostered the need to re-define the MEAC's policy priorities in line with those set for tapping into an expanded regional market as a basis for economic growth for the country under *Kenya Vision 2030*.

In accomplishing the task of revising the Plan, I must extend my special gratitude to everyone who made their contribution to the process, beginning first, with the staff of the Ministry, for their dedicated contribution which oversaw this achievement. Very special thanks are due the Hon. Amason Jeffah Kingi, EGH, MP and Minister of the East African Community as well as Hon. Peter Munya, Assistant Minister, MP, both whose guidance and advice helped steer the process to its success. The support, coordination and input of the Ministerial Task Force and Heads of Department are deeply appreciated.

We sincerely thank our various stakeholders who gave valuable comments during and after the Stakeholders Workshop in March 2009. We received useful contributions and comments from various Private Sector organisations and representatives, other government ministries and departments, including especially, the Ministries of Planning, National Development and Vision 2030; Environment and Mineral Resources; Immigration and Registration of Persons; Trade; Lands; Industrialization as well as the Public Sector Reform and Performance Contracting Secretariat.

The Development Partners have continued to work with us in various projects and programmes. Most of these projects and programs capture among others, road infrastructure, transport and communications and community related projects within the Lake Victoria Basin. In particular, we wish to thank DFID, the World Bank, USAID and UNDP -among others- whose support made the process a success. We specifically appreciate the technical and professional support received from DFID throughout the process.

Finally, we thank Corplan Consultants for delivering creative and commendable results within the required time frame. We acknowledge the professional editorial contribution of Dr George Outa, who also helped in crafting this particular version of the Strategic Plan. It is our commitment as a ministry to journey with all our partners and stakeholders in the task of implementing the plans and proposals outlined herein for the sake of our noble regional aspirations as the people of East Africa.



David S.O. Nalo, CBS
Permanent Secretary

Defining the East African Community

The EAC is the regional inter-governmental organisation of the Republic of Burundi, Kenya, Rwanda, Uganda and the United Republic of Tanzania. These EA countries cover an area of approximately 1.85million Square Kilometres. They equally hold a population of approximately, 120 million people who share a common history, language, culture and infrastructure. Across the geographical borders, they share common climatic conditions, trade and agricultural practices, social set-ups and even overlapping administrative structures. These characteristics key to human development, provide the Partner States with a unique framework for regional co-operation and integration. Against the background of a combined Gross Domestic Product (GDP) of approximately US\$ 41billion, economic factors have taken centre stage and the urgency for integration cannot be ignored. The land locked partner states of Uganda, Rwanda and Burundi can, as a result of the integration, exploit their economic potential which is inherently linked to the particular interests and conditions of ocean-fronting Tanzania and Kenya.

Cooperation History and the Establishment of Kenya's MEAC

East Africa has a regional cooperation history running for more than a century. The land marks then included a customs union operated between Kenya and Uganda as early as 1900, later joined by Tanganyika in 1922. The East African High Commission also existed between 1948 and 1961. This was followed by the East African Common Services Organisation from 1961 to 1967. The former East African Community was formed in 1967 but collapsed in 1977. Thus the people of East Africa enjoyed a system of co-operation in the region from the 1900's up to 1970's before the collapse of the former EAC in 1977. Resulting therefrom, the interests of Partner States were put under a Permanent Tripartite Commission. In Kenya, these were put under the custody of the Ministry of Planning and National Development from 1993 to 1997. Thereafter, the functions of the former EAC were transferred to the Office of the President, as the department of East African and Regional Co-operation which also handled the issues of the COMESA until 1998.

However, in 1998, the Government established a fully fledged Ministry of East African and Regional Cooperation mandated to coordinate the affairs of the EAC, COMESA and IGAD. In 1999 the Ministry's functions were transferred to a department within the Ministry of Tourism, Trade and Industry. In February 2003, the department was transferred to the Ministry of Foreign Affairs until July 2004, when the Ministry of East African and Regional Co-operation was re-established. In 2006, it was renamed the Ministry of East African Community (MEAC).

Operationally, the MEAC formulated its first development strategy, the MEAC Strategic Plan 2007-2012, which guided the Ministry's functions in 2007-2008 before this review and alignment to the national Kenya Vision 2030 and its First Medium Term Plan (MTP). Such national level regional integration planning instruments must aspire and be reviewed on account of good fit into the EAC overarching objective of spurring economic growth and development in order to alleviate poverty and to improve the quality of life for the people in the Eastern African region. Specific alignment should be on account of the overarching goals for partner states as therein formulated. A review of its year one of implementation shows that the formulation was inconsistent with the principle of sublimity thereby making the plan ineffective in its intended contribution to the EAC integration process as well as accruing benefits to the nation.

Kenya Vision 2030 and the Ministry's Strategic Objectives

This Strategic Plan has taken into account both the complementarities and the divergences with Kenya's long-term national policy blueprint, now well known as Kenya Vision 2030, (KV 2030) and especially its first five-years, Medium Term Plan (MTP, 2008-2012). Under the MTP the objective is to realise a higher, and sustainable growth of the economy in a more equitable environment, accompanied by increased employment opportunities. More importantly, the overriding vision is for, "a newly industrializing middle income country providing a high quality of life to all its citizens in a clean and

secure environment.” This national vision, somewhat, reflects the various EAC goals for all the Partner States as formulated under Article 5 sec. 3(a) to (h) of the Treaty.

A noted divergence has however been in terms of the exclusion of key EAC milestones in the KV 2030 policy document, as well as the challenge of inadequate resource allocation which makes it difficult to guarantee effective implementation of the key milestones under the regional agenda. Indeed, the EAC Development Strategy (2006-2010) pillars were not aligned to the KV 2030 pillars. The detailed MEAC strategic Plan therefore attempts to fill in some of the noted gaps by promoting macro-economic and other linkages as based on the broader EAC Vision and MEAC’s strategic goals and objectives, in order to complement the national development aspirations while also securing the all-important regional integration agenda.

EAC’s Institutions and Areas of Operation

The main institutions of the EAC are the Summit of Heads of State and Governments; Council of Ministers; the Coordination Committee; Sectoral Committees; East African Court of Justice; East African Legislative Assembly; and the Secretariat. The composition and functions of each of these institutions and their respective goals and objectives are clearly spelt out in the EAC Treaty. To expand the regional programmes, other institutions of the EAC have since been established, including the Lake Victoria Basin Commission (LVBC) and the Lake Victoria Fisheries Organisation (LVFO). Additional commissions so far established include the East African Science and Technology Commission, Health Research Commission, the Inter-Universities Council for East Africa, Kiswahili Council Commission, and the Civil Aviation, Safety and Oversight Agency (CASOA) and the East African Development Bank.

The EAC Treaty stipulates 17 areas of cooperation (60 elements) within which the spread of 6 cooperation pillars, 4 cooperation milestones and 6 cooperation drivers are incorporated. Admittedly, these areas of cooperation place a significant burden on the Ministry of East African Community in terms of coordination and implementation. This has been achieved through negotiated protocols. To date, 11 of these have been concluded and 6 are still being negotiated.

The EAC operates on the basis of a five year development strategy which spells out the policy guidelines, priority programmes and implementation schedule hence, of central reference to the

coordination functions of the ministries in charge of EAC affairs in all the Partner States. While striving for greater co-operation among the Partner States, the EAC also collaborates with other African organisations in the spirit of the Abuja Treaty for the eventual establishment of the African Economic Community. Such organisations include African Union (AU), Common Market for East and Southern Africa (COMESA), Intergovernmental Authority on Development (IGAD) and the Southern Africa Development Community (SADC).

The Vision of the EAC

The Treaty for the establishment of the EAC was signed on 30th November, 1999 and came into force on 7th July, 2000, following the ratification by the initial three original three Partner States of Kenya, Uganda and Tanzania. The Republic of Rwanda and the Republic of Burundi acceded to the EAC Treaty on 18th June, 2007 and became full members of the EAC with effect from 1st July, 2007. The EAC headquarters are located in Arusha, Tanzania. Under the Treaty the overriding vision of the Community is to have *“a prosperous, competitive, secure and politically united East Africa”*.

The Mission of the EAC

The EAC Mission is to widen and deepen economic, political, social and cultural integration in order to improve the quality of life of the people of East Africa through increased competitiveness, value added production, trade and investment. This will take place in many areas of politics, economics, society, culture, health, education, science and technology, security and law. It will start with the pursuit and achievement of the Customs Union. The community will then develop through the stages of a Common Market, Monetary Union and then to the realisation of the Political Federation of the East African States.

Engaging the Private Sector and Civil Society in the EAC

As a key consideration and out of emerging global realities, the participation of the private sector and civil society will also be enhanced and strengthened. A central emphasis will be on the promotion of good governance, including the adherence to principles of democracy, rule of law, accountability, transparency, social justice, equal opportunities and gender equality. Ultimately, there will be the promotion of peace, security and stability within the region and good neighbourliness among the Partner States.

Introduction

This chapter provides an extended appraisal of the current status of the Ministry of East African Community. It contains the fundamental statements, including the Mission, Vision, Core Values as well as a synthesis of the PESTEL, SWOT and stakeholders analysis. It summarises all the key issues carried in chapters two and three of the main MEAC Strategic Plan, 2009-2012.

MEAC's Vision Statement

The MEAC's Mission statement has been formulated thus:

"To have a deepened and widened East African integration for improved livelihoods and sustainable development of Kenya"

MEAC's Mission Statements

MEAC's Mission Statements are:

- *To facilitate, coordinate and oversee the development, monitoring and evaluation of the implementation of EAC policies, projects, and programmes for effective integration.*
- *To promote partnerships, liaison and maintain linkages with all stakeholders on EAC matters for maximised benefits.*

MEAC's Core Values

The Ministry's Core Values have been carefully considered. It is expected that the Ministry will uphold the following seven core values:

Table 1: Ministerial Core Values

	MEAC's Core Values	Description
1	Teamwork	Participatory approach in discharging the mandate of the Ministry
2	Commitment	Being an effective agent of the East African regional integration, with people at the centre of all related efforts
3	Professionalism	Maintaining high-level professionalism through continuous skills development and training
4	Accountability	Commitment to discharging our mandate in an accountable manner
5	Transparency	The endeavour to be transparent in serving the government and all other nationalities
6	Integrity	Openness in conducting our affairs and being, devoid of corrupt practices while executing our mandate
7	Equity	Commitment to treat all members of staff fairly and to recognise their contribution in the discharge of the ministry's mandate, and to mainstream government policies on gender, the physically challenged, and the HIV/AIDS pandemic in our activities

Statement of Principles

MEAC's achievement of the objectives articulated in its Strategic Plan 2008-2012 shall be governed by the following, six fundamental principles:

Table 1: Ministerial Principles

MEAC's Principles	Description
Principle 1	Mutual trust, political will and sovereign equality
Principle 2	Peaceful co-existence and good neighbourliness
Principle 3	Peaceful settlement of disputes
Principle 4	Good governance including adherence to democracy, the rule of law, social justice, gender equality, as well as recognition, promotion and protection of human and peoples' rights
Principle 5	Equitable distribution of benefits
Principle 6	Co-operation for mutual benefit.

Value Proposition

The Ministry will subscribe to the following value-proposition:

A vibrant, professionally managed, people-centred public agency, coordinating with relevant stakeholders and having a clear focus Kenya's regional integration for improved livelihoods, sustainable growth and national development.

Ministry's Mandate and Core Functions

The ministry's mandate and core functions are derived from the presidential circular No.1 of May 2008 which charges the ministry with the following responsibilities:

- Policy on East African Community
- Coordination of government participation in the East African Community meetings and institutions
- Coordination of the Implementation of East African Community regional programmes
- Implementation of the East African Treaty
- Promotion and fast tracking of East African integration

The core functions of the Ministry are:

- To facilitate, oversee and coordinate the planning and direction of national policies and resources to create conditions favourable for the development and achievement of the objectives of the East African Community and implementation of the provision and protocols of the EA Treaty.
- To facilitate, coordinate and oversee the negotiations pertaining to the areas of the East African co-operation, particularly the stages of Customs Union, the Common Market, the Monetary Union and finally the Political Federation.
- To facilitate, coordinate and oversee all EAC regional integration projects, programmes and activities under sector-specific government agencies.
- To enhance the Ministry's capacity to effectively perform its functions and create due EAC integration awareness for the benefit of all Kenyans.
- To facilitate, coordinate and oversee the national participation in the fast tracking of integration process and in further EAC integration into other regional economic groupings.
- To coordinate, facilitate and oversee the national abstinance from measure likely to jeopardise the achievements of the EAC objectives or the implementation of the provisions of the EA Treaty, complete with the resolved protocols.

Policy Priorities

Given its mandate, MEAC is responsible for the coordination of the implementation of the EAC Treaty. The policy priorities are therefore based on the six areas, including:

- Deepening and widening the EAC areas of cooperation;
- Developing integrated EAC areas of cooperation policies;
- Enhancing support for the areas of exchange on EAC;
- Establishing an EAC area of cooperation data base;
- Publicising and ensuring awareness of EAC areas of cooperation activities.
- Promoting ICTs usage in the EAC areas of cooperation.

The MEAC's Achievements at a Glance

The ministry's achievements so far include the following:

- Successful completion of the consultative process of the East African Political Federation- 2006/07 (with a budget of KShs. 84 Million);
- Successful coordination and hosting of the Somalia Peace process 2004/05 (with a budget of KShs. 284 Million);
- Successful coordination of the ratification and establishment of the East African Customs Union (implementation placed at 95 percent);
- Continued facilitation of the EAC Common Market negotiations (2007/08) (accomplished level placed at 90 percent);
- Enhanced Ministerial capacity, in terms of recruitment and training of initial staff required;
- Improved sectoral coordination through inter-ministerial committees that prepare better quality position papers;
- Establishment of initial mechanisms of monitoring NTBs and establishment of the National Steering Committee on NTBs.
- Effective and sustained participation in the negotiations in the EAC Common Market Protocol- 90 percent protocol provisions successfully negotiated;
- Negotiating the hosting of LVBC in Kisumu;
- Commencement of the Namanga-Athi River Road Project;
- Increased Private Sector involvement in EAC Matters;
- Ratification of several EAC Protocols. (The Treaty for the establishment of the EAC was signed on 30th November, 1999 and came into force on 7th July, 2000, following the ratification by the initial three original Partner States of Kenya, Uganda and Tanzania. The Republic of Rwanda and

the Republic of Burundi acceded to the EAC Treaty on 18th June, 2007 and thereafter, turned into full members of the EAC with effect from 1st July, 2007);

- Continued implementation of the Customs Union protocol;
- Successful coordination of the EAC-EC-EPA negotiation process.

Expected Outputs, Outcomes and Impact

The Ministry also expected to deliver specific outputs and outcomes as well as have some longer lasting impact as follows. The expected outputs will include, strengthened capacity to coordinate, facilitate and oversee the EAC integration process; consolidation of the EA customs union; the establishment of the EA common market; laying of the foundation for the EA Monetary Union; setting the foundation of the EA Political Federation; EA cooperation on Political, Defence and Security matters; recognition of cross-cutting measures on EA and regional integration; effective sectoral measures for EA integration; equitable positioning of EAC organs and institutions as well as, increased awareness and participation of Kenyans in the EA integration process.

The outcomes will include, increased trade and investments; increased GDP growth; increased financial transactions, improved livelihoods; improved infrastructure; improved competencies; improved peace and security; sustainable growth and development, as well as social and political harmony.

It is expected that the impact will be seen in terms of accelerated, harmonious, balanced development as well as sustained expansion of economic activities whose benefits are equitably shared.

The results of the SWOT analysis are summarised as hereunder:

The Internal Environment

Table 3: Swot Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • A knowledgeable leadership, well versed in management and with experience in diplomacy, regional and international issues; • Vertical and horizontal linkages with the organs and institutions of the EAC, line Ministries, sectors and stakeholders; • A conducive working environment; • A culture of team work; • Dedicated and motivated staff; • Adequate equipment and ICT facilities; • Strategic position of being central to the EAC communication; • Strategic value in the support of ministers and legislators. 	<ul style="list-style-type: none"> • Insufficient number of technical staff; • Disturbances due to transfers of technical staff by the various administrators of the schemes of service; • Lack of documentation and data for East African Community activities; • Low level of public awareness on East African Community issues; • Weak customer care; • Inadequate use of Information Communication Technology; • Lack of a general policy to guide the regional integration process; • Inadequate facilitation processes of funding; • Inadequate coordination and oversight framework; • Inconsistent responsibility structures and channels in EAC operational information; and • Lack of proactive and informed approach to the integration process.

PESTEL and SWOT Analysis

In preparing this Strategic Plan, the Ministry has undertaken a scan of the Political, Environmental, Social, as well as, Technological, Economic and Legal factors—otherwise known as a PESTEL analysis. It has also undertaken a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis in terms of both the internal and the external environment. The PESTEL analysis acknowledges various positive political developments in the region, including the expansion to include Burundi and Rwanda as members of the EAC. In general, the integration process is based on the fundamentals of the rule of law with the EALA exercising its legislative responsibility and, promoting good governance. Economically, the 120 million-strong population with a prospective US\$ 41 billion in GDP as well as the Kampala summit's resolution for an African Economic Community representing a 537 million population and a combined GDP of US\$ 624 are significant. Socially, the EAC has seen great strides with the establishment of various commissions and the strengthening of the Inter-University Council for East Africa. Further, the negotiations of the Protocol on Free Movement of Persons, labour, services, rights of establishment and residence are being undertaken. It is acknowledged however that inequalities on various accounts of human life still persist both in the country and the region with social ills such as HIV/AIDS still posing a major threat to socio-economic development. The spread of Information and Communication Technologies (ICTs) across the East African region has been quick and an essential boost to the economic development, democratisation, social growth, cultural progress, globalisation and competitiveness with diversity. The challenge ahead is to harness the huge potential of ICTs and to cope with the fast growth in usage. Environmental protection, conservation and overall sustainable management is also to be given due consideration in the integration process.

The External Environment

Opportunities	Threats
<ul style="list-style-type: none"> Political goodwill from the leadership of EAC Partner States; Underutilized trade and investment opportunities in the East African Region; Support of donors, development partners and other agencies; A rich agricultural and natural resource base with a burgeoning industrial sector; Political stability within the East African region which is conducive for trade and investment; A large market of about 120 million people; A combined GDP of US\$ 41 billion; Increased remittance inflow from the diasporas; A vibrant entrepreneurial citizenry; A pro-active and knowledgeable Civil society; A strong Public and Private sector partnership; Kenya's strategic location with a well developed transport and communication network including a natural port, a regional, air transport hub; Skilled human resource base; Convertibility of currencies within EAC; A well-developed print and electronic media network; A well-developed banking and financial market sector; A liberalised economy (foreign exchange regime, financial services, etc); A rich cultural heritage; Well developed Research and Development institutions; Position as a premier tourist destination in the world; A vibrant and fast growing ICT sector. 	<ul style="list-style-type: none"> Uncertainty in the sub-regional integration process due to perceived fear of loss of national sovereignty, loss of revenues and unemployment; Multiple membership of regional economic blocs; The HIV/AIDS pandemic and its negative impact on the economy; Perceived prevalence of corruption in governance; Poor succession management; Slow implementation of decisions affecting integration by member states in the EAC; Insecurity and the rise of global terrorism; Categorisation of Kenya as a developing country and the other Partner States as Least Developed Countries (LDCs) and Highly Indebted Poor Countries (HIPC); Susceptibility of region to drought, floods and other calamities; Delays by member states to meet their financial obligations to run the EAC secretariat; More than 56% of the population of the region living below the poverty line; Poor infrastructure; Labelling of Kenya and Uganda as being among the 20 weak or failing states in Africa; Proximity to failed state of Somalia and the up-scaled piracy activities; Rebel activities in Uganda and the neighbouring DRC; Post implementation deficiencies emerging from the EAC treaties.

MEAC's Stakeholders

The MEAC's linkage with its broad array of stakeholders is summarised and presented in the table 4 below:

Table 4: Stakeholder Linkages

Stakeholder	Stakeholder Expectation	MEAC's Expectation
People of East Africa	<ul style="list-style-type: none"> Improved living standards Free movement within East Africa Peace and security Promotion of sustainable utilisation of natural resources Single currency Federal State Employability within East Africa Timely and effective service from staff Information 	<ul style="list-style-type: none"> Participation in sensitisation Meetings Participation in new trade opportunities in East Africa Seek of employment anywhere in East Africa Willing tax payers to the federal government Custody of the natural and cultural resources of East Africa Strengthen Kiswahili as a linguafranca
The Summit	<ul style="list-style-type: none"> Fast-tracking the Political Federation 	<ul style="list-style-type: none"> Sustenance of political will Give general direction to the objectives of the EAC
The Council of Ministers	<ul style="list-style-type: none"> Implementation of Council Decisions 	<ul style="list-style-type: none"> Give policy direction Approve budgets
Coordinating Committee	Harmonise and coordinate sectoral meetings	<ul style="list-style-type: none"> Direction on sectoral programmes and projects

Stakeholder	Stakeholder Expectation	MEAC's Expectation
The EAC Secretariat	<ul style="list-style-type: none"> • Timely funding • Coordination of sectoral meetings • Facilitation • Harmonisation 	<ul style="list-style-type: none"> • Efficient and effective implementation of policies, the Treaty and protocols • Mobilisation of project funds • Hire and fire personnel • Draw up calendar of activities
EALA	<ul style="list-style-type: none"> • Provision of relevant technical information • Coordination and Facilitation 	<ul style="list-style-type: none"> • Enact relevant laws and budget
EACJ	<ul style="list-style-type: none"> • Coordination and provision of Linkage to national justice system and institutions 	<ul style="list-style-type: none"> • Arbitration and interpretation of the law and settle disputes • Enforce the rule of law
Other EAC Institutions	<ul style="list-style-type: none"> • Coordinate the relevant sectors for decision making 	<ul style="list-style-type: none"> • Implement Council Decisions
East African Business Council and other Private Sector organisations	<ul style="list-style-type: none"> • Provide appropriate fora for their contribution to the deliberations on the relevant trade, investments and customs protocols and laws • Provide information, guidelines, policies, laws and protocols to facilitate trade and investment in the EAC • Facilitate the organisations of fairs and exhibitions as well as participation in such events • Facilitate the development of the infrastructure necessary for development of trade • Make it easy for them to acquire licence business • Create a conducive business environment 	<ul style="list-style-type: none"> • Create wealth and employment • Manufacture goods • Provide services • Make East Africa a competitive global market • Attract investors to East Africa • Buy East African, build East Africa • Create equal opportunities for all East Africans regardless of gender, ethnicity, regionalism, etc.
East African Youth Forum-Kenya Chapter African Youth Trust-Kenya Chapter	<ul style="list-style-type: none"> • Incorporate youth issues in the EAC programmes • Provide youth with relevant information and opportunities in East African region 	<ul style="list-style-type: none"> • Take up the opportunities provided, participate in national youth service at regional level, participate in sports and cultural exchange in East Africa , participate in intra- or inter-regional youth forums and jamborees
East African Women's Organisations	<ul style="list-style-type: none"> • Incorporate gender equity in the EAC programmes and projects • An enabling environment to participate fully in the East African Economy • Education for all • Affirmative Action 	<ul style="list-style-type: none"> • To participate fully in the economy as entrepreneurs including across federal external borders • Strengthen federal institutions
Employees and Senior Staff	<ul style="list-style-type: none"> • Appreciation of their effort • Conducive working conditions • Relevant skills development • Career advancement 	<ul style="list-style-type: none"> • Commitment • Performance
National Parliament	<ul style="list-style-type: none"> • Technical and professional input • Efficient and accountable utilisation of funds • Coordinate linkages with EALA 	<ul style="list-style-type: none"> • Harmonising national laws with EAC laws • Approval of adequate funding • Enactment of relevant legislation
Centres of Excellence	<ul style="list-style-type: none"> • Recognise their contribution as Centres of Excellence • Support facilitation • Help them maintain standards 	<ul style="list-style-type: none"> • Deliver quality service • Serve all East Africans as regional • Serve all regionally and globally • Attract best brains - be self sufficient in funding
Observer Groups	<ul style="list-style-type: none"> • Invite them and engage them in programmes and projects • Respond to enquiries 	<ul style="list-style-type: none"> • Facilitate their having Associate/ full Membership

Stakeholder	Stakeholder Expectation	MEAC's Expectation
<i>Media</i>	<ul style="list-style-type: none"> Catalyse and give positive reports on EAC Engage, involve them and invite them to give constructive criticism 	<ul style="list-style-type: none"> Participate in affairs of EAC Sensitise the public in affairs of the Community Seek association on full membership
<i>Line Ministries/Other Government institutions</i>	<ul style="list-style-type: none"> Effective coordination of sectoral activities 	<ul style="list-style-type: none"> Effective participation in all sector meetings Funding of EAC Sectoral programmes and projects Professional input and policy direction as appropriate input Provision of relevant information and data
<i>NGOs/CSOs/CBOs</i>	<ul style="list-style-type: none"> Facilitate their full participation in EAC Matters 	<ul style="list-style-type: none"> Contribute to policy formulation on EAC Matters; Participate and support the sensitisation and advocacy on EAC Integration
<i>Research Institutions</i>	<ul style="list-style-type: none"> Provide research needs and indicate information gaps 	<ul style="list-style-type: none"> Provide information to guide policy formulation
<i>Partner States</i>	<ul style="list-style-type: none"> Facilitation of all the fora Implementation of the protocols To communicate clear country positions on matters pertaining to EAC. 	<ul style="list-style-type: none"> Ratify appropriate Treaties and protocols Consistence and clarity on policy Reciprocity
<i>Development Partners</i>	<ul style="list-style-type: none"> Genuine partnership based on trust and mutual respect 	<ul style="list-style-type: none"> Mutual benefit; win-win
<i>Other Regional Economic Blocs (COMESA, SADC, etc)</i>	<ul style="list-style-type: none"> Harmonise our projects, programmes and policies with theirs towards the realisation of the African Union (AU) 	<ul style="list-style-type: none"> Dialogue, information sharing, exchange of views and high level visits, realisation of AU towards international integration

Situational Analysis and MEAC's Priority Agenda

The EAC regional integration agenda is best presented in Article 5(2) of the Treaty wherein the Partner States undertook to establish among themselves, a Customs Union as the entry point to the Community, a Common Market; subsequently a Monetary Union and ultimately a Political Federation in order to strengthen and regulate the industrial, commercial, infrastructural, cultural, social, political and other relations of the Partner States. MEAC's facilitative, coordinative and oversight role ensures that Kenya undertakes its due responsibilities in the realisation of the objectives of the EAC's integration processes. The Summit and Council decisions serve to review the timelines and upscaled approaches to ensure focused success. Each priority area is briefly discussed here below.

Completion of the Implementation of the Customs Union Protocol

Currently the protocol on the establishment of the EAC Customs Union is on the last of its 5 year implementation period. Kenya's continued focus will be on promoting policy harmonisation and convergence. The consolidation of the Customs Union

will ensure that investments are harmonised, transparent, enacted into law and are available to all enterprises on the same terms. As a nation, Kenya will adopt a common code of conduct for investment incentives and company income taxation. It will harmonise the process of moving away from discretionary tax exemptions towards transparent tax and investment laws. Also to be harmonised will be the revenue systems, customs administration and customs procedures with a view to realising the full benefits of the Customs Union. It will also be critical to simplify and disseminate the Customs Union Protocol and the Customs Management Act, both of which Kenya's compliance averaged at 95percent. MEAC will lead a national campaign at awareness creation and establish a feedback loop as to the translation of the achievements in this regard to the benefit of Kenyans.

Establishment of an East African Common Market

The EA Common Market will entail the free movement of persons, labour, services, goods, rights of establishment and residence, ending up with a single market of about 120 million consumers with no internal frontiers. This will catalyse economic growth for Kenya and the region at large. The negotiation on the EAC Common Market Protocol

initially timed for conclusion in December 2008, has been moved further to bring on board various stakeholder's interests and views. The 4 pending areas include articles that relate to free movements of persons, the right of establishment, the right of residence and permanent residence. In this regard, Kenya, just like other Partner States will have to address the challenge of the need to share sovereignty, at regional level for purposes of policy formulation, planning and taxation.

Laying the Foundation for the East African Monetary Union

All EAC countries have reported increased revenues since the operations of the EAC Customs Union were effected. Consequently, the mood is upbeat as the region has greatly advanced towards the conclusion of negotiations on the protocol on the establishment of the EA Common Market. Along with this comes the urgency for the establishment of monetary stability within the community, through Partner States cooperating in monetary and financial matters. In this regard, the fundamentals include, co-operation on monetary and financial matters, and maintenance of convertibility of currencies; harmonisation of macro-economic policies, especially in exchange rate, interstate, fiscal and monetary policies, together with macro-economic co-ordination within the community; banking and Capital Market development; the removal of obstacles to the free movement of capital; Institutional and legal frameworks for monitoring progress in monetary integration as well as the formation of the Monetary Union. In Kenya, the preparatory levels at addressing these fundamentals have been broadly guided by the participation of the Central Bank of Kenya. MEAC will extend its coordination, facilitation and oversight role towards this area through proactive, analytical and participatory engagement.

Laying the Foundation for Establishing the East African Political Federation

The determination of EA regional issues and the pace of its integration process, is strongly believed, would be more expeditious if they were conducted within a clear, definite and enabling, political framework. Consequently, the EAC has embarked on preparatory work indicated by the establishment of organs and institutions such as, EALA,

EACJ, the Defence Liaison Office, coordination of foreign policy, and coordination of monetary and fiscal policies, all of which relate more, to political federation than to the current stage reached in the integration process.

The preparatory work for Kenya in this regard will include, the stimulation of deep awareness and participation of its nationals; informing and/or updating its public on the activities of the EAC, hence facilitating their participation in determining the issue of political federation; guiding nationals in debating with those of other Partner States on the type of federation they would want and when they wish to have it; sensitising Kenyans on the perceived fears arising out of forming a political federation and collecting views on the political federation from a wide cross-section of stakeholders.

Cooperation in Political, Defence and Security Matters

It is a generally acknowledged fact that peace and security are the prerequisites for social, economic and political development. East Africa's post-independence experience is abundant with lessons underlying the virtual interface between peace and security and pursuit of development. Kenya's early 2008 post-election experiences clearly demonstrated the wipe out effect the absence of the two can occasion, on the development gains of a nation as well as the costly recovery process. Articles of the EAC Treaty have provisions for areas of cooperation in all these respects, and have since influenced policies and led to memoranda of understanding, some of which are under review for upgrading into protocols. The EAC strategy on peace and security put together in 2006 should be effected towards achievement of its stated goals.

The EAC protocol on early warning is under negotiation, along with a framework for disaster management and preparedness, and a strategy for anti-terrorism. There is also enhanced cooperation of police and customs authorities in combating illegal cross-border crime. The MEAC will invoke its facilitation, coordination and oversight role in ensuring Kenya's participation and involvement especially in the aspects of early warning mechanisms to avoid future recurrences of its post election experiences.

Cross-cutting Priority Intervention Areas

With the launch of the Lake Victoria Basin Commission in 2007, resulting from the protocol on the sustainable management of Lake Victoria, priority will be accorded to its development programmes guided by the objective of enhancing the supply capacity in the region through development of Lake Victoria as a shared natural resource. A further key factor in the development and competitiveness of the regional economies is innovations in technology which lead to wealth creation and improved livelihoods. Food security, energy, water, transport, communications, infrastructure and human resources development often require scientific and technological solutions. Human resource development elevates the level of productivity and reduces poverty through developing and utilising human capabilities.

The HIV/AIDS pandemic continues to pose a threat to sustainable development in the region. This calls for a radical scaling up of innovative responses all of which must assume a regional scale for desired results to be realised. In order to promote the role of key stakeholders in regional integration it is vital that various associations, networks and strategic alliances are established, and modalities of collaboration and participation are designed to enable various actors to exchange information, and organise their participation in shaping the integration process. In order for participation to take root and be effective, there is need to raise the public awareness of the EAC and address the entrenched national sovereignty and to gradually cultivate a sense of being East African.

EAC Partner States have existing regional cooperation agreements and arrangements that bind them. Such exist with the African Union (AU) and NEPAD, and regional groupings like COMESA, SADC and IGAD, drawing from the Lagos Plan of Action and the Abuja Treaty, which sees regional groupings as the building blocks of the African Economic Community. The principle of variable geometry in this regard, accommodates fast tracking implementation of various aspects of cooperation envisaged under the larger integration schemes – indeed being a competitive advantage for the EAC worth pursuing. At the global level, the agenda for the WTO, the Cotonou agreement between the EU and ACP countries (EPAs) as well as the USA's Africa

Growth and Opportunity Act (AGOA) will provide key challenges and opportunities to Kenya. MEAC will conduct in-depth analysis of the opportunities so availed and guide the nation and its people's involvement.

Sectoral Priority Interventions

At sectoral levels there will be need to focus on measures that spur investment in growth and competitiveness of the productive sectors (agriculture, industry, tourism and wildlife). The same sectors are equally a basis for the livelihood of the people in Kenya and the entire East African region. They address the problem of low productivity, unemployment and food security. The performance of the industrial sector in East Africa, both in terms of growth and structural change has been poor. Indigenously owned SMEs have started expanding business in Kenya and the EA region. They are known for their potential for employment creation and income generation for the relatively poor. Hence, they should be targeted for promotion as part of the overall industrialisation strategy patronised by MEAC. Tourism efforts in the region are complimentary to each partner state, making a clear case for working together and maximising gains as the agreed principle. Further, Partner States recognise the need for environmental management and economic utilisation of natural resources for sustainable development, as well as for reducing threats to human health and ecosystems. Taking clear steps at bridging the infrastructure gaps, has a direct impact on deepening integration through sharing production, management and operation of infrastructural facilities, hubs and development corridors. Strategic regional infrastructure interventions are key to attracting investments into Kenya and the region, improving competitiveness and promoting trade.

The improvement of the quality of life and social wellbeing of the Kenyan people is guided by the provision, affordability and access to good health services. As life quality improves, people of the region fully engage in the production processes. Increased productivity and coping with competition will require improved literacy levels known still to be very low. As this happens, the quality of education will be attended to and harmonised along with the training system. The transformation in urban life against the background of rural-to-urban transition, will lead to demand for urban development and up scaled housing.

Enhancement of the Institutional Capacity of MEAC

There is a mismatch between EAC's task outlined by 17 areas of cooperation composed of 60 key elements, 6 pillars of cooperation, 4 milestones and 6 drivers with the MEAC's current organisational structure. The overstretched capacity is equally tasked to respond to the 13 sectoral councils, a requirement that they facilitate, coordinate and oversee 13 national ministries leading to inadequacy in delivering the mandate. The offshoot has been a reactive culture made worse by lack of a rapid response framework. The absence of the technical know-how to undertake upfront analysis which in turn informs the Ministry's gainful facilitation, coordination and oversight has not made the situation any better. The Ministry has continuously experienced a low-level funding averaged at KShs. 400m wholly attributable to recurrent expenditure. Against government funding policy and practise, the MEAC is possibly the only ministry without funds allocated for development expenditure. Approached from the principle of cost sharing, this has disabled the Ministry's ability to pursue and attract development partnerships.

The MEAC has consistently served without having in place a robust results-based implementation, monitoring and evaluation system. Its Performance Status Index of 2.4330 for the year 2006/07 placed it at position 21 out of 37 ministries. A preliminary evaluation of its performance during the year 2007/08 established a performance status index of 2.3511 thereby showing a slight improvement. In this regard, it is highly disadvantaged by the lack of a development expenditure allocation from treasury without which it lacks a strong basis for seeking external development support, often approached on a partnership platform. This isolates the ministry to a stand-alone 4 out of 5 measures under the financial criteria as is the case with the other competing ministries.

On a regional scale, the citing of EAC organs and institutions has not been equitable. Kenya hosts only one institution whereas Uganda and Tanzania has four and three respectively, Rwanda and Burundi being new entrants have none. The lack of standards, policies, laws and regulations that specifically address EAC integration issues in the national arena have not helped the situation under which the ministry has tried to serve.

All these factors have highly compromised the Ministry's ability in executing its mandate. It is however to be appreciated that the current MEAC leadership has been able to initiate a fruitful partnership arrangement with DFID which is at an advanced stage at the time of the preparation of this plan.

Beneficial Involvement of Kenyans in the EAC Integration

The operational principle of people-centred and market-driven corporation, as well as that of equity and variable geometry guides the practical achievement of the MEAC's objectives. These principles are effectively executable upon greater involvement of the people within Kenya and the region. Various rapid assessments have demonstrated low levels of awareness hence low participation by the people. Of equal concern is the lack of established channels for transfer of information and availing of opportunities towards the beneficial participation of Kenyans. Indeed, in non-core business sectors, the EAC integration has been considered as belonging to the elite group. It is further noted that the eventual beneficiaries upon successful integration, will be the current youth. Programmes including those that can incubate youthful entrepreneurs are overdue for development and country wide implementation.

The Strategic Issues and Objectives

The detailed formative analysis in the previous chapter has provided the necessary basis upon which strategic issues have been generated, prioritised and corresponding strategic objectives indicated for pursuit over the next four years. The ten (10) strategic issues generated are thus:

1. MEAC's effective participation in consolidation and sustained implementation of the EA Customs Union;
2. Inadequate participation in consultations and establishment of the EA Common Market;
3. Inadequate involvement in laying of the foundation for the EA Monetary Union;
4. Inadequate involvement in laying the foundation for the EA Political Federation;
5. Inadequate participation in the EA Cooperation on Political, Defence and Security Matters;
6. Inadequate participation in cross-cutting priority measures of EA and regional integration;
7. Inadequate participation in sectoral priority measures of EA integration;
8. Inadequate facilitation, positioning and monitoring of EAC organs and institutions;
9. Inadequate institutional capacity for efficiency and effectiveness;
10. Inadequate beneficial involvement of Kenyans along the lines of the key EAC integration milestones.

The Ministry intends to respond to each of the ten issues by strengthening its participation in each and every primary area of co-operation as summarised in table (5). It will also address itself fully to the challenge of inadequate capacity and weak organisational structure.

Table5: Strategic Objectives and Strategies

Strategic Objectives	Strategies to be Deployed
<p>1. To strengthen MEAC's participation in the full implementation of the EA Customs Union by 2010</p>	<p>1.1 Analysis and Research on the EA Customs union</p> <ul style="list-style-type: none"> • Conduct an analysis of the EA Customs union • Commission a research on EA Customs union • Identify and document key policy and advocacy issues • Structure and execute a result-oriented action plan <p>1.2 Capacity enhancement of MEAC staff on EA customs union</p> <ul style="list-style-type: none"> • Train and develop MEAC staff • Recruit additional MEAC staff • Mobilization required resources <p>1.3 Develop partnerships with key stakeholders on EA customs union</p> <ul style="list-style-type: none"> • Prepare and maintain an inventory of key stakeholders • Develop a stakeholders engagement strategy • Implement the stakeholder engagement strategy <p>1.4 Broaden IEC about EA customs union</p> <ul style="list-style-type: none"> • Develop and disseminate relevant IEC materials • Conduct workshops/seminars with key stakeholders • Publicise the EA customs union

Strategic Objectives	Strategies to be Deployed
<p>2. To strengthen MEAC's participation in the establishment of the EA Common Market by 2010</p>	<p>2.1 Analysis and Research on the EA Common Market</p> <ul style="list-style-type: none"> • Conduct an analysis of the EA Common Market • Commission a research on EA Common Market • Identify and document key policy and advocacy issues • Structure and execute a result-oriented action plan <p>2.2 Capacity enhancement of MEAC staff on EA Common Market</p> <ul style="list-style-type: none"> • Train and develop MEAC staff • Recruit additional MEAC staff • Mobilization required resources <p>2.3 Develop partnerships with key stakeholders on EA Common Market</p> <ul style="list-style-type: none"> • Prepare and maintain an inventory of key stakeholders • Develop a stakeholders engagement strategy • Implement the stakeholder engagement strategy <p>2.4 Broaden IEC about EA Common Market</p> <ul style="list-style-type: none"> • Develop and disseminate relevant IEC materials • Conduct workshops/seminars with key stakeholders • Publicise the EA Common Market
<p>3. To strengthen MEAC's participation in the laying of the foundation for the EA Monetary Union by 2012</p>	<p>3.1 Analysis and Research on the EA Monetary Union</p> <ul style="list-style-type: none"> • Conduct an analysis of the EA Monetary Union • Commission a research on EA Monetary Union • Identify and document key policy and advocacy issues • Structure and execute a result-oriented action plan <p>3.2 Capacity enhancement of MEAC staff on EA Monetary Union</p> <ul style="list-style-type: none"> • Train and develop MEAC staff • Recruit additional MEAC staff • Mobilization required resources <p>3.3 Develop partnerships with key stakeholders on EA Monetary Union</p> <ul style="list-style-type: none"> • Prepare and maintain an inventory of key stakeholders • Develop a stakeholders engagement strategy • Implement the stakeholder engagement strategy <p>Broaden IEC about EA Monetary Union</p> <ul style="list-style-type: none"> • Develop and disseminate relevant IEC materials • Conduct workshops/seminars with key stakeholders • Publicise the EA Monetary Union
<p>4. To strengthen MEAC's participation in laying the foundation for the EA Political Federation by 2012</p>	<p>4.1 Analysis and Research on the EA Political Federation</p> <ul style="list-style-type: none"> • Conduct an analysis of the EA Political Federation; • Commission research on the EA Political Federation; • Identify and document key policy and advocacy issues; and • Structure and execute a result-oriented action plan. <p>4.2 Capacity enhancement of MEAC staff on EA Political Federation</p> <ul style="list-style-type: none"> • Train and develop MEAC staff; • Recruit additional MEAC staff; and • Mobilize required resources. <p>4.3 Develop partnerships with key stakeholders on the EA Political Federation</p> <ul style="list-style-type: none"> • Prepare and maintain an inventory of key stakeholders; • Develop a stakeholders engagement strategy; and • Implement the stakeholder engagement strategy.

Strategic Objectives	Strategies to be Deployed
	<p>4.4 Broaden IEC about EA Political Federation</p> <ul style="list-style-type: none"> • Develop and implement a robust IEC policy and strategy; • Conduct internal (ministerial) communication-sensitisation forums; • Hold regional sensitization workshops for editors in East Africa; • Ensure the dissemination of relevant IEC materials; • Conduct workshops/seminars with other key stakeholders; and • Publicise the ideals of the EA Political Federation.
<p>5. To strengthen MEAC's participation in the East African Cooperation on Political, Defence and Security matters, over the plan period</p>	<p>5.1 Review the current framework and initiatives on political, defence and security matters</p> <ul style="list-style-type: none"> • Identify existing agreements • Analyse the supportive structures involving the EAC Partner States • Disseminate the information to the relevant policy makers <p>5.2 Bilateral and multilateral political and social engagement</p> <ul style="list-style-type: none"> • Sensitization of communities on trade boarder activities • Lobby the relevant administration and security organs to engage the other Partner States • Engage the political elite, opinion leaders, professional organisations and the civil society on the importance of security and other matters • Engage faith based organisation on the importance of security and other matters.
<p>6. To strengthen MEAC's participation in cross-cutting East African and regional integration measures over the plan period</p>	<p>6.1 Establish the status of development of the various sectors</p> <ul style="list-style-type: none"> • Develop and maintain a database on the status of various activities • Develop a framework for the MEAC's involvement • Implement the framework • Review and evaluate the effectiveness of the framework <p>6.2 Effective coordination of sectoral activities</p> <ul style="list-style-type: none"> • Strengthening of sectoral committee • Engaging the stakeholders • Holding regular consultative and planning meetings • Mainstreaming EAC activities in the line ministries
<p>7. To strengthen MEAC's participation on sectoral East African integration measures, full implementation over the Plan period</p>	<p>7.1 Establish the status of development of the various sectors</p> <ul style="list-style-type: none"> • Develop and maintain a database on the status of various activities; • Develop a framework for the MEAC's involvement; • Implement the framework; and • Review and evaluate effectiveness of the framework. <p>7.2 Effective coordination of sectoral activities</p> <ul style="list-style-type: none"> • Strengthen the sectoral committee; • Engage the stakeholders; • Hold regular consultative and planning meetings; and • Mainstream EAC activities into the line ministries.
<p>8. To promote facilitation, positioning and monitoring of EAC organs and institutions, over the Plan period</p>	<p>8.1 Promoting policy dialogue</p> <ul style="list-style-type: none"> • Conduct a policy analysis; • Disseminate results of the policy analysis; • Document best practices; • Initiate reforms; and • Develop policy actions. <p>8.2 Advocacy</p> <ul style="list-style-type: none"> • Develop advocacy strategies; • Implement the advocacy strategies; and • Review and evaluate the strategies.

Strategic Objectives	Strategies to be Deployed
	<p>8.3. Institutionalize linkages</p> <ul style="list-style-type: none"> • Develop a linkage framework with EAC organs and institutions; • Operationalize the linkage framework; • Integrate existing youth networks for sustainability; and • Review and evaluate the effectiveness of the framework. <p>8.4. Strategic Partnerships</p> <ul style="list-style-type: none"> • Prepare and maintain an inventory of relevant partners; • Develop a strategy to engage with the partners; • Implement the engagement strategy; and • Review and evaluate the strategic partnerships.
<p>9. To strengthen the institutional capacity of the MEAC over the plan period</p>	<p>9.1 Institutional rationalization and modernization</p> <ul style="list-style-type: none"> • Review infrastructure requirements for the achievement of goals and objectives • Procure as per the needs • Develop and implement a maintenance and replacement plan <p>9.2 Review skills requirement for the implementation of the strategic plan</p> <ul style="list-style-type: none"> • Conduct skill needs assessment • Develop skill delivery plan • Implement the skill delivery plan • Review and evaluate the skill delivery plan <p>9.3 Human Resource and systems development</p> <ul style="list-style-type: none"> • Identify and recruit for various positions as per the needs • Conduct relevant induction • Review and evaluate the effectiveness of the induction • Develop and operationalize a result based M&E system <p>9.4 Resource mobilization</p> <ul style="list-style-type: none"> • Engage the exchequer for support from public funds • Engage the private sector in partnerships • Develop and submit proposals for support from development partners • Ensure prudence in resource management <p>9.5 Institutionalize multiple stakeholder involvement</p> <ul style="list-style-type: none"> • Create a MAC • Incorporate donor advisory support • Create a national EAC-IN • Develop and operationalize the suitable frameworks • Review and evaluate MACs, RICs and EAC-INs effectiveness
<p>10. To promote the beneficial participation of Kenyans upon the milestones over the plan period</p>	<p>10.1. Promote public participation on the various milestones</p> <ul style="list-style-type: none"> • Establish strategic Regional Integration Centres; • Develop and disseminate materials for awareness and interest creation; • Develop strategy for working with the mass media to enhance continuous information and education; • Host and continuously update a space in the ministry's website for public information and education; • Research, develop and utilize other channels of communication. <p>10.2. Support new and existing networks</p> <ul style="list-style-type: none"> • Create and maintain a database for new and existing networks; • Evaluate their suitability to help Kenyans maximize the benefits of integration; • Develop and implement the networking frameworks; and • Continuously review the implementation of the networking activities. <p>10.3. Strategic partnerships</p> <ul style="list-style-type: none"> • Prepare and maintain an inventory of relevant partners; • Develop a strategy for engagement of the partners; • Implement the engagement strategy; and • Review and evaluate the strategic partnerships.

Case for Reforms and Restructuring

This chapter summarises the main Strategic Plan issues covered in chapters 4-6, to include ministerial re-structuring as a major reform agenda while also capturing salient issues relating to the task of implementation, resource mobilization as well as Monitoring and Evaluation. For the successful implementation of the plan, it is critical to structure the MEAC appropriately. With 17 areas of corporation under the EAC Treaty and 13 sectoral councils, the scale of tasks to be responded to is quite enormous. A proper Results-Based Monitoring and Evaluation system is also a key requirement.

A Revamped Organisational Structure

MEAC's revamped organisational structure will now consist of the office of the minister, the assistant minister, the permanent secretary as well as a new position for an Integration Secretary to be responsible for the coordination of activities undertaken by the technical directorates. With the creation of the position of an Integration Secretary and the establishment of the three new directorates, the ministry is establishing institutional structures and managerial arrangements that respond more closely to the various delivery areas in line with both MEAC's aspirations and the EAC's own strategic agenda. The role of a revitalised Information, Education and Communication (IEC) framework has also been identified immensely critical in moving forward in the current phase of implementation. In addition, the ministry will have units responsible for central planning, monitoring and evaluation and ICTs functioning to support overall administrative and technical delivery functions.

The Technical Directorates

The directorates and units whose functions are summarised in the annex will include:

- The Directorate of Economic Affairs
- The Directorate of Political, Social, Legal and Judicial Affairs, and;
- The Directorate of Productive and Services Sectors.

Each of these directorates will be staffed by suitably qualified persons in the respective areas and they will be supported by deputy directors, senior assistant directors, assistant directors and regional integration officers at the lower end as reflected in the organizational structure carried in the annex.

The Ministerial Advisory Council (MAC) and its Functions

A Ministerial Advisory Council (MAC) has been also proposed and agreed to be established as part of the new innovative measures for strengthening stakeholder-participation and consultation. Whereas the detailed terms of reference for the MAC are spelled out separately, the MAC is generally expected to be a high-level forum that brings together a selection of critical and luminary stakeholders from the public, private sector; donor partners and civil society, including from experienced senior citizens from within and without the public sector. The main functions of the MAC are thus to advise the minister, and by extension, the ministry on a wide range of issues relating to MEAC's realisation of its objectives, including:

- The public articulation of the opportunities that convert from the milestones of the EAC integration;
- Isolation of key areas of policy and advocacy interventions and recommending appropriate responses and actions;
- Evaluation and advice on any other action that would advance or risk the realization of the EAC objectives.
- Spearheading any high-level responsibilities as may be agreed under the framework of MAC for the furtherance of MEAC and EAC's vision and mission.

An EAC Research Institute and Think Tank Framework

Also proposed is an advisory and technical support framework through which the ministry and the EAC at large will continuously benefit from sustained research, analysis and training in the key delivery areas under the MEAC and EAC. The areas of EAC policy and strategy will require continuous review, analysis and update in the light of emerging circumstances while the ministry itself will continuously need to address issues relating to its Human Resource and other

capacity needs, including overall Institutional Development, Change Management as well as in area relating to the implementation of its revitalised communications policy and strategy which is also seen as core to the engagement process with all East African citizens.

In order, thus to realise and institutionalise a knowledge-backed perspective in the transformation of EAC, the Ministry will work closely with higher education institutions, the Inter-University Council of East Africa and other critical stakeholders, in order to spearhead the formation of an *East African Studies Research Institute* (EASRI) where cutting edge research, analysis and training on the EA Common Market and other salient regional integration issues can be undertaken on a long-term basis to continuously inform the unfolding vision of the EAC.

Resource and Capacity Needs Assessment

The SWOT analysis for this Plan indicates the need for additional professional and support staff as well as strengthened skills through training and development. Accordingly, during the first year of this Plan, the MEAC, in consultation with the Ministry of State for Public Service will conduct a staffing needs analysis to establish optimal staffing levels. Subsequently, the Ministry will identify its training needs to include much-needed improvement of skills in negotiation; ICT; Policy Dialogue, Analysis and Formulation; Advocacy and Dissemination; Research and Development; Project Analysis and Implementation; Regional Integration and Trade; M & E; Database Management as well as Strategic Communication. Some of these functions will be undertaken in collaboration with various training institutions in East Africa as well as with a dedicated East African Research Institute once it has taken off.

Information, Education and Communication (IEC)

As a coordinating, facilitating and overseeing Ministry, an effective communication and information management system is at the very core in realising MEAC's objectives. The ministry will therefore establish a more robust framework for public Information, Education and Communications (IEC). Deliberate efforts to deploy various channels of communication, including both the traditional and the new media, i.e publications and other print media, a newsletter; electronic channels (including radio and television) as well as the internet and other digitised forms of communication will

be made. MEAC will also endeavour to define its minimum communications standards to be promoted and implemented by all departments/directorates with support of the revamped IEC department in order to ensure that MEACs communication products, including all publications, correspondence from the ministry and all promotional materials of various kinds are professionally planned and executed in line with the ministry's agreed standards and policy.

Infrastructure, Information and Communications Technologies (ICTs)

The Ministry has installed a Local Area Network (LAN) and is connected to Wide Area Network (WAN). This basic infrastructure will be continually developed in accordance with the overall e-government policy. An in-house ICT training centre has already been established and equipped for this purpose.

Financial Resources

In the FY 2010/11 and 2011/12, the Ministry's projected budgets are Ksh.1, 028 million and Ksh.1,308 million respectively. These amounts will cater for the Ministry's annual contributions to the EAC at the tune of approximately Ksh.232 million, thereby limiting funding to its recurrent and development programmes. Consequently, the Ministry would greatly benefit from enhanced funding from the Exchequer to effectively engage in the EAC integration process and ensure beneficial participation of Kenyans. The additional funding will address both institutional and operational capacity that has been bogging down the operations of the Ministry.

Government Funding

Under the MTEF budgeting process, the EAC sub sector falls under the Trade, Tourism and Industry sector. On average, the sector contributes about 30% to the Kenyan GDP and therefore plays a major role towards poverty reduction and creation of employment opportunities. Noted under the sector's achievement is the deepening of the EA integration. For the MTEF period 2009/10 – 2011/12, the sector has identified eight priority programmes for implementation; amongst them is the EAC integration. However, to effectively implement these programmes, the sector will require a total of Ksh.32.5billion in 2009/10, Ksh.33.8 billion in 2010/11 and Ksh.37.6 billion in 2011/12 respectively. These resource requirements are far above the proposed Government of Kenya

allocations for each of the respective years. For 2009/10, the proposed government allocation is only 7 billion or 21% of the sector requirement for the same year. By extension, it is evident that the Ministry's allocation from the MTEF process will not be sufficient to implement this Strategic Plan. Consequently, the Ministry will in compliance with the treasury circular Ref. ES1/03 develop high priority programmes that are likely to attract more funding under the MTEF budgetary funding.

Donors and Development Partners Support

The World Bank, DFID, UNDP, GTZ, JICA, USAID, DANIDA, SIDA and the Common Wealth Secretariat are known to be receptive to programmes that enable regional integration. In the background of contributing to poverty reduction as well as employment and wealth creation, it is indicative that related opportunities for collaboration will increase over the Plan period. In response to this, the Ministry will work towards creating good working relationships with the mentioned partners as well as other development partners. Specifically, the Ministry will develop and submit for resource support proposals in a bid to reduce its noted gap.

Public-Private Partnerships (PPPs)

Public-Private-sector Partnerships (PPPs) have the potential to be a major source of funding for some of the Ministry's programmes. Accordingly, the Ministry will strive to ride on this strategy to enable collaboration and attraction of additional funding. The Ministry will also institutionalize its relationship with the private sector through the Ministerial Advisory Council and use the same channels to invite the Council's participation in mutually beneficial programmes. On their part, the regional integration centres will provide people-centred partnership opportunities for the same purposes.

Implementation Approach

The successful implementation of the MEAC's Strategic Plan (2008-2012) is broadly predicated on the capacity proposed for the Ministry and what exists in ministries and national agencies that have direct responsibilities in the EAC integration process. In each case, constraints that relate to human, technical, financial resources and appropriate institutional framework will have to be consistently revisited and addressed. The MEAC Strategic Plan will have its activities mainstreamed into day-to-day activities of the Ministry, and

its departments will be responsible for the implementation process. Initially, the Ministry's targets in the year-to-year performance contracts will be drawn from the Strategic Plan, amongst them, a key measure of 100% compliance with the Strategic Plan itself. The downstream cascading of the performance contracts will be guided by unit-based targets, again drawn from the overall MEAC Strategic Plan.

Responsibilities for Top Management

The overall responsibility of implementing the strategic activities outlined in the MEAC Strategic Plan (2008-2012) will initially fall on the Permanent Secretary, who by provisions of the performance contracting guidelines assumes the targets drawn thereof in signing the performance contract with the Head of the Civil Service and Secretary to Cabinet. This responsibility will be shared with the Minister who is expected to countersign the performance contract on account of providing the requisite political and overall leadership. Circulars from the Head of Civil service, EAC decisions channelled through the Secretariat and guidance from MAC as well as EAC-IN will be key inputs in the implementation process. In-house cascading of the performance contracting process recognises the first implementation level as the 1st tier and apex of the structure. The next level or 2nd tier of the structure is that of the respective Heads of Department, who will sign their respective contracts with the Permanent Secretary and be responsible for steering and mobilising resources. The 3rd tier will be the divisional heads, who will also sign contracts with the Heads of Department. Any implementing agency outside MEAC will be coordinated by the responsible departments, under the overall guidance of the Permanent Secretary.

Minister's Role and Responsibilities

Other than the responsibility outlined in the foregoing paragraph, the minister remains the overall political head of the ministry and is responsible for the articulation of overall ministerial policy and direction. In discharging this function the minister is also expected to play the leading role in the marketing and promotion of the ministry's programmes and activities and to serve as the official spokesperson of the ministry. The minister is also a key player at the various ministerial national and regional consultations as frequently organised for the furtherance of the ministerial vision and overall regional integration agenda.

Assistant Minister's Role and Responsibilities

The Assistant minister assists the minister in executing his functions as outlined in the foregoing sections, especially in the articulation of the overall ministry policy and direction as well as any other functions as delegated or requested by the minister.

Permanent Secretary's Role and Responsibilities

Other than the roles and responsibilities already outlined above, the Permanent Secretary in his appointment as the accounting officer for the ministry, remains responsible for the overall management and operationalization of all ministerial programmes and activities. He will in this role work closely with the minister and the technical directorates in ensuring that the ministry's workplan and overall mission is effectively and efficiently delivered. The Permanent Secretary also functions as the overall technical head of the ministry.

Integration Secretary's Role and Responsibility

This new position has been created to consolidate the coordination and management aspects and improve performance in MEAC's key delivery areas. It is expected that the office will directly assist the permanent secretary in pursuing and coordinating the regional integration agenda in its entirety. With the permanent secretary's authorisation, the Integration Secretary shall represent the ministry in the technical meetings of the East African Community.

Development of Annual Work Plans

A year-to-year commitment to ensure the successful implementation of the MEAC Strategic Plan will be premised on Annual Work Plans prepared by the Heads of Department. Therein, it will cover the greater details of the tangible activities, tasks, targets, and specific periods of execution with the officer, upon whom the responsibility is allocated. A consolidation of this will constitute the MEAC work plan prepared annually.

Monitoring and Evaluation

The MEAC will monitor and undertake evaluation of the Strategic Plan's implementation, in order to acknowledge inputs and activities, outputs and then outcomes for efficiency and effectiveness. This will be conducted through a Results-Based M&E system under the CPU, but in partnership

with MEAC's technical departments. MEAC will commission primary analysis and research to consolidate and quantify the current status in the areas of the proposed strategic interventions. Further analysis and evaluation will be conducted in areas of cooperation, legislation, policies, and administrative instruments with direct or indirect effects on EAC integration. From this, MEAC will construct progress as well as early warning indicators to be integrated into the monitoring system. Routine data collected along areas of targeted improvement will be used to inform growth analysis. The information generated will then be used to demonstrate achievements made in each of the output areas.

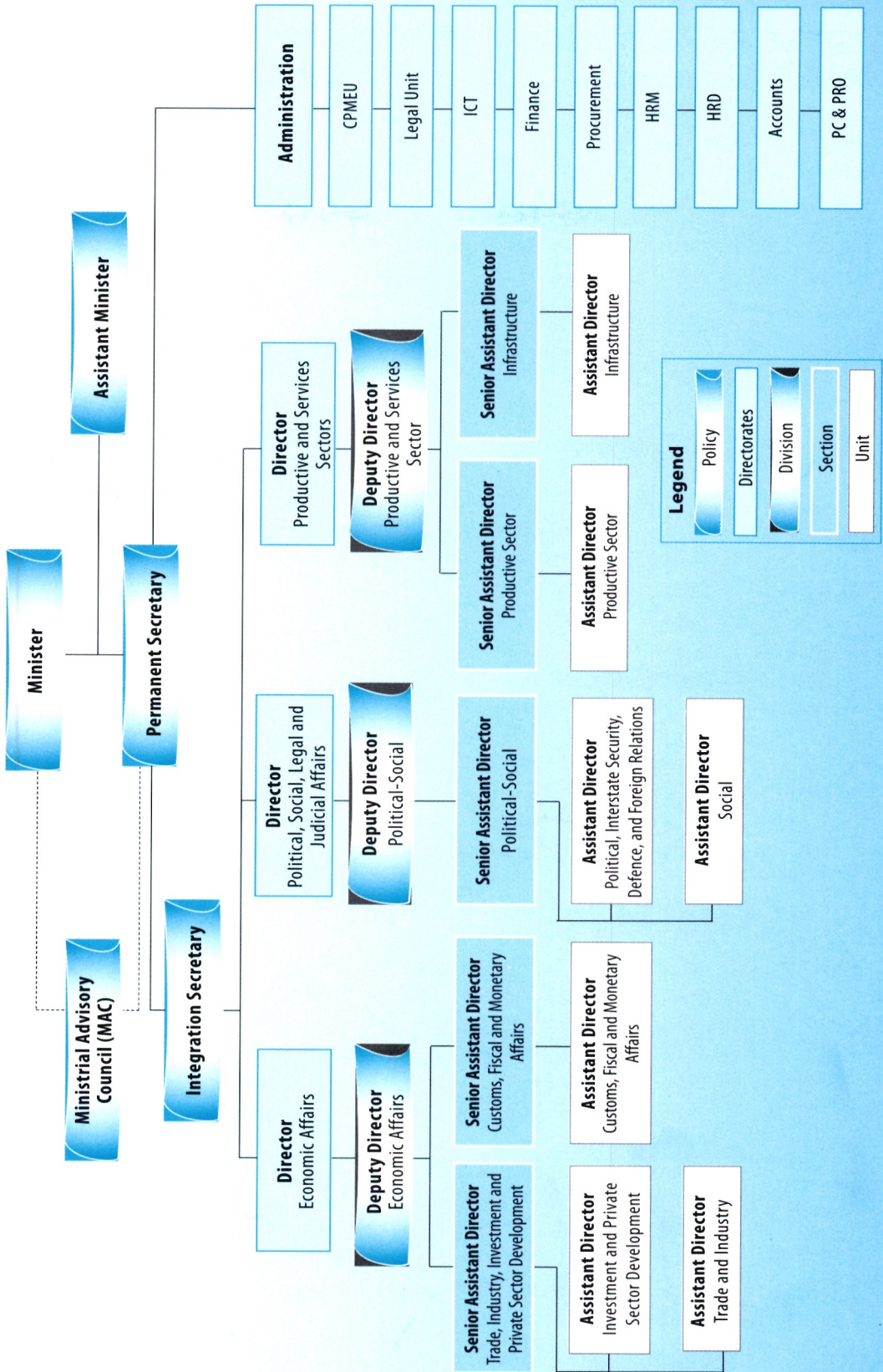
Reporting Results

Results-reporting formats complete with comparative frameworks, will be used to standardise and regulate information flow. These designs will include primary reports targeting specific result areas, like baseline surveys and analysis. This will be consolidated to form overall implementation unit reports, to be submitted on quarterly timelines in upward succession. Timelines, in terms of days of submission after the end of each quarter, will serve as deadlines. The mid-year reports submitted in the adopted format will be the basis for conducting mid-term evaluation as to both performance and implementation of the mid-year commitments in the Strategic Plan. The annual reports will serve as the basis for annual evaluation. The purpose of the mid-term evaluation will be to quantify progress and generate information for the possible review of activities and by extension, strategies. A mid-term review of the MEAC Strategic Plan will be programmed for 2010, benefiting from an equally programmed evaluation.

A Results-Based M&E Framework

The Results-Based M&E framework development will define the MEAC structure, including departmental involvement. The EAC Strategic Plan (2006-2010) and the MEAC Strategic Plan (2008-2012) will both be used as sources of M&E focal points and incorporation of indicators to be tracked. Once institutionalised, each department will collect the required data by applying data collection tools. The same information will then be submitted for analysis under the guidance of the CPMEU. Finally, the generated information will be passed on for guiding future actions under the Ministry.

Annex I: Proposed Organisational Structure



THE TECHNICAL DIRECTORATES

The Proposed Structure of the Technical Arm of the ministry consists of three Directorates headed by the Regional Integration Secretary. The Regional Integration Secretary is in turn responsible to the Permanent Secretary. The Directorates are headed by Directors and are named as follows:

- The Directorate of Economic Affairs
- The Directorate of Political, Social, Legal and Judicial Affairs
- The Directorate of Productive and Services Sectors

DIRECTORATE OF ECONOMIC AFFAIRS

The Director will be responsible to the Regional Integration Secretary for the coordination of EAC activities, including, Trade and Customs; Fiscal and Monetary Affairs; Industry as well as Investment and Private Sector Development.

DIRECTORATE OF POLITICAL, SOCIAL, LEGAL AND JUDICIAL AFFAIRS

The Director will be responsible to the Regional Integration Secretary for the coordination of EAC activities, including Education, Science and Technology; Health, Culture, Sports and Gender; Public Service Management; Political Federation Matters; Interstate Security, East African Legislative Assembly (EALA), Defence, Civil Society, Labour and Immigration, Foreign Affairs, Legal and Judicial Affairs, and; East African Court of Justice (EACJ).

DIRECTORATE OF PRODUCTIVE AND SERVICES SECTOR

The Director will be responsible to the Regional Integration Secretary for the coordination of EAC activities such as, Environment and Natural Resources Management; Agriculture and Food Security; Transport, Infrastructure and Communication; Tourism and Wildlife Management; Lake Victoria Basin Commission and Energy.

GENERAL ADMINISTRATION

The Head of the Administration Department and all other divisions and units are responsible to the Permanent Secretary on administrative matters including direct supervision of the units within the Departments. The current departments include general administration; Central Planning, Monitoring and Evaluation Unit (CPMEU); Human Resource Management (HRM); Human Resource Development (HRD); Procurement Public Communication; Information and Communications Technology (I&CT); Finance; Accounts and Internal Audit.

Specifically the above functions will be implemented in an organizational set-up that has the following units and departments: Transport Unit; Library Services Unit; Aids Control Unit; Records Management Unit (Registries); Central Planning and Monitoring Unit; Human Resources Management (HRM) Department; Human Resource Development (HRD) Department; The Procurement Department; Public Communications Department; Information Communication Technology (ICT) Department; Finance Department and an Accounts Department.



*East African Community, the Founding Fathers:
Mwalimu Julius Nyerere (Tanzania), Dr Milton Obote (Uganda) and Mzee Jomo Kenyatta (Kenya)*

Ministry of the East Africa Community

Co-operative Bank House, 16th-19th Floor,
Haile Selassie Avenue
P.O. Box 8846-00200 City Square,
Nairobi, Kenya.

Tel: +254-2025324

Fax: +254-020-2229650

Email: ps@meac.go.ke

www.meac.go.ke