

THE HIGH LEVEL EAST AFRICAN BUSINESS AND INVESTMENT SUMMIT HELD FROM 28TH TO 29TH NOVEMBER 2019 AT GRAND MELIA HOTEL

PREAMBLE

1. The High Level Business and Investment was held at Grand Melia Hotel on 28th and 29th November 2019 in Arusha, United Republic of Tanzania. The Business Summit was officially opened by Professor Palamagamba Kabudi, Minister for Foreign Affairs and East African Cooperation, United Republic Tanzania on behalf of H.E John Pombe Joseph Magufuli.

The High Level East African Business and Investment Summit (**EABIS**) was jointly organized by the East Africa Business Council, East Africa Community Secretariat and Tanzania Private Sector Foundation, among others. The summit was themed: ***EAC@20 Private Sector-Driven Regional Integration for increased Intra-EAC Trade and Achievement.***

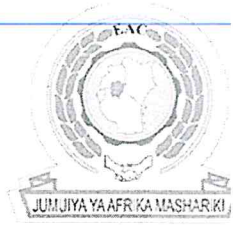
2. The high-level business summit was held to set the economic agenda and outlook for East Africa, as the region commemorates 20 years of the EAC integration process. The overarching goal of the summit was to enable the private sector to meet high level policy decision-makers from East Africa and beyond in order to influence policy reforms and implementation to improve the business environment in the EAC region.

3. The Summit enabled private sector participants to share information and experiences about latest developments in the EAC region and information about business opportunities. The participants were able to get insights, new ideas and were inspired by open, candid and critical self-examination as a region.

4. The Summit also enabled attendees to show-case their products and services in their exhibition booths and it also gave participants opportunities to network, create personal business relationships and partnerships.

5. The Summit took stock of the EAC achievements for the last 20 years and noted that the Community has made tremendous progress in facilitating business in East Africa as well as improving the social-economic environment.

The private sector has been pivotal in these achievements and they include: putting in place a Customs Union, implementing the Common Market and Monetary Union Protocols, and laying the foundation for EAC Political confederation. Similarly, there has been construction and operationalisation of 13 One Stop Border Posts (OSBP), simplified certificate of origin and cargo processing regime, implementation of a Common External

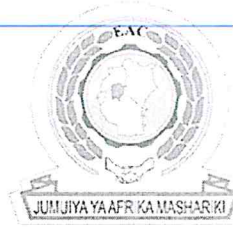


Tariff, development and improvement of physical infrastructure, adoption of a number of sector policies, among others that have resulted in increased trade volumes.

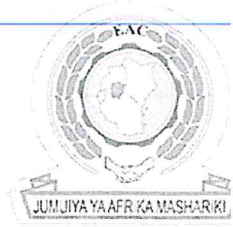
6. On the downside, it was noted that there is a downward trend in the profile of EAC as an attractive trade and investment destination due to; persistent non-tariff barriers, high costs of doing business, un-harmonized domestic tax regimes, infrastructure bottlenecks, deficient skills and technology and high cost of finance among others.

7. PURSUANT TO THESE OBSERVATIONS THE HIGH LEVEL BUSINESS AND INVESTMENT SUMMIT MADE THE FOLLOWING RECOMMENDATIONS ON THIS DATE OF 29TH NOVEMBER 2019:

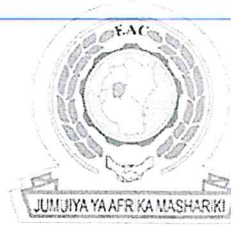
- I. The EAC integration should be truly people centered and private sector driven as envisioned in the EAC Treaty under article 7.
- II. The EAC region to double the intra EAC trade from 12%-24% within five years by addressing persistent non-tariff barriers, diversifying production, opening up borders, promotion of regional value chains and development of regional local content policy.
- III. Implementation of regional policies and directives by Partner States is instrumental in increasing trade in the region. The public sector should fast track the domestication and implementation of regional and sectoral policies, laws and protocols to create an enabling business environment.
- IV. The EAC region needs to be jointly promoted as a single investment destination, with reliable investor information packaged to aid investor decision making.
- V. Partner States to fast track tax harmonization by using a number of measures including establishing an initiative to address tax related issues.
- VI. EAC Partner States should take into consideration language barriers within the EAC region that impede ease of doing business
- VII. Private sector to work closely with the public sector to establish a regional tax and regulatory initiative for business development.
- VIII. Partner States to fast-track conclusion of the comprehensive review of the Common External Tariff.



- IX. There is an urgent need for alternative dispute resolution mechanisms to facilitate trade
- X. The East African region should adopt the emerging **Fourth Industrial Revolution technologies** such as robotics, Blockchain and Artificial Intelligence (AI), Internet of Things to reduce costs and expand their services globally.
- XI. The public and private sector need to collaborate to design measures that will catalyse the Digital revolution in East Africa including Tech Bonds, Special Economic Zones (SEZ), Tech Parks, Tech Hubs and protect its data by putting in place data sovereignty policies.
- XII. The EAC Partner States should embrace the AfCFTA for the private sector to take advantage of the opportunities therein.
- XIII. EAC Partner States to put in place measures for special consideration of women in business in the EAC integration process.
- XIV. EAC Partner States should enhance their sensitization campaigns for the citizenry to know more about the EAC integration process
- XV. EAC Partner states to expedite the finalization of the Standardization, Accreditation and Conformity Assessment Bill (SACA Bill, 2017).
- XVI. Public and private sectors to prioritize capacity building for SMEs in areas such as financing, digitization; technology acquisition, market access, linkages with multi nationals among others to be able to upgrade their operations for sustainability and growth.
- XVII. The region should support development and upgrading of regional value chains, specifically supporting the private sector who are already established in the region as well as attract new investments.
- XVIII. The region should put in place measures to address the high cost of production such as the energy tariffs, logistical bottlenecks and access to affordable finance.
- XIX. EAC Partner States are encouraged to expedite the admission of Democratic Republic of Congo (DRC) with a view to broadening and widening the market. Discussions should also be geared towards encouraging Ethiopia to join the EAC block.



- XX. To enhance competitiveness of export of coffee to the EAC and the rest of the world, it is necessary to enhance trade facilitation and other technical and trade policy reforms, both regionally and nationally.
- XXI. Recognising that private sector is the driver of the EAC integration, there is need to re-examine the wording and purpose of observer status of EABC at the EAC level with a view of becoming a true Partner.
- XXII. There is need to have structured and thematic business engagements between the public and private sector that are sustainable in nature to address trade and investment issues.
- XXIII. Inclusion of the Academia in advancing regional integration initiatives
- XXIV. Noting the role of Public Private Partnerships in the economic development of the EAC region, there is need for creation of special purpose vehicles to allow investors to inject in money.
- XXV. There is need for the region to create strong linkages with the Diaspora
- XXVI. A joint committee comprising EABC and EAC Council of Ministers should be set up to closely monitor the implementation of the High Level Business Summit resolutions
- XXVII. An action plan shall be developed to implement the resolutions of the High Level East African Business Summit



ADOPTED THIS DAY OF 29TH NOVEMBER, 2019 IN ARUSHA, TANZANIA

SIGNED BY:

ON BEHALF OF THE EAST AFRICAN BUSINESS COUNCIL

MR. NICHOLAS NESBITT
CHAIRMAN

A handwritten signature in black ink, appearing to read 'N Nesbitt', is written above a horizontal dotted line.

ON BEHALF OF THE EAST AFRICAN COMMUNITY

HON. DR. VINCENT BIRUTA, MINISTER OF FOREIGN AFFAIRS AND INTERNATIONAL
COOPERATION, REPUBLIC OF RWANDA
CHAIRPERSON, EAC COUNCIL OF MINISTERS

A handwritten signature in blue ink, appearing to read 'V Biruta', is written above a horizontal dotted line.