



Civil Society Statement: The 2018 / 19 East African Community Budget Ought to have Intensified Poverty Reducing Climate Actions

This year marks the 70th anniversary of the proclamation of the Universal Declaration of Human Rights. It is important to recall the fundamental connection between extreme poverty and human rights, and that people living in poverty are disproportionately affected by many human rights violations including social exclusion, access to food and clean energy. This Year's theme is *Coming together with those furthest behind to build an inclusive world of universal respect for human rights and dignity*

The East African Community (EAC) budget for the Financial Year (FY) 2018 / 19 that was presented to the East African legislative Assembly in Arusha (Tanzania) on June 4, 2018 is on the theme *'Enhancing Prosperity and Welfare of EAC Citizens'* with one of the priority areas being enhanced regional agricultural productivity, industrial development through investment in key priority sectors including leather and textile; skills development, technological advancement and innovation to stimulate economic development. One of the expected outcomes is efforts towards enhancing agricultural productivity and regional industrial development, particularly value-addition aimed at ensuring food security, increase value addition on most of the raw materials, increased employment opportunities and sustained economic growth of the region.

It is worth noting that the budget for the FY 2017 /18 with an overall total of USD 110, 130,183 (*see Table 1 below*) also focused on among other priorities, improvement of agricultural productivity, value addition and facilitation of movement of agricultural goods to enhance food security in the region.

Similarly, the intention of the EAC in the budget for the FY 2018/19 to continue to implement the EAC Cross Boarder Electrification Policy (identification of centres and studies to be conducted) is acknowledged. But access to clean cooking (access to cooking fuels and technologies) that affect millions continues to lag behind due to financing gaps, low consumer awareness, slow technological progress, and lack of infrastructure for fuel production and distribution (IRENA, Energy Progress Report - tracking SDG7, 2018).

On the occasion of the International Day for Eradication of Poverty, 5 East African CSO networks (Uganda Coalition for Sustainable Development, SusWatch Kenya, TaTEDO, INFORSE East Africa and EA SusWatch Network) feel that the EAC budget 2018 /19 ought to have focused more on SDG7, with particular focus on access to universal access by 2030 to affordable, reliable, and modern energy services, including clean fuels and technologies (access to clean cooking). This is because 117 million out of the 145.5 million in East Africa still lack access to electricity (IRENA Energy Progress Report - tracking SDG7, 2018). Moreover, clean fuels and technologies are critical for achieving the goals set by other SDGs that pertain to poverty alleviation, food security, good health, gender equality, and climate action.

In addition, the World Health Organisation Report (2016) notes that Tanzania, Kenya and Uganda are amongst the top 20 Access Deficit Countries that account for about 4% share of the global population without access to clean cooking. This calls for urgent action, starting with resource allocation and supportive policies at the EAC level. A glance at the priorities the 5 CSO Networks note that development expenditure (where such action can be undertaken) at 40% needs to be higher and not any near to personal emoluments that stand at 36% in the EAC budget for the FY 2018/19. Similarly, Partner States' contribution to development expenditure continues to be very low and the opposite of what is provided by the Development Partners.



In the FY 2018 / 19, Partner States' contribution to the development expenditure is about 15% (USD 6,133,097 out of 40,125,920) of the total development expenditure, compared to personal emoluments taking up a substantial 88% of their contribution (USD 31,393,619 out of 35,614,171). Development Partners on the other hand are expected to meet 85% (USD 33,992,823 out of 40,125,920). The 5 CSO networks feel this is unsustainable for this regional bloc in the long-run, hence requiring efforts to reverse it.

Table 1: Income and Expenditure categories (in USD) for the EAC budget 2017 / 18 & 2018/2019

Expenditure category	Total Budget 2017 / 18 (sources)			Total Budget (2018/19 (sources)			% Total Budget
	Partner States' Contribution	Development Partners' Contribution	Total Budget	Partner States' Contribution	Development Partners' Contribution	Total Budget	
Personal Emoluments	31,509,502	7,154,072	38,663,574	31,393,619	4,220,552	35,614,171	36%
Other charges	18,113,910	4,858,483	22,974,393	19,318,029	4,712,596	24,030,625	24%
Development	7,638,133	40,856,083	48,494,216	6,133,097	33,992,823	40,125,920	40%
Total	57,261,545	52,868,638	110,130,183	56,844,745	42,925,971	99,770,716	100%

Source: EAC Budget Speeches for FY 2017 /18 & FY 2018 / 19 to the EALA

With regard to Partner contribution, the 5 CSO networks applaud EAC Partners that have fulfilled their contribution in time during the FY 2017 /18 (*See Table 2 below*) as at May 2018. The CSOs are also concerned about the huge outstanding amount of 38% (19,741,027) from Partners that translates to approximately 18% of the budget for the FY 2017/18. The implication is that planned activities based on Partner contributions could not happen in time or at all due to this resource gap.

Table 2: Status of EAC Contribution as at May 31, 2018 (in USD)

Partner State	Arrears FY 2016/17	Contribution Due 2017/18	Contribution Paid 2017/18	% of Contribution Paid 2017/18	Total Outstanding amount
Burundi	530,934	8,371,087	-	0%	8,902,021
Kenya	-	8,371,087	8,080,737	97%	290,350
Rwanda	-	8,371,087	6,974,766	83%	1,396,321
South Sudan	-	8,371,087	999,970	12%	7,371,117
Tanzania	-	8,371,087	8,348,962	100%	22,125
Uganda	-	8,371,087	6,611,994	79%	1,759,093
Total	530,934	50,226,522	31,016,428	62%	19,741,027

Source: EAC Budget Speeches for FY 2017 /18 & FY 2018 / 19 to the EALA



In conclusion, the 5 CSO Networks commend the EAC on its efforts to mobilize resources to support development in this region, but call for a regional budget that concretely addresses needs of the poor (millions) in the region, for example access to clean cooking that could deliver multiple dividends in poverty reduction, education, health, food security and others. This will be in line with the global aspiration to create and nurture a genuine partnership with people living with poverty.

The commemoration of October 17 each year has happened since 2000, when people living in poverty take the floor and share their experiences, demonstrates how we can achieve greater social inclusion by enabling people from all walks of life to come together to respect the human rights and dignity of people living in poverty. It underscores the importance of reaching out to people living in poverty and building an alliance around their priorities with citizens from all backgrounds to end extreme poverty. It recognizes the important mutual roles and relationships we have with each other based on our common and equal dignity.

The persistence of poverty, including extreme poverty, is a major concern for the United Nations and, at its 72nd session, the General Assembly launched the Third United Nations Decade for the Eradication of Poverty (2018–2027), under the theme “Accelerating global actions for a world without poverty”.

For more information

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