

THE EAST AFRICAN COMMUNITY

BUDGET

ACT, 2008

THE EAST AFRICAN COMMUNITY BUDGET ACT, 2008.

**An Act to provide for and regulate the budgetary process
of the Community and for other related matters.**

ENACTED by the East African Community and assented to
by the Heads of State.

Date of assent

Date of commencement

FORM OF AUTHENTICATION STATEMENT

This printed impression has been carefully compared by me with the Bill which was passed by the East African Legislative Assembly and found by me to be a true copy of the Bill.

Signed:.....*Julius N. Njiru*.....
Clerk to the East African Legislative Assembly

Date of Authentication.....*19/01/2009*.....

FORM OF STATEMENT BY THE SPEAKER ON
SUBMISSION OF ASSENT COPIES OF BILLS TO
HEADS OF STATE

Forwarded by me is the printed copy of the bill entitled

THE EAST AFRICAN COMMUNITY
BUDGET BILL 2008

That was passed by the East African Legislative Assembly on the

10th day of December 2008 for your assents.



Signed:
Speaker of the East African Legislative Assembly

FORM OF STATEMENT OF THE HEADS OF STATES' ASSENT

I signify my assent to the Bill

Jawahar Nzioki

Signed:
President of the United Republic of Tanzania

31st July, 2008

Date of Assent:

Signed:
Mwai Kibaki
President of the Republic of Kenya

Date of Assent: *16th June, 2009*

Signed:
Yoweri Museveni
President of the Republic of Uganda

Date of Assent: *20th April, 2009.*

Signed:
Pierre Nkurunziza
President of the Republic of Burundi

Date of Assent: *28 February 2009*

Signed:
Pavane
President of the Republic of Rwanda

Date of Assent: *12 February 2008*

ARRANGEMENT OF SECTIONS

Section

1. Citation and commencement.
2. Interpretation.
3. Preparation and consideration of the draft Community Budget.
4. Consideration of the Community Budget by the Council and the Assembly.
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THE EAST AFRICAN COMMUNITY BUDGET ACT, 2008.

An Act to provide for and regulate the budgetary process of the Community and for other related matters.

ENACTED by the East African Community and assented to by the Heads of State.

1. This Act may be cited as the East African Community Budget Act, 2008. Citation

2. In this Act, unless the context otherwise requires— Inter-pretation.

“Assembly” means the East African Legislative Assembly established by article 9 of the Treaty;

“Budget: means the process by which revenue is raised and allocated to enable the East African Community to meet its set objectives;

“Clerk” means the Clerk of the East African Legislative Assembly;

“Council” means the Council of Ministers of the Community established by Article 9 of the Treaty;

“Partner States” means the United Republic of Tanzania, the Republic of Kenya, the Republic of Uganda, the Republic of Burundi, the Republic of Rwanda and any other country granted membership to the Community under article 3 of the Treaty;

“Secretary General” means the Secretary General of the Community provided for under Article 67 of the Treaty;

“Speaker” means the Speaker of the East African Legislative Assembly provided under Article 53 of the Treaty;

“Treaty” means the Treaty for the establishment of the East African Community.

Preparation
and
consider-
ation of the
draft
Community
Budget.

3. (1) The Secretary General shall, not later than the 15th day of October in each financial year, prepare the budget of the Community and submit it to the Council for consideration.

(2) The Secretary General shall, during the preparation of the budget under subsection (1), consult all organs and institutions of the Community and such other stakeholders as may be necessary.

Consider-
ation of the
Community
Budget by
the Council
and the
Assembly.

4. (1) The Council shall, not later than the 30th day of April in each financial year, submit and lay before the Assembly the budget of the Community for the next financial year.

(2) The Speaker shall, after the budget is submitted to the Assembly under subsection (1), commit it to a Committee of the Assembly.

(3) The Committee to which the budget is committed under subsection (2), shall consider, discuss and review the budget and submit its report to the Assembly not later than the 30th day of May in each financial year.

(4) The Assembly shall, upon receipt of the report of the Committee under subsection (3), debate and approve the budget in accordance with Article 49 and 132(5) of the Treaty.

(5) In the exercise of their function under this section, a Committee of the Assembly may call a member of the Council, the Secretary General, any person holding office in the Community, or any person holding a public office in the Partner States and private individuals to submit memorandum or appear before it to give evidence.

5. (1) The Assembly shall analyze programmes and policy issues that affect the community budget and where necessary recommend alternative approaches.

Policy Statements and their consideration.

(2) In accordance with subsection (1) the Council shall cause to be prepared and submitted to the Assembly a policy statement of the Community on the budget submitted under section 4 by the 30th day of May in each year.

(3) A policy statement made under subsection (1) shall be in a form prescribed by the Secretary General and shall reflect data on value for money and the extent of achievement of the objective targets on money received and spent.

East African Community Budget Act, 2008

Vote-on-
Account.

6. (1) The Assembly may approve a vote-on-account in every financial year to enable normal operations of the Community in the first quarter of the new financial year and before the approval of the budget.

(2) The vote-on-account shall not exceed one-third of the total budget of the Community or of any of its institutions.

Supplement-
ary
expenditure.

7. (1) The total supplementary expenditure that requires additional resources over and above what is appropriated by the Assembly shall not exceed 5% of the total approved budget for that financial year without prior approval of the Assembly.

(2) Where funds are expended under sub section (1), supplementary estimates showing the sums spent shall be laid before the Assembly within three months after the money is spent.

(3) Any reallocation of funds approved by the Assembly for a particular organ or institution of the Community shall only be made after consultation with the affected organ or institution of the Community.

Reports on
grants and
loans.

8. (1) The Secretary General shall at the time of presentation of the budget or any time before the 30th of June in each financial year, cause to be presented to the Assembly, information relating to the total sum of grants extended to the Community and their sources, showing their utilization and performance of each grant, including the extent of the relevance of the objective target of each grant.

(2) The Secretary General shall, at the time of presentation of the Budget or at any time before the 30th day of June in each financial year, cause to be presented to the Assembly information relating to the total indebtedness of the Community in that financial, year showing---

- (a) the total sums and sources of the loans and debts;
- (b) the accumulated interest on each loan and debt;
- (c) provision made for servicing or repayment of each loan and debt;
- (d) the balance on payment under paragraph (c); and
- (e) the utilization and performance of each loan or debt including the extent of the achievements of the objective targets of each loan.

9. The Secretary General or Head of any Institution of the Community shall not take any credit from any local company or body unless---

Domestic debt and commitment control.

- (a) there is no unpaid domestic arrears from a debt in a previous financial year; and
- (b) there is capacity to pay for the expenditure from the approved estimates as appropriated by the Assembly for that financial year.

10. (1) The Secretary General shall make an annual report on non exemption of tax to the Assembly which shall be on or before the 30th day of June in each financial year.

Reports on non exemption of tax.

(2) A report made under sub section (1) shall include amongst other things---

- (a) the institution affected;
- (b) the reasons for non-exemption; and
- (c) the amount of tax involved.

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Liability on failure to meet requirements.

11. The Assembly may call upon any member of the Council or Chief Executive Officer of the Community to appear before it following any breach of any of the provisions of this Act.

Extension of period.

12. The Speaker may in writing reduce or extend any period under this Act for a reasonable period.

Regulations.

13. (1) The Council shall within four months after coming into force of this Act, make regulations for giving effect to the provisions of this Act subject to approval by the Assembly.

(2) Without prejudice to the general application of subsection (1), the Council shall, within four months after the coming into force of this Act, make regulations prescribing the consultation process provided under section 3(2) of this Act.

