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Press Release

Launch of the State of East Africa Report 2012

More than a decade since it was rekindled, the East African Community integration process is deepening, but the challenges facing the integration units and people are intensifying.

Nairobi, 2 April 2012 – "The final responsibility for shaping East Africa's future lies with its citizens." This is one of the key conclusions of a new *State of East Africa Report 2012: Deepening Integration, Intensifying Challenges*, published by the Society for International Development (SID), with support from TradeMark East Africa (TMEA).

The Report, launching on April 4, 2012 in a ceremony presided over by the East African Community (EAC) Secretary General Ambassador (Dr.) Richard Sezibera and SID International President Ambassador Juma Mwapachu at the Hilton Hotel in Nairobi at 10am, will open, encourage and inform a wide range of conversations about how the EAC regional integration is proceeding and what it means for ordinary people's lives.

"Regional integration is a complicated but evolving process that starts and ends with the citizenry," said Ambassador Juma V. Mwapachu, President of SID International and the immediate former EAC Secretary General. "One of the major goals of the *State of East Africa* report is to provide policy makers, civil society and the private sector with information and analysis that they can use to advocate their concerns and interests with respect to regional integration."

The State of East Africa 2012, which is a report that updates and improves the inaugural State of East Africa 2006: Trends, Tensions and Contradictions—The Leadership Challenge, compiles and analyses data across key economic, social and political indicators from the five member states of the EAC.

Some of the report's key findings and insights are:

East Africa's population grew by 24 million between 2005 and 2010 and it is estimated to reach 237 million by 2030. With an increased population and higher population density, the pressures on the region's natural resources will intensify further.

- Investments in maternal and child health are yielding strong returns as fewer mothers are dying in childbirth and more children are surviving beyond infancy. However, malnutrition remains one of the difficult challenges facing the region as evidenced by that fact that one-third of Kenyan children are stunted as are over half of the children in Burundi.
- Poverty is still a chronic challenge in the region but there are positive signs demonstrated by Uganda, which, over an 18-year period, lifted 2.3 million of its citizens above the poverty line.
- Although the member states of the EAC have achieved Millennium Development Goal 3 Universal access to primary education, the majority of East Africa's students do not go on to secondary school. Additionally, many children are barely learning given alarmingly low results in reading English and Kiswahili and simple arithmetic.
- The telecoms revolution is leading to an emerging mobile economy. Mobile phone subscriptions across the EAC grew from 3 million in 2002 to 64 million in 2010, catalyzing innovations such as M-Pesa that have helped deepen financial inclusion. East Africans are now more wired than ever before with the majority connecting to the Internet through their mobile phones.
- East Africa's infrastructure deficit is a well document challenge and infrastructure investment is critical if the region wants to receive the full benefits of regional integration. An estimated 95% of East Africa's cargo is carried by road, this presents significant difficulties since 91% of East Africa's road network is unpaved. This can be alleviated if investment is made in the region's underperforming rail section. Recent attempts to revive the sector, including a \$40 million loan from China for the Tanzania Zambia Railway and the \$40 million African Development Bank loan for the Rift Valley Railways, are positive steps.
- ➤ Intra-EAC trade expanded from \$2.2 billion in 2005 to \$4.1 billion in 2010. The region is also globalizing rapidly. The value of its total trade with the world doubled from \$17½ billion in 2005 to \$37 billion in 2010, expanding the share of its economy that is traded from 28 per cent to 47 percent.
- The world is paying close attention to East Africa and engaging with it with increasing intensity and broadening scope. It is enjoying growth in foreign direct investment attracted by its natural resource endowment, growing economies and integrating markets. Recent discoveries of oil and gas in the region, the deployment of Ugandan, Burundian and Kenyan troops to Somalia, the fourfold increase from \$15 million to \$60 million in counterterrorism funding to the EAC, the arrival of 100 US military advisers to Uganda and AFRICOM's continued presence in the region, demonstrate that East Africa is a critical region from a global geopolitical standpoint.

"SID's hope is that the Report will drive vibrant conversations amongst government officials as well as citizens on how to keep the integration engine moving in light of the challenges and opportunities the report highlights," Ambassador Mwapachu added.

Members of the media will be able to receive copies of the report on April 3rd during a media breakfast from 7:30-8:30am at the Hilton Hotel.

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About the Society for International Development

The Society for International Development (SID) is an international network of individuals and organizations founded in 1957 to promote social justice and foster democratic participation. Through locally driven international programmes and activities, SID strengthens collective empowerment and facilitates dialogue and knowledge-sharing worldwide. SID has over 39 chapters, and 3,000 members in more than 50 countries. Its secretariat is located in Rome, Italy and it operates a Regional Office for Eastern Africa based in Nairobi, Kenya.

Over the years, SID has striven to provide much-needed fora, through which important actors in the international community can be exposed to, and influenced by critical and alternative voices. SID's International Secretariat is located in Rome while its Regional Office for Eastern Africa is located in Nairobi.