



EAST AFRICA COMMUNITY SECRETARY GENERAL ROUNDTABLE – 2024

Date: Wednesday, August 14th, 2024 at

Venue: Serena Hotel, Nairobi

Overview

- ✓ The Community has recorded several achievements in implementing the different stages of integration including the use of an electronic EAC Passport as a common travel document, removal of visa requirements for the EAC citizens from one Partner State to another, issuance of gratis student passes among others, implementation of the Single Customs Territory, adoption of a four band structure.
- ✓ Overall, intra - EAC Trade value increased by 14% to USD 12.2 Billion in 2023 compared to 9.2% at USD 10.7 Billion in 2022 with a percentage share of 13% of total EAC trade with the Rest of the World.
- ✓ The EAC total trade grew by 2.3 percent to US\$80.6 billion in 2023 from US\$78.7 billion in 2022.
- ✓ Intra-EAC & inter-regional trade increasingly reflects more manufactured products. i.e. textiles, chemicals, edible oil, cement, iron and steel, cosmetics, plastics and pharmaceuticals.
- ✓ Partner States still rely heavily on taxes and duties and this is largely linked to the fact that the process of harmonisation of domestic taxes is also an on-going process. In 2022, EAC's economic growth slowed down to 4.8 percent from 5.1 percent in 2021, mainly due to recurring climate shocks, high international commodity prices, and impact of the COVID-19 pandemic However, the region's production structure is relatively diverse, and it is projected that economic growth will recover to a pre-pandemic average of over 5.0 percent in 2023 and 2024 (*AfDB 2023 Report*)
- ✓ All Partner States are projected to experience GDP growth from 2021 to 2024, with Kenya and Tanzania expected to have the highest GDP size of about US\$ 96.6 billion and US\$ 71.5 billion respectively.

- ✓ This calls for the PS to invest in sectors that have the potential to drive economic growth (i.e. manufacturing, agriculture and services) and promote regional integration, trade and investment to maximize the potential benefit of economic growth.
- ✓ Greater trade in intermediate manufactured goods offers scope for the development of regional value chains
- ✓ Imports into the Region consist of, among others, petroleum products, industrial machinery, textiles, crude palm oil, motor vehicles, cereals, rice, transport equipment, fertilisers, chemicals and raw materials for industrial production.
- ✓ Currently implementing EAC Market Access Upgrade Programme to improve market access of selected agriculture value chains- coffee, cocoa, tea, spices, avocado and other horticultural products.
- ✓ Advocated for reducing trade barriers; improved standards and SPS measures; SMEs business capacities enhanced on traceability, industry certification, processing & value addition.
- ✓ While Partner States have undertaken several reforms, there are still laws and regulations of Partner States that remain non-compliant with the CMP commitments.
- ✓ Mention the opportunities that will come with the implementation of TFTA that came into force on 25th July 2024 in addition to the AfCFTA.