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P. O. Box 3243, Addis Ababa, ETHIOPIA Tel.: Tel: +251-115- 517 700 Fax: +251-115- 517844 / 5182523  
Website: [www.au.int](http://www.au.int)

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SP19948

**EXECUTIVE COUNCIL  
Thirty-First Ordinary Session  
27 June – 1 July 2017  
Addis Ababa, ETHIOPIA**

**EX.CL/1016(XXXI)i A**  
Original: English

**REPORT OF THE PRC SUB-COMMITTEE  
ON PROGRAMS AND CONFERENCES**

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**PRC SUB-COMMITTEE ON PROGRAMS AND CONFERENCES**

**1 -2 June, 2017**

**Bahir Dar, ETHIOPIA**

**SCttee/Prog & Conf/Rpt(06-17)**

Original: English

**REPORT OF THE  
THE PRC SUB-COMMITTEE ON PROGRAMS  
AND CONFERENCES**

**REPORT OF THE  
PRC SUB-COMMITTEE ON PROGRAMS AND CONFERENCES  
1 – 2 June 2017, Bahir Dar, Ethiopia**

**INTRODUCTION**

1. The Sub-Committee of the Permanent Representatives Committee on Programs and Conferences met in Bahir Dar on the 1<sup>st</sup> and 2<sup>nd</sup> of June 2017 to consider the Draft 2018 Programs and Conferences.

**Attendance**

2. The meeting was chaired by H.E. the Ambassador of Dieudonne Ndabarushimana of Burundi, Chairperson of the Sub-Committee on Programs and Conferences and was attended by representatives of the following Member States:

- |                   |                       |                  |                  |
|-------------------|-----------------------|------------------|------------------|
| 1. Algeria        | 13. Egypt             | 25. Malawi       | 37. Somalia      |
| 2. Angola         | 14. Equatorial Guinea | 26. Mali         | 38. South Africa |
| 3. Benin          | 15. Eritrea           | 27. Mauritania   | 39. South Sudan  |
| 4. Botswana       | 16. Ethiopia          | 28. Mauritius    | 40. Sudan        |
| 5. Burkina Faso   | 17. Gabon             | 29. Morocco      | 41. Swaziland    |
| 6. Burundi        | 18. Gambia            | 30. Mozambique   | 42. Tanzania     |
| 7. Chad           | 19. Ghana             | 31. Namibia      | 43. Togo         |
| 8. Comoros        | 20. Guinea            | 32. Niger        | 44. Tunisia      |
| 9. Congo          | 21. Kenya             | 33. Nigeria      | 45. Uganda       |
| 10. Cote d'Ivoire | 22. Lesotho           | 34. Rwanda       | 46. Zambia       |
| 11. DRC           | 23. Liberia           | 35. Senegal      | 47. Zimbabwe     |
| 12. Djibouti      | 24. Madagascar        | 36. Sierra Leone |                  |

**Opening**

3. The Chaperon of the meeting welcomed all members of the Sub-Committee and requested all delegations to work in the spirit of cooperation as they consider the draft programs of the African Union Commission. He recommended that both presenters and members to focus on programs only as the budget will be considered later by the Sub-Committee on Administrative, Budgetary and Financial Matters.

4. In his opening statement, H. E. the Deputy Chairperson of the AU Commission welcomed all to the meetings and hoped for fruitful deliberations. He mentioned that this the first budget of the new commission and he is hopeful that it will be ready for approval by the summit in July.

5. The 2018 budget is fully aligned with Agenda 2063 aspirations and the Flag Ship Projects. It is also the first to have a multi-year budgeting (MTEF) in line with Article 12 (5) of AU Financial Rules and Regulations.

6. Mostly importantly, this budget has embraced in full, the Kigali Decision on Financing of the Union (FoU), towards financing 100%, 75% and 25% of Operating, Program and Peace Operations budgets with Member States funds, respectively by 2020.

7. Besides, the 2018 proposed Theme: Year of Anti-Corruption has also been captured in the proposed programs of the union.

### **Adoption of Agenda**

8. The draft agenda was adopted as follows:

- a) Opening Remarks;
- b) Organisation of Work;
- c) Consideration of draft 2018 programs of AUC;
- d) Consideration of 2018 Calendar of Meetings.

### **Presentation by the Commission**

9. In his presentation the Director of Strategic Policy Planning, Monitoring and Evaluation and Resource Mobilization informed the meeting that the Draft programs were aligned to Agenda 2063 First Ten Year Implementation Plan and its Flagship Projects, the recommended AU reforms (mainly principles of subsidiarity/complementarity and joint planning and implementation) and the road map for the preparation of the Medium Term Plan (MTP) 2018-2023, the implementation of the decision on Financing the Union as well as a key component of institution and capacity building, communication and outreach.

10. The director went on to briefly outline the key programs by Agenda 2063 Aspirations. Key to note is that 46% of the programs are distributed around Aspiration 4 of Agenda 2063 First Ten Year Implementation Plan.

11. The Director of SPPMERM informed the meeting that in order to guide and facilitate deliberations, departments were advised to present their programs using a standard template that focuses on aspiration/pillar, project title, project description/background, project outcome, project outputs and key performance Indicators.

12. Following the presentation by the Director, members made the following observations:

- a) Why some departments are not attending the meeting and when they are going to be present at the meeting;
- b) There was also concern on non-availability of all documentations in all AU working languages to members;
- c) Members also requested clarification on the distribution of 2018 Draft Programs by the Agenda 2063 FTYIP by Aspiration;
- d) In addition, members sought clarification on whether the draft 2018 programs had taken into account the recurrent annual decrease in partner funds, delayed disbursement and human resource capacities;

- e) That the meeting should proceed with the departments that are present whilst remaining departments will join the meeting as and when they arrive;
- f) Some members also suggested that the meeting should reject draft programs and budgets of the departments who will not attend the meeting;
- g) It was also recommended that the Commission distributes all documents to members in the meeting in order to facilitate smooth deliberations at the meeting;
- h) Members also called upon the Commission to ensure that the right Organ/Department/Unit officials are present in order to present and respond to members' questions, and
- i) Furthermore, clarification was sought as to whether the draft 2018 programs were initially subjected to some internal scrutiny before their submission before the Sub Committee

**13.** The Commission responded as follows:

- a) Follow up efforts on departments who are not yet at the meeting are ongoing and hopefully most of them were going to join the meeting in due course;
- b) On the issue of non-availability of documentation, the Sub-Committee was informed that documents were sent to all members through the AU Conference system;
- c) With regard to the criteria used to distribute programs by Aspirations, the Commission informed the meeting that the Draft Programs were classified according to alignment to Agenda 2063 FTYIP, anticipated resource envelopes and departments' capacity to implement;
- d) Formulation of the draft 2018 programs took into account the implementation challenges which are highlighted in the 2016 Program Budget Implementation Report; and
- e) That the draft 2018 programs were subjected to internal scrutiny by the Internal Program and Budget Committee prior to the convening of the Sub-Committee of Conferences and Programs.

**2018 DRAFT PROGRAMS PRESENTATIONS BY DEPARTMENTS**

**I. OFFICE OF INTERNAL AUDIT**

- 14.** Presented program entitled Enhancement of Internal Audit Function, which centred on Institution and Capacity Building. The project focuses on two main

interventions, three outcome areas, two outputs, six identified risks and fourteen main activities.

**15.** Members made the following comments/observations:

- a) Expressed concern on non-implementation of audit findings;
- b) Whether the Commission has considered staff exchanges with Member States;
- c) Sought clarification why dashboard is not being utilized in reporting status of audit findings;
- d) The Commission was requested to clarify the independence of the Office of Internal Audit and its reporting hierarchy;
- e) Whether the Office of Internal Audit has any audit manuals to ensure continuity of audit standards given the general high staff turnover in the Commission.

**16.** The Commission responded as follows:

- a) The dashboard format of presenting the status of implementation of Audit recommendations has already been adopted by the Sub-Committee on Audit Matters. The dashboard format will be used with immediate effect;
- b) The audit office is independent in terms of planning and performance of audit functions and reports directly to the Chairperson and to the Sub-Committee on Audit Matters. However, the audit office is not independent in terms of budget and recruitment as it depends on departments that are also subject to audit by this same audit office;
- c) There is an audit manual which is aligned to audit guidelines and standards of internationally reputable audit bodies;
- d) The Commission has not yet strategized on undertaking staff exchange programs with Member States. However experiential learning is currently being undertaken through staff exchanges with the United Nations and African Development Bank as well as participating at internationally recognized audit seminars/workshops; and
- e) There is a 50% implementation rate of audit recommendations within departments, offices and other AU Organs, which is a significant improvement;

## Recommendations

17. The PRC Sub-Committee recommended that:
- i) **There should be a dashboard of audit findings, recommendations status and date of implementation;**
  - ii) **Internal Audit should be given the means to enable staff to participate in relevant international conferences to gain expertise to modernize/improve the quality of audit reports;**
  - iii) **An audit manual aligned to audit guidelines and standards of internationally reputable audit bodies should be used to ensure continuity of audit standards, given the general high staff turnover in the Commission;**
  - iv) **The Commission must seriously follow up the implementation of audit findings.**

## II. CITIZENS AND DIASPORA DIRECTORATE (CIDO)

18. Presented its program and related calendar of twelve results-based events/activities aligned to specific goals and priority areas of Aspirations 5 and 7 of Agenda 2063 FTYIP.

19. Members made the following comments/observations:
- a) Members requested the Commission to demonstrate the link between the expected results, meetings and Encyclopaedia Africana;
  - b) Whether it considered crafting programs on the basis of lessons learnt from some of AU Member States' success stories on harnessing the diaspora for economic development;
  - c) Inquired about the rationale that most of the activities are taking place outside the headquarters and whether appropriate budgets have been considered
  - d) Need for programs/activities aimed at encouraging Member States to set up diaspora desks within their relevant ministries/departments;
  - e) The Commission to consider bringing the diaspora to participate in continental capacity building programs by learning from similar United Nations initiatives;
  - f) Activities .2 and .6 could be merged since they address the same output, same results and attract the same participants;
  - g) Focus should also be on programs that are inclined towards engaging African citizens on the Continent; and

- h) Clarification was sought on the role of Trade Unions in diaspora programs/activities.

20. The Commission responded as follows:

- a) Diaspora engagement strategies focusing on investments, remittances and knowledge transfer are being developed;
- b) The Commission has studied diaspora investment success stories in some of the Member States;
- c) In order to facilitate planning, implementation, monitoring and evaluation of diaspora engagement programs, a Diaspora Engagement Toolkit is being developed;
- d) Proposed programs and activities are more economically implemented within the regions/countries with high population of the African Diaspora;
- e) The objectives of Encyclopaedia Africana should go beyond raising awareness.
- f) Meetings are held outside of the AU Headquarters because the constituents served by CIDO are basically civil society organizations and the diaspora; it would be cost effective to engage them in their constituencies.

### Recommendations

21. The Sub-Committee recommended that:

- i) **Programs should be crafted on the basis of lessons learnt from some of AU Member States' success stories on harnessing the diaspora for economic development;**
- ii) **Programs should aim at encouraging Member States to set up legal framework on diaspora.**
- iii) **Some activities should be merged since they address the same output, same results and attract the same participants;**
- iv) **Adequate budget should be allocated to facilitate the popularization of AU programs within and outside the Continent.**

### III. BUREAU OF CHAIRPERSON

22. Presented a program which is anchored on the implementation of AU reforms over short, medium and long term periods. The BCP presented a request for supplementary programs that have to be implemented during the short to medium

term following the adoption of the decisions on AU Reforms and Financing the Union at the January 2017 Summit.

**23.** The program is based 2 outcomes, 5 outputs with 22 indicators and risk assessment. There are also outputs related to the 2018-2023 Medium Term Plan (MTP) and more specific outputs which are spread over the four thematic areas recommended under the AU Reforms.

**24.** Members of the Sub-Committee made the following comments/observations:

- a) Whether the proposed amendment to the PRC Rules of Procedure, under Institutional Reforms, was only an example and that other AU Organs' Rules of Procedure needed to be amended as well;
- b) What was the Commission's rationale for the July deadline for the setting up of the Institutional Reform unit, even before consensus has been reached on the Institutional Reform recommendations?
- c) Clarification on the Terms of Reference, recruitment criteria and process for the proposed eight staff of the reform unit;
- d) What were the criteria used in arriving at the estimate 20 Member States implementing the 0.2% levy on the decision on financing the Union?

**25.** The Commission responded as follows:

- a) The PRC was singled out as an example given that the PRC is a key player in the entire reform process, the prominence given by reforms to the need to fine tune relations between the Commission and the PRC as well as the need to clarify roles and responsibilities among the Commission, PRC and Regional Economic Communities (Recs);
- b) PRC proposals and recommendations will be duly taken into account in the process of implementation of the institutional reforms;
- c) Decisions on institutional reforms impact across a wide range of existing AU instruments and rules of procedure. Efforts will be taken to align those instruments and rules of procedure to the institutional reform decisions;
- d) An analysis on the state of preparedness of Member States to implement the 0.2% levy decision was done, resulting in a conservative figure of 20 Member States implementing the 0.2% levy decision;
- e) The Commission will provide further details on the Terms of Reference, criteria and process of recruiting the eight staff for the Institutional reform Unit, and
- f) The Commission will put in place measures to ensure that the recommended reforms are well understood by all stakeholders.

## Recommendations

26. The following were recommendations made by the Sub-Committee:

- i) **Encouraged the Bureau to expedite the reform process;**
- ii) **The Bureau needs to carefully align the relevant instruments in the spirit of the reform.**

## IV. NEPAD COORDINATION UNIT

27. Presented a program which is based on the integration of NEPAD into the AU processes and structures; and it is under Institution and Capacity Building Pillar. The program has two outcomes, two outputs, nine activities, four key performance indicators and only one challenge related to staffing.

28. Members of the Sub-Committee made the following comments/observations:

- a) Clarification was sought on the areas of program duplication between the AUC and the NEPAD Planning and Coordination Agency (NPCA);
- b) Requested for initiatives to be undertaken in rectifying the duplications in light of Institutional Reform recommendations.
- c) Proposed the use of website that is cost effective rather than costly publications.
- d) They wondered if the current structure of the unit fully supports the unit's ability to execute its mandate.

29. The Commission responded as follows:

- a) It is generally observed that there are areas of overlap and even duplication of programs between NEPAD Planning and Coordination Agency and some AUC departments.
- b) The integration of NEPAD into the AU structures and processes will take place from physical, programmatic and legal perspective;
- c) A study which seeks to clarify areas of duplication and overlap between NPCA and AUC programs and activities is underway and will be completed in August 2017;
- d) A cost benefit analysis on the use of publications or the website will be done although the two modes of publicity can be seen as complimentary.

## Recommendations

30. The following were recommended by the Sub-Committee:

- i) **The areas of program duplication should be identified between the AUC and the NEPAD Planning and Coordination Agency (NPCA) and rectify the duplications in the Institutional Reform recommendations and amend the program title accordingly;**
- ii) **Strengthen the current structure of the unit to fully support the unit's ability to execute its mandate.**

## **V. OFFICE OF THE LEGAL COUNSEL**

**31.** Presented four programs aligned to Agenda 2063 FTYIP Aspirations 1, 3 and 6 as well as Institution and Capacity Building Pillar. The programs have five Outputs and four Key Performance Indicators.

**32.** Members made the following comments/observations:

- a) Sought clarification on South Sudan Hybrid Court;
- b) There is need to indicate envisaged activities for the setting up of the Trust Fund for the compensation of victims as ordered by the Hisene Habre Hybrid Court;
- c) proposed to merge items 1 and 4;
- d) Queried whether the AU will consider prosecuting some of Hisene Habre's accomplices;
- e) wanted to know whether appropriate budgets had been provided for meetings in excess of 200 participants ;
- f) How will the recommended US\$84 million Hisene Habre victims' compensation Trust Fund be raised;
- g) Have the Hybrid Court considered compensating the victims from the seized Hisene Habre assets;
- h) Wondered whether the Office of the Legal Counsel was the appropriate implementing entity for the Maritime Strategy Program;
- i) Clarification was sought on the complementarity of activities of Office of the Legal Counsel and African Union Commission on International Law;
- j) Compensation of victims of atrocities lies with the perpetrators of those atrocities. Therefore, AU should not take responsibility in the compensation of victims as this will set an unsustainable precedence ;
- k) Proposed merging activities 1.01, 1.02 & 1.05 as they seem similar;

- l) Where will be the seat of the South Sudan Hybrid Court?
- m) Why hire 10 legal associates.

**33.** The Commission responded as follows:

- a) Merging items 1 and 4 is not possible since the two meetings target different experts in terms of expertise and participation levels;
- b) The Trust Fund is expected to raise the \$84 million victims' compensation funds from US\$5 million contribution from AU assessed contributions and the rest from other sources. The seized Hisene Habre assets only amount to US\$700,000;
- c) The AUCIL is an organ whose secretariat is within the OLC given the complementarity of mandates of the AUCIL and OLC;
- d) The Office of the Chairperson requested the Office of the Legal Counsel to coordinate the coordination of the implementation of the Maritime Strategy on their behalf. This was done given the multifaceted nature of the Maritime Strategy;
- e) The activities of the AU Law Week consist of more than meetings and include ratification of treaties, focus group meetings, and state of the union addresses among others;
- f) Activities 1.01, 1.02 and 1.05 are three different meetings and cannot be consolidated because they deal with different issues;
- g) The RECs meeting will be held in the same week of maritime celebration;
- h) Printing banners and other materials will be paid under the budget of Legal Counsel;
- i) The proximity of the court should be closed to the witnesses, however, some countries have expressed interest in hosting the court due to security concern; Tanzania being the judicial capital, it's possible to host the court; and
- j) National sectorial committee will be established in member states to facilitate ratifications of treaties/protocols.

**Recommendations**

- i) The Commission should work with South Sudan in order to set up the Hybrid Court with the long-term view of making the Hybrid Court an African court;**

- ii) **There is need to envisage activities for the setting up of the Trust Fund for the compensation of victims as ordered by the Hissene Habre Hybrid Court;**
- iii) **The African Union Commission should coordinate the operationalization of the fund for the compensation of victims, the latter will also be involved in the management of the fund.**

## **VI. DEPARTMENT OF POLITICAL AFFAIRS (DPA)**

**34.** Presented 4 projects aligned to Agenda 2063 FTYIP Aspirations 2, 3 and 7. The projects have 2 strategic outcomes, 4 project outcomes, 4 Key Performance Indicators and a risk assessment section.

**35.** Members made the following observations/comments:

- a) Some AU Member States do not yet recognize the African union Passport;
- b) Explanation was requested on the meaning of integration and economic development from DPA perspectives;
- c) Projects/activities related to Peace and Security should be moved to the Peace and Security Department;
- d) There is an apparent lack of Agenda 2063 Flagship project e.g. Silencing the Guns by 2020;
- e) Electoral Management Bodies have not been included as stakeholders;
- f) Clarification was sought on the rationale of project related to the Commemoration of Human Rights.

**36.** The commission responded as follows:

- a) Integration is cross-cutting across all the departments and all departmental specific programs/projects are implemented in a complementary fashion within Member States;
- b) RECs play a facilitation role in the adoption of governance norms given their proximity to Member States;
- c) DPA has no specific project on Peace and Security, however, DPA contributes to Peace and Security related outcomes;
- d) The Agenda 2063 Flagship project on the Free Movement of Persons is included;

- e) Silencing the Guns is an Agenda 2063 Flagship project being solely implemented by the Peace and Security Department; DPA only contributes to it;
- f) The 2018 target for free movement of people is feasible given the Member States are expected to adopt the Protocol on Free Movement of People in January 2018;
- g) The project on Human Rights Commemoration is a continental project that is already being implemented in some of the Member States in commemoration of human rights atrocities perpetrated within respective Member States.

## Recommendations

37. The Sub-Committee recommended the following:

- i) **The Department should propose programs that aim at sensitizing Pan-Africanism among Africans;**
- ii) **Introduction of timelines and targets for the promotion of free movement of people;**
- iii) **Inclusion of Silencing the Guns by 2020, an Agenda 2063 Flagship Project, in the program;**
- iv) **Activities related to peace and security should be moved to the Peace and Security Department; and**
- v) **There is no need to convene a meeting on Public Service since the Specialized Technical Committee (STC) will meet in 2018.**

## VII. WOMEN, GENDER AND DEVELOPMENT (WGDD)

38. Presented 2 projects aligned to Agenda 2063 FTYIP Aspirations 6. The projects have 2 outcomes, 10 outputs and 7 Key Performance Indicators as well as main implementation related challenges faced by the department in 2016.

39. Members made the following observations/comments:

- a) Campaign on social media needs to be explained;
- b) Noted that the proposed programs are too deep to be implemented using the current low level of staffing in WGDD; hence the need to strengthen the department Inquired about the location of the Gender Centre of Excellence
- c) Implications for the integration of PAWO into the AU need to be clarified;

40. The commission responded as follows:

- a) Monuments on the advancement of women economic empowerment and operationalization of the Pan-African Women Organization (PAWO) are short-term projects;
- b) A review of the ongoing programs is underway with a view to prioritizing a few high impact projects aligned to Agenda 2063 FTYIP;
- c) The Gender Observatory is the first step towards the establishment of the proposed Gender Centre of Excellence, the location of which will be determined later;
- d) Women and girls differ in terms of their specific needs;
- e) WGDD focuses on both sexes (male/female) and issues of disability are addressed by the Department of Social Affairs (DSA);
- f) Gender issues related to maritime security, migration and violence against women are being effectively addressed through WGDD's exercise of reorienting its approach in tackling gender issues;

## **Recommendations**

41. The Sub-Committee made the following recommendations:

- i) The Directorate should broaden its programs to include violence against women and women migrants;**
- ii) Gender issues should focus on both men and women as well as women and child abuse, while the issue of disability be addressed by Department of Social Affairs;**
- iii) The directorate should be strengthened with appropriate number and mix of qualified staff.**
- iv) The directorate must share its programs and events with the Member States.**

## **VIII. MEDICAL SERVICES DIRECTORATE (MSD)**

42. Presented 1 project aligned to Institution and Capacity Building. The project has 1 outcome, 3 outputs and 5 Key Performance Indicators and a summary of the 2016 program performance including challenges faced.

43. Members made the following observations/comments:

- a) Members inquired whether there is any plan to establish a hospital at the AU Medical Centre;

- b) Clarification was sought on why medical services is involved in gender issues;
- c) The KPI for point 6 appear to be more related to the Department of Social Affairs (DSA).

44. The Commission responded as follows:

- a) The program to re-launch discontinued services has been prepared and will start in July 2017;
- b) Plan to introduce services to hospitalize patients at the AU Medical Centre is underway;
- c) The Africa Centre for Disease Control (CDC) has been established in order to expedite AU response to disease outbreaks; and
- d) Medical Services Directorate was requested by the Women, Gender and Development Directorate to implement gender equality programs within the medical services;

#### **Recommendations**

- i) Medical Services Directorate needs to enhance its service delivery to respond to patient needs;**
- ii) There is a need to revisit Key Performance Indicators**

#### **IX. STRATEGIC POLICY PLANNING MONITORING AND EVALUATION AND RESOURCE MOBILIZATION (SPPMERM)**

45. Presented 2 projects aligned to Institution, Capacity Building and Communication. The projects have 2 outcomes, 7 outputs, 15 Key Performance Indicators and a summary means of verification, risk assessment and assumptions.

46. Members made the following observations/comments:

- a) Inquired on the challenges related to domestication and visibility of Agenda 2063 FTYIP, including the role of Regional Economic Communities (RECs);
- b) Sought clarification on whether Agenda 2063 FTYIP and SDGs were competing/complementary frameworks;
- c) Elaborated on practical activities being undertaken towards the mobilization of resources for Agenda 2063 Flagship projects given the AU's dependency on partners;
- d) Members sought clarification on the apparent low level of Agenda 2063 domestication missions undertaken since 2015;

- e) Wondered whether the Assembly Decision to include the Grand African Museum should be one of the Flagship projects;
- f) Wanted clarifications on whether previous planning related recommendations were implemented;
- g) It Seems that Agenda 2063 meetings appear to be replicated since 2016;
- h) Sought clarification on the library project and EU-AU technical evaluation mission;
- i) Related activities (like monitoring and evaluation) should be merged.

**47.** The Commission responded as follows:

- a) SDGs and Agenda 2063 FTYIP are complementary and not competing frameworks;
- b) Agenda 2063 domestication and popularization is a shared responsibility among the AU, Member States, RECs and other AU Organs;
- c) Conducting Agenda 2063 missions to Member States depends on the readiness of individual Member States to receive domestication missions. Quite good number of Member States have taken the initiative to invite Agenda 2063 domestication missions;
- d) Domestication of Agenda 2063 is a long process that takes a lot of effort time, resources and commitment of all stakeholders;
- e) Based on lessons learnt so far, all future Agenda 2063 domestication activities will be undertaken with and through RECs;
- f) At the level of the AU and UN, there is an understanding at higher level of the two institutions for the joint domestication of Agenda 2063 and SDGs in Member States, whilst technical level activities to that effect are yet to be undertaken;
- g) The Agenda 2063 FTYIP Monitoring and Evaluation Framework architecture cuts across national, regional and continental levels with all national statistical agencies being the main data sources. This enhances the authenticity of data fed and collected within the Monitoring and Evaluation Framework;
- h) Agenda 2063 FTYIP is a transitional plan to enable learning and improving. This implies that all projects not completed by 2023 will be carried over to the next Ten Year Implementation Plan;

- i) The low 2018 budget provision for the Medium Term Plan (MTP) 2018-2023 is due to the fact the MTP preparation process has already started in 2017 with an adequate budget;
- j) MTP 2018-2023 MTP specific Monitoring and Evaluation Framework is also being developed, and it will be operational from January 2018 when the MTP is expected to be adopted by AU policy organs;
- k) The four thematic areas recommended within the reforms will form the basis for joint planning, programming and implementation across all AU Organs; focusing on a few deliverable goals as well as measurable and attainable results;
- l) Agenda 2063 Flagship Projects are being implemented through relevant technical departments such as Infrastructure and Energy, Political Affairs, Economic Affairs, Human Resources Science and Technology and Peace and Security;
- m) Implementation of Agenda 2063 Flagship Projects will be funded through AU Resource Mobilization efforts. A domestic resource mobilization strategy has been developed to that effect;
- n) Measures will be put in place to ensure that all project proposals will indicate appropriate legislative mandates they are aligned to;
- o) The project on the use of the library relates to the recently launched e-library;
- p) AU/EU Technical evaluation missions are pre-condition within the EU funding agreement; and
- q) Grand African Museum is now one of the Flagship projects.

## Recommendations

48. The following are recommendations made by the Sub-Committee:

- i) **Measures should be put in place to ensure verification/ authenticity of data uploaded on the Balanced Score Card (BSC);**
- ii) **Project planning and implementation focus on a few tangible projects with measurable results and appropriate legislative mandate;**
- iii) **There is a need for an update on the implementation time frame of Agenda 2063 Flagship projects;**
- iv) **SPPMERM should facilitate a joint planning, programming and implementation among departments, directorates and Organs**

with focus on results-based budgeting, connectivity, technology, research and development and innovation of continental projects.

- v) The directorate needs to update Policy Organs on status of implementation of previous decision on Agenda 2063 FTYIP.
- vi) A percentage of the operational budget must be allotted for the implementation of flagship projects of Agenda 2063.

**X. DIRECTORATE OF CONFERENCE MANAGEMENT AND PUBLICATIONS (DCMP)**

**49.** Presented 1 project aligned to the Institution, Capacity Building and Communication Pillar. The project has 1 outcome, 2 outputs, 4 Key Performance Indicators and a summary of challenges currently being encountered.

**50.** Members made the following observations/comments:

- a) Noted the delay in distribution of documents and often times the documents are not available in all AU official languages;
- b) Requested that departmental budget provisions relating to conference services be moved to DCMP;
- c) Questioned the reason DCMP depends on other departments to budget for conference services related activities;
- d) There is an increased and continuous use of expensive freelance conference services staff. Instead DCMP should implement recruitment activities in order to facilitate program implementation and service delivery;
- e) Specialized training activities (International Language events) are recurrent in DCMP programs; and
- f) Suggested the need to review the functions of DCMP.

**51.** The Commission responded as follows:

- a) The delay in the distribution of documents result from user departments who do not submit their documents for translation and distribution by services;
- b) DCMP is not in control of the use of conference services budget provisions budgeted under user departments;
- c) Freelance conferences services staff are only engaged on the basis of work exigencies; and

- d) Staff participation in international language events are aimed at equipping staff with modern trends, new tools and new methods in the language industry.

## **Recommendations**

- 52.** Following the deliberations, the Sub-Committee recommended as follows:
- i) The functions, mandate and structure of DCMP should be reviewed with a view to strengthen it.**
  - ii) The department, in consultation with PBFA, SPPMERM, and AHRMD, should explore ways and means to improve its services delivery, including centralization of conference services by 2019.**
  - iii) The website of Conferences Services needs to be timeously updated;**
  - iv) All vacant positions must be filled as soon as possible to strengthen the directorate to facilitate program and minimize the continuous use of expensive freelance conference services staff;**
  - v) In the event that more interpreters are required to service a meeting, efforts should be made first to use the services of interpreters from other AU Organs who are less busy prior to hiring freelancers;**
  - vi) Documents should always be translated in the 4 AU official languages and adequate budget should be allotted to the department.**

## **XI. OFFICE OF SECRETARY GENERAL OF THE COMMISSION (OSG)**

**53.** Presented 1 project aligned to the Institution, Capacity Building and Communication. The projects have 1 outcome, 2 output, 5 Key Performance Indicators, schedule of proposed activities and a summary of means of verification, risk assessment and assumptions.

- 54.** Members made the following observations/comments:
- a) Sought clarification on the OSG's coordination role in relation to the same role being performed by the NEPAD Coordination Unit;
  - b) Training on Drafting of Decisions needs explanation in relation to the responsibility of the OSG;
  - c) Suggested that all archiving activities should be under AUC Archives Unit;

- d) There is a need to outline the functions of the future Ministerial Forum on Collaboration;
- e) The experience sharing missions have been going on since 2015 but its not indicated in which countries/institutions were those missions will be undertaken:

55. The Commission responded as follows:

- a) Training on drafting skills is not limited to OSG staff, it is extended to all staff from the line departments;
- b) Programs on information and outreach will be implemented through the Directorate of Information and Communication; and
- c) Upgrading activities relate to the OSC registry office and not archiving;

### **Recommendations**

56. The following were recommended:

- i) **Programs/activities related to information and communication be implemented by the Directorate of Information and Communication (DIC);**
- ii) **Activities related to archiving should be moved to the SPPMERM Archives Unit;**
- iii) **Update Members on tools being currently used in the implementation of programs/activities.**

## **XII. PROGRAMMING BUDGETING, FINANCE AND ACCOUNTING (PBFA)**

57. Presented 1 project aligned to the Institution, Capacity Building Pillar and Communication. The projects have 1 outcome, 9 outputs, 2 Key Performance Indicators, 4 complimentary indicators and a summary of risks and assumptions.

58. Members made the following observations/comments:

- a) Members sought clarification of recurrent budgeting of IPSAS training;
- b) Capacity building activities seem to be overlapping, and they are high in number suggesting lack of qualified staff in PBFA;
- c) Suggested that PBFA considers IPSAS training to Member States;
- d) PBFA should consider recruiting more qualified personnel to facilitate internal training (Training of Trainers) skills transfer and experience sharing;

e) The relevance of team building activities is not clear.

59. The Commission responded as follows:

- a) In future, Member States will be involved in all PBFA new initiatives such as IPSAS;
- b) Issues related to the DCMP budget will be resolved following internal consultations;
- c) PBFA has staff who are qualified and competent within their areas of responsibility;;
- d) Team building sessions/retreat are essential internal planning activities;
- e) PBFA has completed a risk mapping exercise;
- f) PBFA is developing a Budget Analysis Tool to facilitate clarity and transparency in budget presentation and tracking; and
- g) IPSAS is adopted once. However, IPSAS regularly introduces new standards and rules hence the need for staff to annually upgrade their skills in line with the new trends.

### Recommendations

60. The members of the Sub-Committee recommended the following:

- i) **The directorate should organize IPSAS familiarization session for Member States;**
- ii) **Recruit more qualified personnel to enhance service delivery, skills transfer and experience sharing.**

### XIII. BUREAU OF DEPUTY CHAIRPERSON (BDCP)

61. Presented 1 project aligned to the Institution, Capacity Building Pillar and Communication. The projects 1 objective, 5 outcomes and 5 outputs.

62. Members made the following observations/comments:

- a) There is need for BDCP to increase support to DCMP particularly in facilitating expediting filling of vacant posts within the DCMP;
- b) Members requested clarification on the linkage between reform activities proposed under BDCP and the reform activities (mainly policy coordination) of the proposed institutional reform unit under the BCP;

- c) Noted that there are too many activities on the promotion of AU Code of Ethics;
- d) Requested also for an update on the restructuring exercise;
- e) Most of proposed programs are similar to those proposed by PBFA
- f) Wondered why BDCP has activities on resource mobilization since this is the responsibility of SPPMERM;

**63.** The Commission responded as follows:

- a) Programs under the BCP and BDCP complement each other. The BCP programs set policy direction whilst the BDCP programs are aimed at implementation of the BCP policy directives;
- b) Activities of the AU Code of Ethics are programmed under the BDCP only for operational purposes;
- c) Programs that appear similar to those under PBFA have no cost implication; and
- d) BDCP plays the role of resource mobilization policy support, while SPPMERM implements actual resource mobilization programs.

#### **Recommendation**

- i) The Bureau should increase support to DCMP, particularly in expediting filling vacant posts.**

#### **XIV. DEPARTMENT OF TRADE AND INDUSTRY (DTI)**

**64.** Presented 4 projects aligned to the Agenda 2063 FTYIP Aspirations 1 and 2 including 3 Flagship Projects and 1 Special Project. The projects have 13 outcomes, 4 outputs and 4 Key Performance Indicators.

**65.** Members made the following observations/comments:

- a) DTI programs are mostly meetings;
- b) Clarification was required on DTI's alignment to activities of the Committee of 10 Ministers of Finance (F10) related to the implementation of the decision on 0.2% levy;
- c) Observed that DTI proposals covered many outcomes and therefore, propose that it refocus on key deliverables through results;

- d) Also sought clarification as to whether the project on the High Speed Train should be implemented under DIE.

66. The Commission responded as follows:

- a) Consultations with Member States based stakeholders will be conducted at regional level and not at Member State level;
- b) The High Speed Train Flagship project is an integration project that is coordinated by DIE but being implemented through multi-stakeholders involvement, and
- c) The Commission is unable to extend the CFTA project over 2-3 years due to summit decision.

### Recommendations

- i) **The Department should evaluate the status of the implementation of the CFTA and submit a report to the AU Policy Organ;**
- ii) **DTI should merge some activities and defer non-essential activities in accordance with fund availability constraints;**
- iii) **Programs that relate to stakeholders that are internal to Member States should be implemented in consultation with Member States.**

### XV. DEPARTMENT OF SOCIAL AFFAIRS (DSA) AFRICA CENTRE FOR DISEASE CONTROL (CDC)

67. Presented 5 DSA projects aligned to the Agenda 2063 FTYIP Aspirations 1, 2, 3 and 5. The projects have 5 outcomes, 27 outputs and 23 Key Performance Indicators. Also presented was a projects for the Africa Centre for Disease Control (CDC) and Africa Institute of Remittances (AIR). AIR project is aligned to Agenda 2063 FTYIP Aspiration 7, with 3 outcomes, 3 outputs and 3 KPIs. The CDC project outcomes, outputs and KPIs were not clearly outlined in the presentation.

68. Members made the following observations/comments:

- a) Clarification was sought on CDC support logistics and infrastructure;
- b) The Department was requested to explain whether there is an overlap with activities of CIDO and WGDD; and
- c) Suggested that regional CDC laboratories depend the effective implementation of the Agenda 2063 FTYIP Flagship Project (Free Movement of People).

69. The Commission responded as follows:

- a) DSA and CDC programs are being properly planned in terms of reliability of logistical/ support services/infrastructure and at the same time ensuring that there is no duplication/overlap of activities with other departments/initiatives within the AU.

### **Recommendations**

- i) **The CDC project aimed at establishing an Emergency Response Centre require proper logistical planning, especially reliability of support services/infrastructure;**
- ii) **The Department's programs should be harmonized with those of CIDO and WGDD to ensure that there is no duplication/overlap of activities.**

## **XVI. PEACE AND SECURITY COUNCIL (PSC)**

**70.** Presented 1 project aligned to the Agenda 2063 FTYIP Aspiration 4 including the Agenda 2063 Flagship Project on Silencing the Guns. The project has 1 outcome and 1 output and 4 KPIs.

**71.** Members made the following observations/comments:

- a) The program/project appear to be understated in terms of scope taking into account the current realities in terms of program implementation and the need for the PSC to be responsive to emergencies.

**72.** The Commission responded as follows:

- a) PSC program/project will be expanded to take into account current implementation realities and to enable the Organ to respond to emergencies.

### **Recommendations**

- i) **The Peace Security Council should have dedicated conference services to enhance performance;**
- ii) **The Council should be treated like any other organ, and should not be confused with the Peace and Security Department.**

## **XVII. PEACE AND SECURITY DEPARTMENT (PSD)**

**73.** Presented 6 projects aligned to the Agenda 2063 FTYIP Aspiration 4 and the Institution and Capacity Building Pillar. The projects have 6 main outcome areas and 31 outputs.

**74.** Members made the following observations/comments:

Project that requires annual work plan need to be implemented with facilitation from SPPMERM

- a) Suggested that the capacity building project be implemented locally;
- b) The PBFA and Human Resources capacity building projects better be moved to PBFA and Human Resources Directorates;
- c) Project on Peace and Security Award in Africa is yet to be implemented when the relevant Memorandum of Understanding (MoU) is signed;
- d) Members enquired whether there is any decision on the Establishment of the Gender Observatory Projects.

**75.** The Commission responded as follows:

- a) PSD will seek the services of SPPMERM to facilitate planning related projects;
- b) Capacity building project will be implemented by sourcing local service providers and will only source abroad where required services are not locally available;
- c) The PBFA and Human Resources related capacity building projects will be implemented through PBFA and Human Resources Directorate;
- d) PSD to consult with the BCP on the MoU on the project on Peace and Security Award in Africa with a view of operationalize the MoU; and
- e) There is a decision on the Establishment of the Gender Observatory Project.

### **Recommendations**

- i) Peace and Security Award project must be operationalised without further delay;**
- ii) The activities related to Gender should be implemented in consultation with WGDD;**
- iii) The activities related to peace and security under the Bureau of the Chairperson should be moved to PSD.**

### **XVIII. AFRIPOL**

**76.** Presented 1 projects aligned to the Agenda 2063 FTYIP Aspiration 4 and the Institution and Capacity Building Pillar. The projects have 1 outcome and 1 output.

**77.** The PRC Sub-Committee did not comment on this issue.

## **XIX. DEPARTMENT OF INFRASTRUCTURE AND ENERGY (DIE)**

**78.** Presented 6 projects aligned to the Agenda 2063 FTYIP Aspirations 1 and 2. The projects have 2 objectives, 31 outputs and 8 Key Performance Indicators.

**79.** Members made the following observations/comments:

- a) Inquired how the AFREC training projects will be implemented (at the Centre or in the regions);
- b) Programs lack Continental/ Agenda 2063 Flagship Projects;
- c) The project on remittances appear to be a duplication of a similar project under DSA and should be moved to DSA;
- d) The proposed remittances should be kept under the Department only in relation of the remittances infrastructure;
- e) Most of the Projects especially 5 and 6 don't seem implementable in 2018 and should be scaled down; and
- f) More information (decision to establish it, location and status of recruitment of staff) is required on the project on the AU E-governance.

**80.** The Commission responded as follows:

- a) AFREC project related to training will be implemented from the Centre;
- b) Continental / Agenda 2063 Flagship Projects such as Great Inga Dam, Aviation, Pan-African E-Network, High Speed Train are included;
- c) DIE programs/projects are implementable and have been discussed and agreed with SPPMERM and partners;
- d) The remittances project in the Department is related to e-commerce and regulating the money transfer agents;
- e) The Department manages establishment of equipment and tools / postal infrastructure used for remittances. This complements the activities of the African Institute of Remittances (AIR) under DSA; and
- f) There is a decision on the establishment of the E-governance Academy and DIE intends to conduct a scoping exercise for this project. Member States will decide on the location of the E-governance Academy.

### **Recommendations**

- i) The project on remittances should be under DSA;**

- ii) **The Department should develop and submit a Program/Project Implementation Plan with clear benchmarks, timelines and milestones;**
- iii) **Member States will decide the location of the E-Governance Academy in accordance with the decision to establish the E-governance Academy;**
- iv) **The Department must have concrete and visible project with time frame not just meetings.**

## **XX. HUMAN RESOURCES SCIENCE AND TECHNOLOGY (HRST) & PAN AFRICAN UNIVERSITY (PAU)**

**81.** Presented 4 projects aligned to the Agenda 2063 FTYIP Aspirations 1, 6 and 7 and 2 Agenda 2063 FTYIP Flagship Projects i.e. Outer Space and Pan - African Virtual University. The projects have 4 outcomes, 16 outputs and 28 Key Performance Indicators.

**82.** Members made the following observations/comments:

- a) Some of the proposed projects need to be harmonized and merged;
- b) Some activities seem to be repeated within projects;
- c) Impact of some of the projects such as education are yet to be felt in Member States;
- d) Projects related to the transformation of the African Heritage School appear to be missing;
- e) One project appear to be more appropriately programed under DIE and another was deemed to be more related to CIDO.

**83.** The Commission responded as follows:

- a) Complementary projects will be harmonized and merged;

### **Recommendations**

- i) **Harmonize and merge similar projects to avoid duplication;**
- ii) **Member States should feel the impact of some of the projects implemented such as education;**
- iii) **Inclusion of projects related to the transformation of the African Heritage School;**

- iv) The project relating to DIE and CIDO should be moved to the respective departments to avoid overlapping.

## **XXI. DEPARTMENT OF ECONOMIC AFFAIRS**

84. Presented 6 projects aligned to the Agenda 2063 FTYIP Aspiration 2. The projects have 4 outcomes and 8 outputs.

85. Members made the following observations/comments:

- a) Inquired why is the budget was presented with gap;
- b) Sought clarity on how priority is done in terms of funds allocation;
- c) Asked why funds are not allocated to top priority areas because there is no allotment for five priority areas;
- d) Requested if it is possible for departments to carry forward key priorities;
- e) The department should pay keen attention to its priorities, especially allotting resources to establish the Centre of Excellence and library centre;
- f) Further sought clarification on the importance of the tropical training in the department;
- g) The department has should work with legal counsel on signing of treaty;
- h) Some of the projects are underfunded and should not be confused with funds that come from international partners;
- i) While partners are providing funds, it is member States responsibility to rationalize the allocation of resources;
- j) Noted that the activity on governance, peace and security does not fall under DEA;
- k) Requested an update on the operationalization of the African Central Bank;
- l) Sought explanation why Economic Affairs department has programs/activities on Agenda 2063 since this is the mandate of SPPMERM.

86. The Commission responded as follows:

- a) The budget should not be presented with gap as per the rule;
- b) Some of the departments did not update their programs; therefore, the gap should be left out or removed;
- c) Comments are noted and will see the budget to see if the Centre of Excellence is budgeted;
- d) The charter on the harmonization of statistics in Africa was adopted in 2012 and the Stata will be implemented;
- e) The library and language centre needs translation equipment for training in the various languages;
- f) The establishment of the training centre is to train statisticians in international standards to take into account migration statistics, analysis and dissemination of information on migration;
- g) Funds from partners are technical support; therefore, the department needs support from Member States to implement some of its activities;
- h) Different meetings are held for different field of statistics, however, some activities will be merged;
- i) This activity is on statistics on governance, peace and security; therefore, the department is working with PSD working group as well as Gender and DSA;
- j) Regarding Pan African Investment Code, it was recommended that the AUC work closely with MS to ensure that their concerns are taken on board; the code was slightly amended because the concerns of member states were integrated;
- k) Investment promotion network is the information sharing portal on investment in Africa and it has information on chamber of commerce, business associations, etc. that investors in the continent will need; the website is operationalization and is updated regularly;
- l) The annual report on integration regarding Agenda 2063 and SGDs will view the progress made at the continent focusing on statistics of Agenda 2063 implementation;
- m) There is a protocol on the coordination between AUC and RECs.

## Recommendations

- i. **The department should pay key attention to its priorities, such as allotting resources for the establish the Centre of Excellence, library etc.;**

- ii. **The activity on Agenda 2063 must not overlap with SPPMERM, which is responsible for Agenda 2063.**

## **XXII. DIRECTORATE OF INFORMATION AND COMMUNICATION**

**87.** Presented 1 project aligned to Institutional, Capacity Building and Communication Pillar. The project has 1 outcome, 2 outputs and 8 key performance indicators.

**88.** Members made the following observations/comments:

- a) The department has never disseminated press releases to members.

**89.** Commission responded as follows:

- a) The contents of the information store since OAU days as well as AU should be digitized;
- b) Our projects are intended to inform the diaspora community; and
- c) Apologize that press releases had not been sent to members of the PRC; however, press attaches of embassies will be contacted for their proper addresses to send them press releases;

### **Recommendation**

- i) **Press Releases should be disseminated to Member States through their Embassies in Addis Ababa.**

## **XXIII. DIRECTORATE OF PROTOCOL SERVICES**

**90.** Presented 1 project aligned to Institutional and Capacity Building Pillar. The project has 1 outcome, 1 output and 4 key performance indicators.

**91.** Member States made the following comments/observations:

- a) Expressed concern about the use of gifts given to officials of the Commission;
- b) There is no budget line for Africa Day in the presentation as seen in other presentations;
- c) Also expressed concern about organizing staff exchanges as well as the venue;
- d) Need to work with AHRM and PBFA for human and financial resources requirement for the visibility of protocol officers during summit.

92. The Commission responded as follows:
- a) Noted that the Member States are in solidarity with Protocol Services;
  - b) Informed that request to the PRC for vehicles has been rejected several times in the past;
  - c) The Department is understaffed, leading to the absence of protocol officers during summit;
  - d) Africa Day fund has to be increased to US\$50,000 because many activities are required for the celebration;
  - e) Despite the PRC's approval for vehicle some time back, Protocol Services has not been provided so far.

### **Recommendations**

- i) Protocol needs must be addressed in consultation with the relevant departments;**
- ii) The budget for Africa Day is modest and Protocol should work with PBFA to expand the budget;**
- iii) Gift policy should be implemented;**
- iv) AHRM should consider recruitment of additional staff and provide other support as deemed necessary to assist Protocol Service function properly;**
- v) In consultation with PBFA and AHRM, uniforms should be procured for protocol officers, so that they will be identified at summits and other important meetings;**
- vi) Protocol should be restructured with appropriate budget to reflect its needs.**

## **XXIV. DEPARTMENT OF RURAL ECONOMY AND AGRICULTURE (DREA)**

93. The Department presented 3 programs aligned to Aspiration 1 of Africa's Agenda 2063: A Prosperous Africa based on inclusive growth and sustainable development. The three programs are: (i) coordinating the implementation of CAADP and related activities; (ii) enhancing coordination of sustainable environment and natural resources; and (iii) enhancing the coordination of animal resources initiatives in Africa. The program has 3 major outcomes and 22 outputs with 13 key performance indicators.

### Comments from Member States

- a) Sought clarification why the activity on the Africa-Arab Joint Action Plan was seeking counterpart funding when there was not contribution by the partner;
- b) Inquired if the Department was supporting AU Member States in the implementation Partnership for Aflatoxin Control Program (PACA);
- c) Suggested combining similar activities across the programs that are contributing to the same outputs;
- d) Sought restatement of some activities which were not well described so that they can be understood by Member States without much explanation;
- e) Sought to understand why the Department was introducing new activities that were not in the excel files provided to the Member States;
- f) Inquired why the Department had many activities with zero budget;
- g) Complained that there so many acronyms used in describing activities and made no sense to the Member States.

### 94. The Commission responded as follows:

- a) The Africa-Arab joint action plan sought promote activities that would increase agricultural production and boost trade between Africa and the Arab world;
- b) The activities of PACA are being implemented in six Member States which have developed national action plane. Resources permitting, the program could be expanded to another 6 countries. PACA has staff both at AU Headquarters and in the 6 pilot countries;
- c) Activities that seem to be similar across the 3 programs will be merged;
- d) After the AU budget meeting with international partners, the Department had secured funding from partners to support CAADP and related activities, as well as construction of AU-IBAR offices in Nairobi, Kenya;
- e) The Department was seeking approval of activities without budget because it was in the process of mobilizing resources;
- f) Acronyms would be described in full in the revised description of activities.

### Recommendations

95. The Sub-Committee recommended the following:

- a) Program activities should be clearly described so that they can be easily understood by Member States;
- b) Activities without a budget must be deleted and those that are similar be merged to reduce the number of activities;
- c) The activity on the Africa-Arab joint action plan should be deleted and its resources allocated to the activity on preparation of an audit report after the MESA project closes in 2017;
- d) The Department should work with the Directors of Finance and Strategic Planning to include the secured funds from partners for CAADP activities, and also provide room for the activity to construct AU-IBAR offices in Nairobi, Kenya.

## **CONSIDERATION OF THE DRAFT CALENDAR OF MEETINGS**

**96.** The DCMP presented the Calendar of Meetings and showed statistics on the number of approved meetings in 2016 and how many meetings finally held which were not in the approved Calendar of Meetings. Out of a total of 155 meetings in the Calendar, only 40 meetings were held as per the approved calendar and 135 meetings were held which were not in the calendar.

**97.** To solve the problem of overlapping, DCMP proposed that all departments should plan their meetings on a quarterly basis to make them more predictable. In addition, DCMP also proposed that any department intending to hold a meeting which is not in the approved calendar of meetings should obtain prior confirmation from the DCMP that the intended meeting is not overlapping and that DCMP will be able to service the meeting in terms of translators and interpreters before the department proceeds to seek top management approval for such a meeting.

**98.** Seven departments (SPPMERM, DPA, CIDO, DTI, OLC, WGDD and PBFA) while presenting their programmes, were asked questions by the PRC on their proposed meetings. They defended their proposals, with some comments from the floor which will be reflected in the amended Calendar of Meetings.

**99.** Member States were unable to respond to DCMP's presentation on the Calendar of Meetings, which was presented immediately before the department's budgetary figures were also presented. Since the Chair postponed examination of the budgetary figures and called off the presentation, no comments from the floor could be received.

## **CONCLUSION**

**100.** The Draft 2018 programs and Calendar of Meetings proposed by the AU Commission have been recommended to the PRC for consideration as amended by the Sub-Committee on Programs and Conferences.

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UNION AFRICAINE

UNIÃO AFRICANA

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P. O. Box 3243, Addis Ababa, ETHIOPIA Tel.: Tel: +251-115- 517 700 Fax: +251-115- 517844 / 5182523  
Website: www.au.int

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**EXECUTIVE COUNCIL**  
**Thirty-First Ordinary Session**  
**27 June – 1 July 2017**  
**Addis Ababa, ETHIOPIA**

**EX.CL/1016(XXXI)ii B**  
Original: English

**REPORT OF THE PRC SUB-  
COMMITTEE ON GENERAL SUPERVISION & COORDINATION ON THE  
ADMINISTRATIVE, BUDGETARY AND FINANCIAL MATTERS**

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UNION AFRICAINE  
UNIÃO AFRICANA

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Addis Ababa, Ethiopia

P. O. Box 3243

Telephone: 5517 700

Fax: 5517844

Website: [www.au.int](http://www.au.int)

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**MEETING OF THE PRC ADVISORY SUB-  
COMMITTEE ON GENERAL SUPERVISION &  
COORDINATION ON THE ADMINISTRATIVE,  
BUDGETARY AND FINANCIAL MATTERS  
3<sup>rd</sup> – 9<sup>th</sup> June, 2017  
Bahir Dar, Ethiopia**

**Adv.SCttee/Rpt(06.17)**  
Original: English

**SUMMARY OBSERVATIONS AND RECOMMENDATIONS FOR THE  
DRAFT REPORT OF THE PRC SUB-COMMITTEE ON GENERAL  
SUPERVISION & COORDINATION ON THE ADMINISTRATIVE,  
BUDGETARY AND FINANCIAL MATTERS**

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**TABLE OF CONTENTS**

**I. INTRODUCTION ..... 1**

**II. ATTENDANCE ..... 2**

**III. CONSIDERATION OF THE 2016 BUDGET EXECUTION REPORT OF THE AFRICAN UNION ..... 2**

A. 2016 Budget Execution Report Summary Recommendations..... 2

**IV. SUPPLEMENTARY BUDGET REQUEST FOR 2017 ON AU REFORMS ..... 2**

**V. CONSIDERATION of THE 2018 BUDGET ..... 2**

A. NEPAD Planning and Coordinating Agency (NPCA)..... 3

B. Pan African Parliament (PAP) ..... 3

C. African Court for Human and People’s Rights (AfCHPR) ..... 4

D. African Commission for Human and People’s Rights (ACHPR) ..... 4

E. Economic, Social and Cultural Council (ECOSOCC) ..... 4

F. African Committee on the Rights and Welfare of the Child (ACERWC) ..... 5

G. African Union Advisory Board on Corruption (AUABC) ..... 5

H. African Union Commission for International Law (AUCIL) ..... 5

I. Peace and Security Council (PSC)..... 6

J. AU COMMISSION ..... 6

Operational Budget..... 6

Program Budget..... 6

**VI. SUMMARY OF THE RECOMMENDATIONS ON the 2018 BUDGET ..... 12**



**SUMMARY OBSERVATIONS AND RECOMMENDATIONS FOR THE DRAFT  
REPORT OF THE PRC SUB-COMMITTEE ON GENERAL SUPERVISION &  
COORDINATION ON THE ADMINISTRATIVE, BUDGETARY  
AND FINANCIAL MATTERS**

**I. INTRODUCTION**

1. The meeting of the PRC Advisory Sub-Committee on General Supervision & Coordination On The Administrative, Budgetary And Financial Matters took place in Bahir Dar from June 3 - 9, 2017 and continued in Addis Ababa from June 20 – 21, 2017 under the Chairmanship of the Ambassador of South Africa to Ethiopia and Permanent Representative to the African Union and United Nations Economic Commission H.E. Ndumiso Ndima Ntshinga, He was assisted from June 8 – 9, 2017 by the Ambassador of the Republic of Congo to Ethiopia and Permanent Representative to the African Union and United Nations Economic Commission H.E. Lazare Makayat Safovesse.

2. The Chairperson of the Sub-Committee emphasized that the meeting came at time when the Union is undergoing reform. He cited the Financing of the Union as one such an initiative that came handy during the discussion. He went on to point out the following:

- a) Called upon the Commission to address issues of accountability through the submission of the required reports timely: audit findings and recommendation so that appropriate measures are taken to address setbacks;
  - b) Requested the Union institutions to be prudent with the use of the financial resources available to them;
  - c) Called upon Member States to avail their annual contribution to the Union early in the year to enable the Organs carry out their activities from the first Quarter;
  - d) Reiterated that all the required reports be submitted to the PRC Sub-Committee on Administration, Budgetary and Financial Matters on a timely manner;
  - e) Challenged both the Member States and AU institutions to do more to instil confidence among citizens if they are to appreciate the importance of the Union.
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## II. ATTENDANCE

3. The meeting was chaired by the Ambassador of South Africa, , H.E. Mr Ndumiso Ndima Ntshinga , and was assisted by Ambassador of Congo, H.E. Lazare Makayat Safovesse who presided on June 8 – 9, 2017

4. It was attended by the following Member States:

i. Algeria	xxiv. Madagascar
ii. Angola	xxv. Mali
iii. Benin	xxvi. Malawi
iv. Botswana	xxvii. Mauritius
v. Burkina Faso	xxviii. Morocco
vi. Burundi	xxix. Mauritania
vii. Chad	xxx. Mozambique
viii. Comoros	xxxi. Namibia
ix. Congo	xxxii. Niger
x. Cote D'Ivoire	xxxiii. Nigeria
xi. Democratic Republic of Congo	xxxiv. Rwanda
xii. Djibouti	xxxv. Senegal
xiii. Equatorial Guinea	xxxvi. Sierra Leone
xiv. Ethiopia	xxxvii. South Africa
xv. Egypt	xxxviii. Somalia
xvi. Eritrea	xxxix. Sudan
xvii. Gambia	xl. South Sudan
xviii. Gabon	xli. Swaziland
xix. Ghana	xlii. Tanzania
xx. Guinea	xliii. Togo
xxi. Kenya	xliv. Tunisia
xxii. Lesotho	xlvi. Uganda
xxiii. Liberia	xlvi. Zambia
	xlvii. Zimbabwe

## III. CONSIDERATION OF THE 2016 BUDGET EXECUTION REPORT OF THE AFRICAN UNION

5. The AU Commission presented the 2016 Budget Execution Report of the Union. In the presentation, it was stated that out of an approved budget of **US\$485,536,131**, an amount of **US\$326,743,810** was available to be spent in 2016. This represented 67% of expected funds. An amount of US\$132.8 million was received from Member States out of the budgeted US\$171.1 million (77.6%) and partners provide US\$104.4 million out of the budgeted US\$329.9 million (31.6%). On month to month basis, revenue collection reached the peak in September 2016. And in comparison with other years, 2016 recorded the highest budget execution rate in four years.

6. The actual expenditure stood at **US\$220,586,369** in 2016, representing a spending rate to the available funds of 68% (70% on Operating budget and 65% on Program budget). It was reported that the budget execution was low due to late disbursement of funds from Member States and partners.

#### A. 2016 BUDGET EXECUTION REPORT SUMMARY RECOMMENDATIONS

7. The Sub-Committee **adopted** the 2016 Budget Execution Report and recommends to the PRC the following:

- a) **Takes note** of the financing challenges faced with the Union as a result of non-payment of Member States assessed contributions and late disbursement of partner funds;
- b) **Requests** Member States to meet their financial contribution obligation to the African Union as per requirement in the Constitutive Act;
- c) **Calls upon** Member States to review and strengthen the current Sanctions Regime.

#### IV. SUPPLEMENTARY BUDGET REQUEST FOR 2017 ON AU REFORMS

8. The Commission presented supplementary budget request for 2017 on the AU Reforms amounting to **US\$953,758**.

9. After due consideration of the matter, the Sub-Committee recommends as follows:

- Endorses the requested amount of **US\$868,918** to be funded by Member States;
- Requests the Commission to review the item on costs of F10 meetings budgeted at **US\$84,840** under the outcome “AU sustainably financed from African sources”, and resubmit the revised proposal through the regular supplementary budget process for 2017;
- Requests the Commission to review the indicator proposed to measure success on the reform outcomes, along with the monitoring and evaluation for the reform initiative.

#### V. CONSIDERATION OF THE 2018 BUDGET

10. The Commission presented the initial budget proposal of the Union for 2018 of **US\$855,350,397**, which was 3.9% higher than the 2017 budget. The meeting was informed that this comprised the Operating budget of **US\$191,158,319**, which is 17% higher than the 2017 budget, Program budget of **US\$ 314,262,541**, which is 8.5 %

higher than the 2017 budget and Peace Support Budget of **US\$349,929,537**, which is 5.4% lower than the 2017 Budget.

11. An amount of **US\$400,485,962**, representing 47% of the total budget was to be assessed on Member States with **US\$114,948,601** appropriated to Program budget representing 37% of the total Program budget. The partners have pledged to provide **US\$454,864,435** in 2018.

12. Member States contribution to the budget has been growing steadily from 18.7% in 2015 to 47% in 2018 to reflect the decision of Members States to fund 100% of the Operational Budget, 75% of the Program Budget and 25% of the Peace Support Operations by 2020.

13. Over the same period, the partner contributions to the budget has decreased from 81.3% in 2015 to 53% in 2018.

14. In the presentation, the Commission informed the meeting of the initiatives introduced this year in terms of collaborative approach and harmonisation with the Departments and the Internal Budget and Program Committee,..), and confirmed working toward extending it to the other Organs from next year.

#### **A. NEPAD PLANNING AND COORDINATING AGENCY (NPCA)**

15. The NEPAD Planning and Coordinating Agency presented a total budget of **US\$50,766,998** representing an increase of 22.5% compared to 2017 budget. It comprised Operating budget of **US\$10,766,998** and Program budget of **US\$40,000,000** to cater for the 42 projects and 4 programs.

16. The Sub-Committee recommends to the PRC the following:

- a) Endorse a total budget of **US\$50,667,815** comprising the following:
  - Operational Budget of US\$10,229,329 fully funded by Member States;
  - Program Budget of US\$40,368,486, out of which Member states are funding US\$368,486 and Partners US\$40,000,000.

#### **B. PAN AFRICAN PARLIAMENT (PAP)**

17. The PAP presented a total draft budget of **US\$20,719,408** consisting of the Operating budget of **US\$17,799,408** and Program budget of **US\$2,920,000**.

18. The Sub-Committee recommends to PRC the following:

- a) All allowances paid to Members of Parliament that do not have any legal support should be removed from the budget, till review and approval from AHRM and Office of the Legal Counsel;

b) Endorse a total budget for PAP of **US\$19,964,559** broken down as follows:

- Operational Budget of US\$17,044,559 fully funded by Member States;
- Program budget of US\$2,920,000 fully funded by Partners.

**C. AFRICAN COURT FOR HUMAN AND PEOPLE’S RIGHTS (AFCHPR)**

19. The African Court presented a total draft budget of **US\$12,245,075** with **US\$11,006,658** being operating budget and **US\$1,238,417** for Program budget.

20. The Sub-Committee recommends to the PRC the following:

a) Endorse a total budget for the Court of **US\$11,820,159** broken down as follows:

- Operational Budget of US\$10,581,742 fully funded by Member States;
- Program Budget of US\$1,238,417 fully funded by Partners.

**D. AFRICAN COMMISSION FOR HUMAN AND PEOPLE’S RIGHTS (ACHPR)**

21. The ACHPR presented a budget of **US\$6,349,868** comprising the Operating budget of **US\$5,642,730** and Program budget of **US\$707,738**. The main drivers are the recruitment of 6 staff and expected increase in other staff costs.

22. The Sub-Committee recommends to the PRC the following:

a) Endorse a total budget of **US\$6,319,680** broken as follows:

- Operational Budget of US\$5,612,542 fully funded by Member States;
- Program Budget of US\$707,138 fully funded by Partners.

**E. ECONOMIC, SOCIAL AND CULTURAL COUNCIL (ECOSOCC)**

23. The Representative of ECOSOCC presented a total budget of **US\$2,528,666** comprising the Operating budget of **US\$1,214,363** and Program budget of **US\$1,314,303**. Also explained that the budget has increased by 125% over the Budget for 2017, due to the inclusion of the Program Budget, General Assembly Elections in December 2018 and implementation of the ECCOSSOC Strategic plan.

24. The Sub-Committee recommends to PRC the following:

a) Requests ECOSOCC to bring for consideration during Supplementary budget the costs for relocating to Lusaka, Zambia after all legal, structural and financial implications affecting its relocation have been worked out;

- b) Endorse a total budget of **US\$2,528,666** broken down as follows:
- Operational Budget of US\$1,214,363 fully funded my Member States;
  - Program Budget of US\$1,314,303 fully funded by Member States.

**F. AFRICAN COMMITTEE ON THE RIGHTS AND WELFARE OF THE CHILD (ACERWC)**

25. The ACERWC presented a total draft budget of **US\$883,509**.

26. The Sub-Committee recommends to PRC the following:

- a) Endorse a total budget of **US\$ 883,509** broken down as follows:
- Operational Budget of US\$291,995;
  - Program Budget of US\$591,514, out of which Member States to fund US\$88,727 while Partners cover US\$502,787.

**G. AFRICAN UNION ADVISORY BOARD ON CORRUPTION (AUABC)**

27. The AUABC presented a total draft budget of **US\$4,512,070** comprising the Operating budget of US\$2,149,496 and Program budget of US\$2,362,574. The overall budget is higher than 2017 Budget by 88.3%.

28. The Sub-Committee recommends to PRC the following:

- a) Endorse a total budget of an amount **US\$2,843,728** broken down as follows:
- Operational Budget of US\$2,082,152 fully funded by Member States;
  - Program Budget of US\$761,576 fully funded by Member States.

**H. AFRICAN UNION COMMISSION FOR INTERNATIONAL LAW (AUCIL)**

29. The representative of AUCIL presented a draft budget of **US\$768,034**. This comprised the Operating budget of **US\$442,576** and the Program budget of **US\$325,458**. The budget has increased over 5% when compared to the 2017 Budget.

30. The Sub-Committee recommends to PRC the following:

- a) Endorse a total budget of **US\$768,034** broken down:
- Operating budget of US\$442,576 to be funded by Member States; and
  - Program budget of US\$325,458 to funded by Partners.

**I. PEACE AND SECURITY COUNCIL (PSC)**

**31.** The Peace and Security Council presented a draft budget of **US\$1,410,884**.

**32.** The Sub-Committee recommends to the PRC as follows:

- a) Directs the PSC to revise the budget to include costs for recruiting its own interpreters, translators and political officers; and increase the number of field missions to five and amend the budget accordingly;
- b) Further directs the Commission to urgently recruit the aforementioned staff for the PSC;
- c) Endorsed the revised of **US\$3,036,746** to be fully funded by Member States.

**J. AU COMMISSION****❖ OPERATIONAL BUDGET**

**33.** The Commission presented a draft budget for 2018 of an amount US\$129,682,216.70. The budget has included the effect of the salary revision, the costs for routine maintenance of office equipment, vehicles, etc. which were previously supported with the Maintenance Fund. The Fund will continue to absorb maintenance costs of mainly buildings. This move came about following difficulties for some offices to access the fund on time and that the costs for improving buildings almost depleted the entire fund.

**34.** The sub-Committee recommends to PRC the following:

- **Endorses a revised operational budget of US\$130,948,702.**

**❖ PROGRAM BUDGET**

**35.** The representative of the Commission presented an overview of the AU Commission Program budget of **US\$250,013,125**. Of this, an amount of US\$100 million, representing 40% of the program budget is assessed to Member States while the balance of US\$150 million is pledged by international partners. The Commission further informed the meeting that its Program budget is categorized into four parts:

- a) Main Program Budget which consists of programs and projects that are directly implemented by the respective departments;
- b) Special Projects also directly implemented by AUC departments but are largely one-off project that are in most cases designed and implemented within a single year;

- c) Pass Through Funds that the Commission mobilizes on behalf of Member States and are passed on to the latter as grants; and
- d) Technical Assistance represent support in kind provided to the AU Commission by international partners or Member States mainly in the form of personnel seconded to the Commission, services, or equipment.

**36.** The AU Commission representative further informed the meeting that the overall direction of planned projects in way of anticipated results are contained in the 2017 Budget Framework Paper.

**37.** The Sub-Committee recommends to PRC the budgets of the departments as follows:

**1) *Bureau of the Chairperson***

**38.** Total budget of **US\$17,234,718** broken down as follows:

- Member States to fund US\$6,729,017, and
- Partners to fund US\$10,505,701.

**2) *Bureau of the Deputy Chairperson***

**39.** Total budget of **US\$982,082** broken down as follows:

- Member States to fund US\$817,102, and
- Partners to fund US\$164,980.

**3) *Social Affairs***

**40.** Total budget of **US\$11,881,324** broken down as follows:

- Member States to fund US\$6,728,914, and
- Partners to fund US\$5,152,411.

**4) *Civil Society and Diaspora Organization (CIDO)***

**41.** Total budget of **US\$1,288,120** to be fully funded by Member States.

**5) *Office of Internal Audit***

**42.** Total budget of **US\$350,635** broken down as follows:

- Member States to fund US\$254,388, and

- Partners to fund US\$96,247.

#### **6) Medical Services**

43. Total budget of **US\$395,533** to be fully funded by Member States.

#### **7) Office of the Legal Counsel**

44. Total budget of **US\$9,426,862** broken down as follows:

- Member States to fund US\$7,536,700, and
- Partners to fund US\$1,890,162.

#### **8) Information and Communication**

45. Total budget of **US\$1,566,500** broken down as follows:

- Member States to fund US\$801,799, and
- Partners to fund US\$764,701.

#### **9) ADMINISTRATION HUMAN RESOURCES AND MANAGEMENT**

46. Presented a total budget of **US\$8,577,077** against the original figures as it appear in the budget document of **US\$7,351,137**. The difference of **US\$1,317,740** came about as a result of additional funds being secured from the World Bank.

47. Total budget of **US\$7,351,137** broken down as follows:

- Member States to fund US\$5,365,013, and
- Partners to fund US\$1,986,124.

#### **10)NEPAD Coordinating Unit**

48. Total budget of **US\$45,900** to be fully funded by Member States.

#### **11)Office of Secretary General**

49. Total budget of **US\$258,410** to be fully funded by Member States.

#### **12)STRATEGIC POLICY PLANNING, MONITORING AND EVALUATION, AND RESOURCE MOBILIZATION**

50. Total budget of **US\$2,592,664** broken down as follows:

- Member States to fund US\$1,434,888, and

- Partners to fund US\$1,157,776.

### ***13)Infrastructure and Energy***

**51.** Total budget of **US\$19,000,548** broken down as follows:

- Member States to fund US\$5,593,794, and
- Partners to fund US\$13,406,754.

**The Sub-Committee also recommends to PRC the revised budgets for the following departments:**

### ***14)Trade and Industry***

**52.** Requested the department to revise the budget downwards with a particular focus on the number of meetings.

**53.** After consideration of the recommendations, the revised budget amounts to **US\$12,904,658** broken down as follows:

- Member States to fund US\$10,824,535, and
- Partners to fund US\$2,080,123.

### ***15)Political Affairs***

**54.** Seek expertise of the department of Program Budgeting, Finance and Accounting to review identified budget items and resubmit revised budget.

**55.** After consideration of the recommendations, the revised budget amounts to total budget of **US\$9,405,641** broken down as follows:

- Member States to fund US\$6,219,533, and
- Partners to fund US\$3,186,108.

### ***16) Peace and Security***

**56.** Put on hold the funding gap of US\$81 million for Africa Mission in Somalia until such a time the Peace and Security Council has deliberated on it.

**57.** Referred back to PBFA for review and confirmation of budget items presented if used correct parameters and unit costs were used;

58. Also put on hold the budget for Liaison offices until such a time the Peace and Security Council has examined the basis for closing and opening of such offices.

59. Requested the department to relocate all finance related issues to the PBFA budget.

60. Also relocate the budget for the High Level Representative on Peace Fund to the Bureau of the Chairperson with a reduced amount.

61. After consideration of the recommendations, the revised budget amounts to **US\$41,132,823** broken down as follows:

- Member States to fund US\$23,228,431, and
- Partners to fund US\$17,904,392.

### ***17) Women, Gender and Development***

62. The budget was adopted subject to providing accurate figures on under budgeted items.

63. Total budget of **US\$2,848,585** broken down as follows:

- Member States to fund US\$579,127, and
- Partners to fund US\$2,269,458.

### ***18) Human Resources Science and Technology***

64. Requested to reduce budget items identified by the meeting.

65. Invited the AU Commission to support Member States in the organization and launching of the International Fair on Innovation and Invention and provide a budget in 2018 to support this activity.

66. After consideration of the recommendations, the revised budget amounts to **US\$64,769,538** broken down as follows:

- Member States to fund US\$9,472,543, and
- Partners to fund US\$55,296,995.

### ***19) Rural Economy and Agriculture***

67. Requested to rework on the wording of activities that will provide meaning of what they entail.

68. After consideration of the recommendations, the revised budget amounts to **US\$11,111,837** broken down as follows:

- Member States to fund US\$1,451,084, and
- Partners to fund US\$9,960,752.

**20) Rural Economy and Agriculture – IBAR**

69. Requested to rework on the wording of activities that will provide meaning of what they entail.

70. After consideration of the recommendations, the revised budget amounts to **US\$20,588,676** broken down as follows:

- Member States to fund US\$690,326, and
- Partners to fund US\$19,898,350.

**21)Documentation, Conference Management and Publication**

71. Budget not adopted pending resolution of structural considerations that will transform the department into an autonomous i.e. staffing,

72. Directed the commission to work toward a transfer of all Conferencing budgets currently under the budget of respective departments to be transferred to DCMP, ideally from the 2018 budget.

73. After consideration of the recommendations, the revised budget amounts to **US\$750,960** to be fully funded by Member States.

**22)ECONOMIC AFFAIRS**

74. The budget is to be revised taking into account comments raised by Member States and to be verified by the PBFA.

75. After consideration of the recommendations, the revised budget amounts to **US\$5,164,112** broken down as follows:

- Member States to fund US\$3,592,142, and
- Partners to fund US\$1,571,970.

**23)PROTOCOL SERVICES**

76. Budget to be revised in order to include real needs for the department.

77. After consideration of the recommendations, the revised budget amounts to **US\$265,000** to be fully funded by Member States.

#### **24) Programming, Budgeting, Finance and Accounting**

78. Budget is adopted subject to amendments on two items (7.01 Undertake evaluation and monitoring visits to the AU Regional Offices /Organs and 7.02 Verification of the Implementation of the Audit Recommendations)

79. After consideration of the recommendations, the revised budget amounts to Total budget of **US\$4,559,828** broken down as follows:

- Member States to fund US\$3,750,908, and
- Partners to fund US\$808,920.

80. The sub-Committee decides that the next Budget meetings be held in Ethiopia but outside Addis Ababa in order to allow members' total concentration and focus on the budget.

## **VI. SUMMARY OF THE RECOMMENDATIONS ON THE 2018 BUDGET**

81. The Sub-Committee on Administrative, Budgetary and Financial Matters recommends to the PRC as follows:

- i) **Endorses** a total budget of **US\$766,376,968** for the African Union for the year 2018, which was broken down into:
  - **US\$190,488,923** for Operating costs,
  - **US\$307,804,845** for Programmes, and
  - **US\$268,083,200** for Peace Support Operations.
- ii) **Recommends** the budget to be financed by assessed contributions on Member States of **US\$316,517,592** and from International Partners of **US\$449,859,376**;
- iii) **Takes note** of the support in kind provided by Member States and Partners to the Union in the form of Technical Assistance amounting to **US\$12,802,295**;
- iv) **Instructs** the Commission to remove the funding gap of **US\$81,846,337** related to AMISOM pending the decision of the Peace and Security Council;
- v) **Commends** the Commission on the improvements made to the budget presentation;

- vi) **Requested** harmonized presentations of budgets by all Organs including improved budget preparation;
- vii) **Direct** the Commission to coordinate and oversee the budget process from all organs before submission to the Sub Committee;
- viii) **Urged** the Commission to harmonize all allowances across all AU Organs and bring to the PRC for endorsement;
- ix) **Agreed** that future budget consideration sessions of the Sub-Committee should be held at a venue outside of Addis Ababa to allow total concentration and focus;
- x) **Requests** ECOSSOC to bring for consideration during Supplementary budget the costs for relocating to Lusaka, Zambia after all legal, structural and financial implications affecting its relocation have been worked out;
- xi) **Takes note** of the financing challenges faced with the Union as a result of non-payment of Member States assessed contributions and late disbursement of partner funds;
- xii) **Requests** Member States to meet their financial contribution obligation to the African Union as per requirement in the Constitutive Act;
- xiii) **Calls upon** Member States to review and strengthen the current Sanctions Regime.

Annex 1 : Summary table of the changes

**DRAFT DECISION ON THE BUDGET OF THE AFRICAN UNION  
FOR THE 2018 FINANCIAL YEAR  
Doc. PRC/Rpt (XXXIV)**

**The Executive Council,**

1. **TAKES NOTE** of the report of the PRC and **ENDORSES** the recommendations contained therein;
2. **APPROVES** a total budget of **US\$769, 281,894** for the African Union for the year 2018, broken down into **US\$458,763,038** Operating Budget and **US\$310,518,856** Programs budget to be financed as follows:
  - i) A total amount of **US\$318,176,795** to be assessed on Member States;
  - ii) A total amount of **US\$451,105,099** to be raised from International partners.
3. **ALSO ADOPTS** the 2018 budget breakdown among the AU Organs as follows:

Organs	Member States			Partners			Total Budget for 2018		
	Operating Budget	Programs	Total Assessment	Operating	Programs	Total	Operating	Programs	Total 2018
AUC	130,948,70	98,074,167	<b>229,022,869</b>		147,801,924	<b>147,801,924</b>	130,948,702	245,876,091	<b>376,824,793</b>
PAP	17,044,559		<b>17,044,559</b>		2,920,000	<b>2,920,000</b>	17,044,559	2,920,000	<b>19,964,559</b>
AfCHR (The Court)	10,581,742	-	<b>10,581,742</b>		1,238,417	<b>1,238,417</b>	10,581,742	1,238,417	<b>11,820,159</b>
ACHPR (The Commission)	5,612,542	-	<b>5,612,542</b>		707,138	<b>707,138</b>	5,612,542	707,138	<b>6,319,680</b>
ECOSSOC	1,214,363	1,314,303	<b>2,528,666</b>		-		1,214,363	1,314,303	<b>2,528,666</b>
NEPAD	10,299,329	368,486	<b>10,667,815</b>		40,000,000	<b>40,000,000</b>	10,299,329	40,368,486	<b>50,667,815</b>
AUCIL	442,576	-	<b>442,576</b>		325,458	<b>325,458</b>	442,576	325,458	<b>768,034</b>
Advisory Board on Peace & Security	2,082,152	761,576	<b>2,843,728</b>			-	2,082,152	761,576	<b>2,843,728</b>
	-	3,036,746	<b>3,036,746</b>		-	-	-	3,036,746	<b>3,036,746</b>
ACERWC	291,995	88,727	<b>380,722</b>		502,787	<b>502,787</b>	291,995	591,514	<b>883,509</b>
<b>SPECIALIZED OFFICES OF THE AU</b>									
AFREC	1,275,699	-	<b>1,275,699</b>		-		1,275,699	-	<b>1,275,699</b>
IPED	762,647	-	<b>762,647</b>		-		762,647	-	<b>762,647</b>
CIEFFA	716,656	-	<b>716,656</b>		-	-	716,656	-	<b>716,656</b>
PAU	2,821,977	-	<b>2,821,977</b>		-	-	2,821,977	-	<b>2,821,977</b>
AIR	749,028	-	<b>749,028</b>		-	-	749,028	-	<b>749,028</b>
ACDC	3,971,148	11,320,248	<b>15,291,396</b>		2,058,880	<b>2,058,880</b>	3,971,148	13,379,128	<b>17,350,276</b>
AOSTI	916,272	-	<b>916,272</b>		-	-	916,272	-	<b>916,272</b>
AFRIPOL	948,450	-	<b>948,450</b>		-	-	948,450	-	<b>948,450</b>
<b>PEACE OPERATIONS</b>									
AMISOM	12,532,704	-	<b>12,532,704</b>	238,121,383	-	<b>238,121,383</b>	250,654,087	-	<b>250,654,087</b>
MNJTF			-	7,161,400		<b>7,161,400</b>	7,161,400	-	<b>7,161,400</b>
LRA			-	1,461,205		<b>1,461,205</b>	1,461,205	-	<b>1,461,205</b>
HRMOM			-	8,806,508		<b>8,806,508</b>	8,806,508	-	<b>8,806,508</b>
<b>TOTAL</b>	<b>203,212,542</b>	<b>114,964,253</b>	<b>318,176,795</b>	<b>255,550,496</b>	<b>195,554,603</b>	<b>451,105,099</b>	<b>458,763,038</b>	<b>310,518,856</b>	<b>769,281,894</b>

4. **ALSO ADOPTS** the 2018 budget breakdown by expense components as follows:

	Staff Cost	Operating Expenses	Capital Expenses	Sub-Total Operational	Programs	TOTAL
AUC	90,843,197	37,607,080	2,498,424	<b>130,948,702</b>	245,876,091	<b>376,824,793</b>
NEPAD	8,089,713	2,057,641	151,975	<b>10,299,329</b>	40,368,486	<b>50,667,815</b>
PAP	9,810,122	7,062,993	171,444	<b>17,044,559</b>	2,920,000	<b>19,964,559</b>
ACDC	2,708,414	1,172,733	90,000	<b>3,971,148</b>	13,379,128	<b>17,350,276</b>
AfCHR (The Court)	6,628,196	3,663,726	289,820	<b>10,581,742</b>	1,238,417	<b>11,820,159</b>
ACHPR (The Commission)	3,192,542	2,376,000	44,000	<b>5,612,542</b>	707,138	<b>6,319,680</b>
Advisory Board on Corruption	864,938	1,217,214	-	<b>2,082,152</b>	761,576	<b>2,843,728</b>
PAU	2,146,895	672,083	3,000	<b>2,821,977</b>	-	<b>2,821,977</b>
ECOSSOC	-	1,214,363	-	<b>1,214,363</b>	1,314,303	<b>2,528,666</b>
Peace & Security Council	-	-	-	-	3,036,746	<b>3,036,746</b>
AFREC	1,127,099	123,600	25,000	<b>1,275,699</b>	-	<b>1,275,699</b>
AFRIPOL	712,350	96,100	140,000	<b>948,450</b>	-	<b>948,450</b>
AOSTI	699,938	131,234	85,100	<b>916,272</b>	-	<b>916,272</b>
ACERWC	28,835	263,160	-	<b>291,995</b>	591,514	<b>883,509</b>
AUCIL	-	442,576	-	<b>442,576</b>	325,458	<b>768,034</b>
IPED	516,881	116,566	129,200	<b>762,647</b>	-	<b>762,647</b>
AIR	569,400	138,600	41,028	<b>749,028</b>	-	<b>749,028</b>
CIEFFA	480,484	122,972	113,200	<b>716,656</b>	-	<b>716,656</b>
<b>Sub-Total excluding Peace Support Operations</b>	<b>128,419,006</b>	<b>58,478,641</b>	<b>3,782,191</b>	<b>190,679,838</b>	<b>310,518,856</b>	<b>501,198,694</b>
AMISOM	14,483,387	236,170,700	-	<b>250,654,087</b>	-	<b>250,654,087</b>
MNJTF	-	7,161,400	-	<b>7,161,400</b>	-	<b>7,161,400</b>
LRA	-	1,461,205	-	<b>1,461,205</b>	-	<b>1,461,205</b>
HRMOM	-	8,806,508	-	<b>8,806,508</b>	-	<b>8,806,508</b>
<b>Sub-Total Peace Support Operations</b>	<b>14,483,387</b>	<b>253,599,813</b>	-	<b>268,083,200</b>	-	<b>268,083,200</b>
<b>Grand Total</b>	<b>142,902,393</b>	<b>312,078,454</b>	<b>3,782,191</b>	<b>458,763,038</b>	<b>310,518,856</b>	<b>769,281,894</b>

5. **INSTRUCTS** the Commission to refer to the Peace and Security Council the funding gap of **US\$81,846,337** for AMISOM created due to a decision by the European Union to withdraw 20% of their annual funding;
6. **ALSO INSTRUCTS** the Commission to coordinate and oversee the budget preparation process from all Organs before submission to the PRC Sub-Committee submitted to the PRC Sub-Committee for scrutiny and endorsement;
7. **URGES** the Commission to further improve and strengthen the budget process by introducing a budget that is focused on priorities along with establishing a mechanism to allow results based assessment and monitoring;
8. **CALLS UPON** the Commission to harmonize all allowances across all AU Organs and bring to the PRC for endorsement;
9. **REQUESTS** the ECOSSOC to work out all legal, structural and financial implications affecting its relocation to Lusaka, Zambia and submit to the PRC for supplementary budget consideration;
10. **URGES** Member States to fulfil their financial obligations on time and **REQUESTS** PRC to review and strengthen the current Sanctions Regime to address financial challenges faced by the Union.

**DRAFT**  
**DECISION ON THE SUPPLEMENTARY BUDGET**  
**FOR THE 2017 FINANCIAL YEAR**  
**Doc. PRC/Rpt(XXXIV)**

**The Executive Council,**

1. **TAKES NOTE** of the Assembly Decision Assembly/AU/Dec.635(XXVIII) of the January 2017 Summit, which adopted the outcome of the retreat of the Assembly of the African Union on the Institutional Reform of the African Union.
2. **TAKES NOTE** of the Report of the PRC Sub-Committee on General Supervision and Coordination on the Administrative, Budgetary and Financial Matters and **ENDORSES** the recommendations contained therein.
3. **APPROVES** a total supplementary budget of **US\$868,918** for the implementation of the Institutional Reform of the African Union detailed below, which will be financed by Member States:
  - a) Institutional arrangements to manage the reform process are in place (Reform Implementation Unit in place, audit of institutional bottlenecks);
  - b) AU institutions re-aligned to focus on streamlining and delivering on strictly continental issues;
  - c) Programs that better connect the AU to its citizens;
  - d) Political governance of the AU enhanced; and
  - e) Follow up of the implementation of the AU sustainable financing from African sources.

**TABLE OF CONTENTS**

<b>Sheet Order</b>	<b>Item</b>
1	Summary with Revenue (Art. 12 of FRR)
2	Overall budget by Organ 2017 vs 2018
3	Comarative by Budget Category
4	2018 Budget by Source of Fund
5	Source of Financing Comparative
6	Member States Assessment Comparative
7	2018 Budget by Expense Category
8	Comparative by Expense Categories
9	2018 AUC Programs by Department
10	Sub-Committee Changes - Overall
11	Sub-Committee Changes - by Department
12	Sub-Committee Changes - AUC Operational

**BUDGET OF THE UNION 2018**  
(Art 12 of FRR)

in US\$			Budget 2016	Budget 2017 (inc Supplementary)	Budget 2018 (before Sub- Committee)	Budget 2018 (After Sub-Committee)	Variation 2018 vs 2017	%	Variation 2017 vs 2016	%	
<b>Revenue</b>		Member States Contribution	171,490,419	205,757,490	306,106,920	305,644,091	99,886,601	48.5%	34,267,071	20.0%	
		Partners ( inc Pass through & TA)	311,462,231	247,287,420	199,313,940	195,554,603	(51,732,816)	-20.9%	(64,174,811)	-20.6%	
		Commercial & Revenue Generating Activities	-	-	-	-	-		-		
		Voluntary Contributions, Gifts and Donations	-	-	-	-	-		-		
		Miscellaneous	-	-	-	-	-		-		
	Peace Support	AMISOM, MNJTF, LRA & HRMOM (1)	359,441,035	369,895,429	349,929,537	268,083,200	(101,812,229)	-27.5%	10,454,394	2.9%	
<b>Total Revenue</b>			<b>842,393,685</b>	<b>822,940,339</b>	<b>855,350,397</b>	<b>769,281,894</b>	<b>(53,658,445)</b>	<b>-6.5%</b>	<b>(29,987,748)</b>	<b>-3.6%</b>	
<b>Expenses</b>	Operating Costs	Staff Cost	121,611,885	116,260,299	130,504,981	128,419,006	12,158,708	10.5%	(5,351,586)	-4.4%	
		Operating Costs	4,962,911	44,225,514	57,590,647	58,478,641	14,253,127	32.2%	39,262,603	791.1%	
		Capital Expenditure	1,837,339	2,927,171	3,062,691	3,782,191	855,020	29.2%	1,089,832	59.3%	
	<b>Total Operating Costs</b>			<b>128,412,135</b>	<b>163,412,983</b>	<b>191,158,319</b>	<b>190,679,838</b>	<b>27,266,855</b>	<b>16.7%</b>	<b>35,000,848</b>	<b>27.3%</b>
	Programs	Programme	354,540,515	289,631,927	314,262,541	310,518,856	20,886,929	7.2%	(64,908,588)	-18.3%	
	<b>Total Programme (B)</b>			<b>354,540,515</b>	<b>289,631,927</b>	<b>314,262,541</b>	<b>310,518,856</b>	<b>20,886,929</b>	<b>7.2%</b>	<b>(64,908,588)</b>	<b>-18.3%</b>
	Peace Support	AMISOM, MNJTF, LRA & HRMOM	359,441,035	369,895,429	349,929,537	268,083,200	(101,812,229)	-27.5%	10,454,394	2.9%	
	<b>Total Costs (A)+(B)</b>			<b>842,393,685</b>	<b>822,940,340</b>	<b>855,350,397</b>	<b>769,281,894</b>	<b>(53,658,445)</b>	<b>-6.5%</b>	<b>(19,453,345)</b>	<b>-2.3%</b>

(1): excluding Funding gap of 81M for AMISOM

<b>RATIOS</b>		Budget 2016	Budget 2017	Budget 2018	Variation 2018 vs 2017	%	Variation 2017 vs 2016	%
	Operating Costs	15.24%	19.86%	22.35%	4.9%		4.6%	
	Programme	42.09%	35.19%	36.74%	5.2%		-6.9%	
	AMISOM, MNJTF, LRA & HRMOM	42.67%	44.95%	40.91%	-10.1%		2.3%	
<b>TOTAL</b>		<b>100%</b>	<b>100%</b>	<b>100%</b>				

**BUDGET OF THE UNION 2018**  
**Comparative 2018 vs 2017 by Organ**

<b>Organ</b>	<b>Budget 2017</b>	<b>Budget 2018</b>	<b>Variation</b>	<b>Variation %</b>	<b>% Share of the total Budget</b>
AUC	355,735,198	376,824,793	21,089,595	5.9%	49.0%
AMISOM	335,965,041	250,654,087	(85,310,954)	-25.4%	32.6%
NEPAD	41,440,410	50,667,815	9,227,404	22.3%	6.6%
Pan African Parliament (PAP)	22,020,159	19,964,559	(2,055,600)	-9.3%	2.6%
ACDC	3,971,148	17,350,276	13,379,128	336.9%	2.3%
African Court on Human and People's Rights (AfCHPR) (The Court)	10,315,284	11,820,159	1,504,875	14.6%	1.5%
African Commission on Human and People's Rights (AfCHPR) (The Commission)	5,525,705	6,319,680	793,975	14.4%	0.8%
Advisory Board on Corruption	2,396,246	2,843,728	447,482	18.7%	0.4%
PAU	2,531,177	2,821,977	290,800	11.5%	0.4%
ECOSSOC	1,119,557	2,528,666	1,409,109	125.9%	0.3%
Peace & Security Council	1,047,965	3,036,746	1,988,781	189.8%	0.4%
AFREC	1,275,699	1,275,699	0	0.0%	0.2%
AFRIPOL	948,450	948,450	0	0.0%	0.1%
AOSTI	916,272	916,272	0	0.0%	0.1%
ACERWC	827,556	883,509	55,953	6.8%	0.1%
African Union Commission on International Law (AUCIL)	731,286	768,034	36,748	5.0%	0.1%
IPED	762,647	762,647	(0)	0.0%	0.1%
AIR	763,494	749,028	(14,466)	-1.9%	0.1%
CIEFFA	716,656	716,656	0	0.0%	0.1%
MNJTF	23,000,000	7,161,400	(15,838,600)	-68.9%	0.9%
LRA	2,080,388	1,461,205	(619,183)	-29.8%	0.2%
HRMOM	8,850,000	8,806,508	(43,492)	-0.5%	1.1%
<b>Total</b>	<b>822,940,339</b>	<b>769,281,894</b>	<b>-53,658,445</b>	<b>-6.5%</b>	<b>100.0%</b>

**BUDGET OF THE UNION 2018**  
**Comparative by Budget Category**

Organ	2017		
	Operating	Program	Total
AUC	109,509,732	246,225,465	<b>355,735,198</b>
AMISOM	325,112,803	10,852,238	<b>335,965,041</b>
NEPAD	9,444,778	31,995,633	<b>41,440,410</b>
Pan African Parliament (PAP)	15,577,975	6,442,184	<b>22,020,159</b>
ACDC	3,971,148	0	<b>3,971,148</b>
African Court on Human and People's Rights (AfCHPR) (The Court)	8,709,318	1,605,966	<b>10,315,284</b>
African Commission on Human and People's Rights (AfCHPR)	4,610,969	914,736	<b>5,525,705</b>
Advisory Board on Corruption	1,861,946	534,300	<b>2,396,246</b>
PAU	2,531,177	0	<b>2,531,177</b>
ECOSSOC	1,119,557	0	<b>1,119,557</b>
Peace & Security Council	0	1,047,965	<b>1,047,965</b>
AFREC	1,275,699	0	<b>1,275,699</b>
AFRIPOL	948,450	0	<b>948,450</b>
AOSTI	916,272	0	<b>916,272</b>
ACERWC	271,838	555,718	<b>827,556</b>
African Union Commission on International Law (AUCIL)	421,326	309,960	<b>731,286</b>
IPED	762,647	0	<b>762,647</b>
AIR	763,494	0	<b>763,494</b>
CIEFFA	716,656	0	<b>716,656</b>
MNJTF	23,000,000	0	<b>23,000,000</b>
LRA	2,080,388	0	<b>2,080,388</b>
HRMOM	8,850,000	0	<b>8,850,000</b>
<b>Total</b>	<b>522,456,174</b>	<b>300,484,165</b>	<b>822,940,339</b>

2018		
Operating	Program	Total
130,948,702	245,876,091	<b>376,824,793</b>
250,654,087	0	<b>250,654,087</b>
10,299,329	40,368,486	<b>50,667,815</b>
17,044,559	2,920,000	<b>19,964,559</b>
3,971,148	13,379,128	<b>17,350,276</b>
10,581,742	1,238,417	<b>11,820,159</b>
5,612,542	707,138	<b>6,319,680</b>
2,082,152	761,576	<b>2,843,728</b>
2,821,977	0	<b>2,821,977</b>
1,214,363	1,314,303	<b>2,528,666</b>
0	3,036,746	<b>3,036,746</b>
1,275,699	0	<b>1,275,699</b>
948,450	0	<b>948,450</b>
916,272	0	<b>916,272</b>
291,995	591,514	<b>883,509</b>
442,576	325,458	<b>768,034</b>
762,647	0	<b>762,647</b>
749,028	0	<b>749,028</b>
716,656	0	<b>716,656</b>
7,161,400	0	<b>7,161,400</b>
1,461,205	0	<b>1,461,205</b>
8,806,508	0	<b>8,806,508</b>
<b>458,763,038</b>	<b>310,518,856</b>	<b>769,281,894</b>

Variation			Variation % of total budget	% Share of total budget
Operating	Program	Total		
21,438,970	(349,374)	<b>21,089,595</b>	5.9%	49.0%
(74,458,716)	(10,852,238)	<b>(85,310,954)</b>	-25.4%	32.6%
854,551	8,372,853	<b>9,227,404</b>	22.3%	6.6%
1,466,584	(3,522,184)	<b>(2,055,600)</b>	-9.3%	2.6%
(0)	13,379,128	<b>13,379,128</b>	336.9%	2.3%
1,872,424	(367,549)	<b>1,504,875</b>	14.6%	1.5%
1,001,573	(207,598)	<b>793,975</b>	14.4%	0.8%
220,206	227,276	<b>447,482</b>	18.7%	0.4%
290,800	0	<b>290,800</b>	11.5%	0.4%
94,806	1,314,303	<b>1,409,109</b>	125.9%	0.3%
0	1,988,781	<b>1,988,781</b>	189.8%	0.4%
0	0	<b>0</b>	0.0%	0.2%
0	0	<b>0</b>		0.1%
0	0	<b>0</b>		0.1%
20,157	35,796	<b>55,953</b>	6.8%	0.1%
21,250	15,498	<b>36,748</b>	5.0%	0.1%
(0)	0	<b>(0)</b>	0.0%	0.1%
(14,466)	0	<b>(14,466)</b>	-1.9%	0.1%
0	0	<b>0</b>	0.0%	0.1%
(15,838,600)	0	<b>(15,838,600)</b>	-68.9%	0.9%
(619,183)	0	<b>(619,183)</b>	-29.8%	0.2%
(43,492)	0	<b>(43,492)</b>	-0.5%	1.1%
<b>-63,693,136</b>	<b>10,034,691</b>	<b>-53,658,445</b>	<b>-6.5%</b>	<b>100.0%</b>



**BUDGET OF THE UNION 2018**  
**Source of Financing Comparative**

Organ	2017		
	MSs	Partners	Total
AUC	150,188,617	205,546,581	<b>355,735,198</b>
AMISOM	-	335,965,041	<b>335,965,041</b>
NEPAD	9,444,778	31,995,633	<b>41,440,410</b>
PAP	15,577,975	6,442,184	<b>22,020,159</b>
ACDC	3,971,148	-	<b>3,971,148</b>
AfCHR (The Court)	8,709,318	1,605,966	<b>10,315,284</b>
ACHPR (The Commission)	4,610,969	914,736	<b>5,525,705</b>
Advisory Board on Corruption	2,396,246	-	<b>2,396,246</b>
PAU	2,531,177	-	<b>2,531,177</b>
ECOSSOC	1,119,557	-	<b>1,119,557</b>
Peace & Security Council	1,047,965	-	<b>1,047,965</b>
AFREC	1,275,699	-	<b>1,275,699</b>
AFRIPOL	948,450	-	<b>948,450</b>
AOSTI	916,272	-	<b>916,272</b>
ACERWC	355,196	472,360	<b>827,556</b>
AUCIL	421,326	309,960	<b>731,286</b>
IPED	762,647	-	<b>762,647</b>
AIR	763,494	-	<b>763,494</b>
CIEFFA	716,656	-	<b>716,656</b>
MNJTF	-	23,000,000	<b>23,000,000</b>
LRA	-	2,080,388	<b>2,080,388</b>
HRMOM	-	8,850,000	<b>8,850,000</b>
<b>Total</b>	<b>205,757,490</b>	<b>617,182,849</b>	<b>822,940,339</b>

2018		
MSs	Partners	Total
229,022,869	147,801,924	<b>376,824,793</b>
12,532,704	238,121,383	<b>250,654,087</b>
10,667,815	40,000,000	<b>50,667,815</b>
17,044,559	2,920,000	<b>19,964,559</b>
15,291,396	2,058,880	<b>17,350,276</b>
10,581,742	1,238,417	<b>11,820,159</b>
5,612,542	707,138	<b>6,319,680</b>
2,843,728	-	<b>2,843,728</b>
2,821,977	-	<b>2,821,977</b>
2,528,666	-	<b>2,528,666</b>
3,036,746	-	<b>3,036,746</b>
1,275,699	-	<b>1,275,699</b>
948,450	-	<b>948,450</b>
916,272	-	<b>916,272</b>
380,722	502,787	<b>883,509</b>
442,576	325,458	<b>768,034</b>
762,647	-	<b>762,647</b>
749,028	-	<b>749,028</b>
716,656	-	<b>716,656</b>
-	7,161,400	<b>7,161,400</b>
-	1,461,205	<b>1,461,205</b>
-	8,806,508	<b>8,806,508</b>
<b>318,176,795</b>	<b>451,105,099</b>	<b>769,281,894</b>

Variation			% Variation	
MSs	Partners	Total	MSs	Partners
78,834,253	(57,744,657)	<b>21,089,595</b>	52%	-28%
12,532,704	(97,843,658)	<b>(85,310,954)</b>		-29%
1,223,037	8,004,367	<b>9,227,404</b>	13%	25%
1,466,584	(3,522,184)	<b>(2,055,600)</b>	9%	-55%
11,320,248	2,058,880	<b>13,379,128</b>	285%	
1,872,424	(367,549)	<b>1,504,875</b>	21%	-23%
1,001,573	(207,598)	<b>793,975</b>	22%	-23%
447,482	-	<b>447,482</b>	19%	
290,800	-	<b>290,800</b>	11%	
1,409,109	-	<b>1,409,109</b>	126%	
1,988,781	-	<b>1,988,781</b>	190%	
-	-	-	0%	
-	-	-	0%	
-	-	-	0%	
25,526	30,427	<b>55,953</b>	7%	6%
21,250	15,498	<b>36,748</b>	5%	5%
(0)	-	<b>(0)</b>	0%	
(14,466)	-	<b>(14,466)</b>	-2%	
0	-	<b>0</b>	0%	
-	(15,838,600)	<b>(15,838,600)</b>		-69%
-	(619,183)	<b>(619,183)</b>		-30%
-	(43,492)	<b>(43,492)</b>		0%
<b>112,419,305</b>	<b>(166,077,750)</b>	<b>(53,658,445)</b>	<b>55%</b>	<b>-27%</b>

**BUDGET OF THE UNION 2018  
Member States Assessment**

Organ	2017	2018	Variation	
AUC	150,188,617	229,022,869	78,834,253	52%
PAP	15,577,975	17,044,559	1,466,584	9%
ACDC	3,971,148	15,291,396	11,320,248	285%
AMISOM	-	12,532,704	12,532,704	
AfCHR (The Court)	8,709,318	10,581,742	1,872,424	21%
NEPAD	9,444,778	10,667,815	1,223,037	13%
ACHPR (The Commission)	4,610,969	5,612,542	1,001,573	22%
Advisory Board on Corruption	2,396,246	2,843,728	447,482	19%
PAU	2,531,177	2,821,977	290,800	11%
ECOSSOC	1,119,557	2,528,666	1,409,109	126%
Peace & Security Council	1,047,965	3,036,746	1,988,781	190%
AFREC	1,275,699	1,275,699	-	0%
AFRIPOL	948,450	948,450	-	0%
AOSTI	916,272	916,272	-	0%
IPED	762,647	762,647	(0)	0%
AIR	763,494	749,028	(14,466)	-2%
CIEFFA	716,656	716,656	0	0%
AUCIL	421,326	442,576	21,250	5%
ACERWC	355,196	380,722	25,526	7%
MNJTF	-	-	-	
LRA	-	-	-	
HRMOM	-	-	-	
<b>Total</b>	<b>205,757,490</b>	<b>318,176,795</b>	<b>112,419,305</b>	<b>55%</b>

0

Note: MSs funded program includes 15% counterpart contribution to the EU30M (AUSP III)

**BUDGET OF THE UNION 2018**  
**Member States Assessment by category**

Organs	2017		
	Operating Budget	Programs	Total Assessment
AUC	109,509,732	40,678,884.54	150,188,617
PAP	15,577,975		15,577,975
AfCHR (The Court)	8,709,318		8,709,318
ACHPR (The Commission)	4,610,969		4,610,969
ECOSSOC	1,119,557		1,119,557
NEPAD	9,444,778		9,444,778
AUCIL	421,326		421,326
Advisory Board on Corruption	1,861,946	534,300.00	2,396,246
Peace & Security Council	-	1,047,965.00	1,047,965
ACERWC	271,838	83,357.72	355,196
<b>SPECIALIZED OFFICES</b>			
AFREC	1,275,699		1,275,699
IPED	762,647		762,647
CIEFFA	716,656		716,656
PAU	2,531,177		2,531,177
AIR	763,494		763,494
ACDC	3,971,148		3,971,148
AOSTI	916,272		916,272
AFRIPOL	948,450		948,450
<b>PEACE OPERATIONS</b>			
AMISOM			-
MNJTF	-	-	-
LRA	-	-	-
HRMOM	-	-	-
<b>TOTAL</b>	<b>163,412,983</b>	<b>42,344,507</b>	<b>205,757,490</b>

2018		
Operating	Programs	Total
130,948,702	98,074,167	229,022,869
17,044,559	-	17,044,559
10,581,742	-	10,581,742
5,612,542	-	5,612,542
1,214,363	1,314,303	2,528,666
10,299,329	368,486	10,667,815
442,576	-	442,576
2,082,152	761,576	2,843,728
-	3,036,746	3,036,746
291,995	88,727	380,722
1,275,699	-	1,275,699
762,647	-	762,647
716,656	-	716,656
2,821,977	-	2,821,977
749,028	-	749,028
3,971,148	11,320,248	15,291,396
916,272	-	916,272
948,450	-	948,450
12,532,704	-	12,532,704
-	-	-
-	-	-
-	-	-
<b>203,212,542</b>	<b>114,964,253</b>	<b>318,176,795</b>

% Variation 2018 Vs 2017		
Operating	Programs	Total 2017
20%	141%	52%
9%		9%
21%		21%
22%		22%
8%		126%
9%		13%
5%		5%
12%	43%	19%
	190%	190%
7%	6%	7%
0%		0%
0%		0%
0%		0%
11%		11%
-2%		-2%
0%		285%
0%		0%
0%		0%
<b>24%</b>	<b>171%</b>	<b>55%</b>

**BUDGET OF THE UNION 2018**  
**2018 Budget by Expense Categories**

	Staff Cost	Operating Costs	Capital Expenditure	Sub Total	Programs	TOTAL	Share of the Budget
AUC	90,843,197	37,607,080	2,498,424	<b>130,948,702</b>	245,876,091	<b>376,824,793</b>	49.0%
NEPAD	8,089,713	2,057,641	151,975	<b>10,299,329</b>	40,368,486	<b>50,667,815</b>	6.6%
PAP	9,810,122	7,062,993	171,444	<b>17,044,559</b>	2,920,000	<b>19,964,559</b>	2.6%
ACDC	2,708,414	1,172,733	90,000	<b>3,971,148</b>	13,379,128	<b>17,350,276</b>	2.3%
AfCHR (The Court)	6,628,196	3,663,726	289,820	<b>10,581,742</b>	1,238,417	<b>11,820,159</b>	1.5%
ACHPR (The Commission)	3,192,542	2,376,000	44,000	<b>5,612,542</b>	707,138	<b>6,319,680</b>	0.8%
Advisory Board on Corruption	864,938	1,217,214	-	<b>2,082,152</b>	761,576	<b>2,843,728</b>	0.4%
PAU	2,146,895	672,083	3,000	<b>2,821,977</b>	-	<b>2,821,977</b>	0.4%
ECOSSOC	-	1,214,363	-	<b>1,214,363</b>	1,314,303	<b>2,528,666</b>	0.3%
Peace & Security Council	-	-	-	-	3,036,746	<b>3,036,746</b>	0.4%
AFREC	1,127,099	123,600	25,000	<b>1,275,699</b>	-	<b>1,275,699</b>	0.2%
AFRIPOL	712,350	96,100	140,000	<b>948,450</b>	-	<b>948,450</b>	0.1%
AOSTI	699,938	131,234	85,100	<b>916,272</b>	-	<b>916,272</b>	0.1%
ACERWC	28,835	263,160	-	<b>291,995</b>	591,514	<b>883,509</b>	0.1%
AUCIL	-	442,576	-	<b>442,576</b>	325,458	<b>768,034</b>	0.1%
IPED	516,881	116,566	129,200	<b>762,647</b>	-	<b>762,647</b>	0.1%
AIR	569,400	138,600	41,028	<b>749,028</b>	-	<b>749,028</b>	0.1%
CIEFFA	480,484	122,972	113,200	<b>716,656</b>	-	<b>716,656</b>	0.1%
<b>Sub-Total excluding Peace Support Operations</b>	<b>128,419,006</b>	<b>58,478,641</b>	<b>3,782,191</b>	<b>190,679,838</b>	<b>310,518,856</b>	<b>501,198,694</b>	<b>65.2%</b>
AMISOM	14,483,387	236,170,700	-	<b>250,654,087</b>	-	<b>250,654,087</b>	32.6%
MNJTF	-	7,161,400	-	<b>7,161,400</b>	-	<b>7,161,400</b>	0.9%
LRA	-	1,461,205	-	<b>1,461,205</b>	-	<b>1,461,205</b>	0.2%
HRMOM	-	8,806,508	-	<b>8,806,508</b>	-	<b>8,806,508</b>	1.1%
<b>Sub-Total Peace Support Operations</b>	<b>14,483,387</b>	<b>253,599,813</b>	<b>-</b>	<b>268,083,200</b>	<b>-</b>	<b>268,083,200</b>	<b>35%</b>

Total	142,902,393	312,078,454	3,782,191	458,763,038	310,518,856	769,281,894	100%
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**BUDGET OF THE UNION 2018**  
**Comparative of Budget by Expense Categories**

figures in US\$ million

	2017						2018						
	Staff Cost	Operating Costs	Capital Expenditure	Sub Total	Programs	TOTAL	Staff Cost	Operating Costs	Capital Expenditure	Sub Total	Programs	TOTAL	% Share of the Budget
AUC	81.83	26.15	1.53	109.51	246.23	355.74	90.84	37.61	2.50	130.95	245.88	376.82	49.0%
NEPAD	7.85	1.57	0.03	9.44	32.00	41.44	8.09	2.06	0.15	10.30	40.37	50.67	6.6%
PAP	8.90	6.44	0.24	15.58	6.44	22.02	9.81	7.06	0.17	17.04	2.92	19.96	2.6%
ACDC	2.71	1.17	0.09	3.97	-	3.97	2.71	1.17	0.09	3.97	13.38	17.35	2.3%
AfCHR (The Court)	5.90	2.75	0.06	8.71	1.61	10.32	6.63	3.66	0.29	10.58	1.24	11.82	1.5%
ACHPR (The Commission)	2.39	2.16	0.06	4.61	0.91	5.53	3.19	2.38	0.04	5.61	0.71	6.32	0.8%
Advisory Board on Corruption	0.80	1.00	0.06	1.86	0.53	2.40	0.86	1.22	-	2.08	0.76	2.84	0.4%
PAU	1.84	0.44	0.25	2.53	-	2.53	2.15	0.67	0.00	2.82	-	2.82	0.4%
ECOSSOC	-	1.12	-	1.12	-	1.12	-	1.21	-	1.21	1.31	2.53	0.3%
Peace & Security Council	-	-	-	-	1.05	1.05	-	-	-	-	3.04	3.04	0.4%
AFREC	1.13	0.12	0.03	1.28	-	1.28	1.13	0.12	0.03	1.28	-	1.28	0.2%
AFRIPOL	0.71	0.10	0.14	0.95	-	0.95	0.71	0.10	0.14	0.95	-	0.95	0.1%
AOSTI	0.70	0.13	0.09	0.92	-	0.92	0.70	0.13	0.09	0.92	-	0.92	0.1%
ACERWC	0.03	0.24	-	0.27	0.56	0.83	0.03	0.26	-	0.29	0.59	0.88	0.1%
AUCIL	-	0.42	-	0.42	0.31	0.73	-	0.44	-	0.44	0.33	0.77	0.1%
IPED	0.52	0.12	0.13	0.76	-	0.76	0.52	0.12	0.13	0.76	-	0.76	0.1%
AIR	0.48	0.17	0.11	0.76	-	0.76	0.57	0.14	0.04	0.75	-	0.75	0.1%
CIEFFA	0.48	0.12	0.11	0.72	-	0.72	0.48	0.12	0.11	0.72	-	0.72	0.1%
<b>Total excluding AMISOM</b>	<b>116.26</b>	<b>44.23</b>	<b>2.93</b>	<b>163.41</b>	<b>289.63</b>	<b>453.04</b>	<b>128.42</b>	<b>58.48</b>	<b>3.78</b>	<b>190.68</b>	<b>310.52</b>	<b>501.20</b>	<b>65%</b>
AMISOM	13.58	311.53		325.11	10.85	335.97	14.48	236.17	-	250.65	-	250.65	32.6%
MNJTF		23.00		23.00		23.00	-	7.16	-	7.16	-	7.16	0.9%
LRA		2.08		2.08		2.08	-	1.46	-	1.46	-	1.46	0.2%
HRMOM		8.85		8.85		8.85	-	8.81	-	8.81	-	8.81	1.1%
<b>Total including AMISOM</b>	<b>129.84</b>	<b>389.69</b>	<b>2.93</b>	<b>522.46</b>	<b>300.48</b>	<b>822.94</b>	<b>142.90</b>	<b>312.08</b>	<b>3.78</b>	<b>458.76</b>	<b>310.52</b>	<b>769.28</b>	<b>100%</b>

**BUDGET OF THE AUC 2018**  
**2018 AUC Program Budget by Department**

Department	2017 Total	Main Budget 2018	Passthrough Fund 2018	Technical Assistance 2018	Special Project 2018	Total 2018	Variation	%
Human Resource Science and Technology	41,199,928	20,411,078	43,422,800	935,660	0	64,769,538	23,569,610	57%
Peace and Security	38,444,906	39,684,163	0	1,448,660	0	41,132,823	2,687,917	7%
Rural Economy and Agriculture - IBAR	40,432,601	472,100	19,616,576	0	500,000	20,588,676	(19,843,925)	-49%
Infrastructure and Energy	25,852,527	9,780,733	7,000,000	2,219,815	0	19,000,548	(6,851,979)	-27%
Bureau of the Chairperson - Cabinet	13,578,266	14,466,896	0	0	2,767,822	17,234,718	3,656,452	27%
Trade and Industry	13,424,300	2,162,614	0	223,428	10,518,616	12,904,658	(519,642)	-4%
Social Affairs	13,897,108	7,466,097	59,907	2,238,550	2,116,770	11,881,324	(2,015,784)	-15%
Office of the Legal Council	2,970,613	3,562,911	5,263,796	600,155	0	9,426,862	6,456,249	217%
Political Affairs	10,481,412	5,460,889	0	3,237,928	706,824	9,405,641	(1,075,771)	-10%
Rural Economy and Agriculture	12,554,636	9,018,318	556,451	1,537,068	0	11,111,837	(1,442,799)	-11%
Administration and Human Resource Development	14,277,078	7,259,337	0	91,800	0	7,351,137	(6,925,941)	-49%
Economic Affairs	5,479,241	2,933,228	0	49,000	2,181,884	5,164,112	(315,129)	-6%
SPPMERM	2,640,250	2,571,664	0	21,000	0	2,592,664	(47,586)	-2%
Women, Gender and Development	1,990,276	2,848,585	0	0	0	2,848,585	858,309	43%
Program Budget Finance and Accounting	4,447,473	4,559,828	0	0	0	4,559,828	112,355	3%
CIDO	473,132	1,288,120	0	0	0	1,288,120	814,989	172%
Bureau of the Deputy Chairperson - Cabinet	764,461	982,082	0	0	0	982,082	217,621	28%
Information and Communication	1,163,226	1,566,500	0	0	0	1,566,500	403,274	35%
Conference Management and Publications	1,049,358	750,960	0	0	0	750,960	(298,398)	-28%
NEPAD Coordination Unit	382,320	45,900	0	0	0	45,900	(336,420)	-88%
Medical Services	208,800	395,533	0	0	0	395,533	186,733	89%
Office of Internal Audit	200,540	350,635	0	0	0	350,635	150,095	75%
Office of the Secretary General of the Commission	168,365	258,410	0	0	0	258,410	90,045	53%
Protocol Services	144,650	265,000	0	0	0	265,000	120,350	83%
<b>Total AUC</b>	<b>246,225,467</b>	<b>138,561,581</b>	<b>75,919,530</b>	<b>12,603,064</b>	<b>18,791,916</b>	<b>245,876,091</b>	<b>(349,376)</b>	<b>0%</b>

**Note:**

Category	2017	2018	Variation	%
Main Budget	129,063,254	138,561,581	9,498,328	7%
Pass-through Budget	88,019,422	75,919,530	(12,099,892)	-14%
Special Projects	24,449,069	18,791,916	(5,657,153)	-23%
Technical Assistance	4,693,722	12,603,064	7,909,342	169%
<b>Grand Total</b>	<b>246,225,467</b>	<b>245,876,091</b>	<b>(349,376)</b>	<b>0%</b>

**BUDGET OF THE UNION 2018**  
**Changes from Sub-Committee Meeting**

Organ	Budget 2018 (before Sub-Cttee)	Budget 2018 (after Sub-Cttee)	Variation	Variation %
AUC	379,695,342	376,824,793	(2,870,549)	-0.8%
AMISOM	332,500,424	250,654,087	(81,846,337)	-24.6%
NEPAD	50,766,998	50,667,815	(99,184)	-0.2%
Pan African Parliament (PAP)	20,719,408	19,964,559	(754,849)	-3.6%
ACDC	17,350,276	17,350,276	0	0.0%
African Court on Human and People's Rights (AfCHPR) (The Court)	12,245,075	11,820,159	(424,916)	-3.5%
African Commission on Human and People's Rights (AfCHPR) (The Commission)	6,349,868	6,319,680	(30,188)	-0.5%
Advisory Board on Corruption	4,512,070	2,843,728	(1,668,342)	-37.0%
PAU	2,821,977	2,821,977	0	0.0%
ECOSSOC	2,528,666	2,528,666	0	0.0%
Peace & Security Council	1,410,884	3,036,746	1,625,862	115.2%
AFREC	1,275,699	1,275,699	0	0.0%
AFRIPOL	948,450	948,450	0	0.0%
AOSTI	916,272	916,272	0	0.0%
ACERWC	883,509	883,509	0	0.0%
African Union Commission on International Law (AUCIL)	768,034	768,034	0	0.0%
IPED	762,647	762,647	0	0.0%
AIR	749,028	749,028	0	0.0%
CIEFFA	716,656	716,656	0	0.0%
MNJTF	7,161,400	7,161,400	0	0.0%
LRA	1,461,205	1,461,205	0	0.0%
HRMOM	8,806,508	8,806,508	0	0.0%
<b>Total</b>	<b>855,350,397</b>	<b>769,281,894</b>	<b>(86,068,503)</b>	<b>-10.1%</b>

**BUDGET OF THE UNION 2018**  
**Outcome of the Sub-Committee Deliberations**

Organ	Department	2017 Total	2018 before Sub-Cttee	15% allocation for EU Counterpart	Transfers	Increase/(Decrease)	Total changes	2018 after Sub-Cttee	Variation 2017 Vs 2018	%
AUC	OPERATIONAL	109,509,732	129,682,217			1,266,485	1,266,485	130,948,702	21,438,970	20%
AUC	Human Resource Science and Technology	41,199,928	69,793,561			(5,024,023)	(5,024,023)	64,769,538	23,569,610	57%
AUC	Peace and Security	38,444,906	41,995,452		(397,293)	(465,336)	(862,629)	41,132,823	2,687,917	7%
AUC	Rural Economy and Agriculture - IBAR	40,432,601	21,028,873		(940,197)	500,000	(440,197)	20,588,676	(19,843,925)	-49%
AUC	Infrastructure and Energy	25,852,527	18,314,037			686,511	686,511	19,000,548	(6,851,979)	-27%
AUC	Bureau of the Chairperson - Cabinet	13,578,266	17,188,280		79,446	(33,008)	46,438	17,234,718	3,656,452	27%
AUC	Trade and Industry	13,424,300	16,319,628			(3,414,970)	(3,414,970)	12,904,658	(519,642)	-4%
AUC	Social Affairs	13,897,108	12,166,272			(284,948)	(284,948)	11,881,324	(2,015,784)	-15%
AUC	Office of the Legal Council	2,970,613	10,030,466			(603,604)	(603,604)	9,426,862	6,456,249	217%
AUC	Political Affairs	10,481,412	9,553,302			(147,661)	(147,661)	9,405,641	(1,075,771)	-10%
AUC	Rural Economy and Agriculture	12,554,636	9,180,499		940,197	991,141	1,931,338	11,111,837	(1,442,799)	-11%
AUC	Administration and Human Resource Development	14,277,078	7,351,137			-	0	7,351,137	(6,925,941)	-49%
AUC	Economic Affairs	5,479,241	5,524,092			(359,980)	(359,980)	5,164,112	(315,129)	-6%
AUC	SPPMERM	2,640,250	2,716,780			(124,116)	(124,116)	2,592,664	(47,586)	-2%
AUC	Women, Gender and Development	1,990,276	1,691,789			1,156,796	1,156,796	2,848,585	858,309	43%
AUC	Program Budget Finance and Accounting	4,447,473	1,610,750	2,767,870	214,537	(33,329)	2,949,079	4,559,828	112,355	3%
AUC	CIDO	473,132	1,288,120			-	0	1,288,120	814,989	172%
AUC	Bureau of the Deputy Chairperson - Cabinet	764,461	982,082			-	0	982,082	217,621	28%
AUC	Information and Communication	1,163,226	972,959			593,541	593,541	1,566,500	403,274	35%
AUC	Conference Management and Publications	1,049,358	750,960			-	0	750,960	(298,398)	-28%
AUC	NEPAD Coordination Unit	382,320	414,386		(368,486)		(368,486)	45,900	(336,420)	-88%
AUC	Medical Services	208,800	395,533			-	0	395,533	186,733	89%
AUC	Office of Internal Audit	200,540	371,173			(20,538)	(20,538)	350,635	150,095	75%
AUC	Office of the Secretary General of the Commission	168,365	258,410			-	0	258,410	90,045	53%
AUC	Protocol Services	144,650	114,585			150,415	150,415	265,000	120,350	83%
AMISOM	AMISOM	335,965,041	332,500,424			(81,846,337)	(81,846,337)	250,654,087	(85,310,954)	-25%
NEPAD	NEPAD	41,440,410	50,766,998		368,486	(467,670)	(99,184)	50,667,815	9,227,404	22%
Pan African Parliament (PAP)	Pan African Parliament (PAP)	22,020,159	20,719,408			(754,849)	(754,849)	19,964,559	(2,055,600)	-9%
ACDC	ACDC	3,971,148	17,350,276			-	0	17,350,276	13,379,128	337%
African Court on Human and People's Rights (AfCHPR) (The Court)	African Court on Human and People's Rights (AfCHPR) (The Court)	10,315,284	12,245,075			(424,916)	(424,916)	11,820,159	1,504,875	15%
African Commission on Human and People's Rights (AfCHPR) (The Commission)	African Commission on Human and People's Rights (AfCHPR) (The Commission)	5,525,705	6,349,868			(30,188)	(30,188)	6,319,680	793,975	14%
Advisory Board on Corruption	Advisory Board on Corruption	2,396,246	4,512,070	Detail Sub-Cttee outcome		(1,668,342)	(1,668,342)	2,843,728	447,482	Page 14 19%

Organ	Department	2017 Total	2018 before Sub-Cttee	15% allocation for EU Counterpart	Transfers	Increase/(Decrease)	Total changes	2018 after Sub-Cttee	Variation 2017 Vs 2018	%
PAU	PAU	2,531,177	2,821,977			-	0	2,821,977	290,800	11%
ECOSSOC	ECOSSOC	1,119,557	2,528,666			-	0	2,528,666	1,409,109	126%
Peace & Security Council	Peace & Security Council	1,047,965	1,410,884		103,310	1,522,552	1,625,862	3,036,746	1,988,781	190%
AFREC	AFREC	1,275,699	1,275,699			-	0	1,275,699	0	0%
AFRIPOL	AFRIPOL	948,450	948,450			-	0	948,450	0	0%
AOSTI	AOSTI	916,272	916,272			-	0	916,272	0	0%
ACERWC	ACERWC	827,556	883,509			-	0	883,509	55,953	7%
African Union Commission on International Law (AUCIL)	African Union Commission on International Law (AUCIL)	731,286	768,034			-	0	768,034	36,748	5%
IPED	IPED	762,647	762,647			-	0	762,647	(0)	0%
AIR	AIR	763,494	749,028			-	0	749,028	(14,466)	-2%
CIEFFA	CIEFFA	716,656	716,656			-	0	716,656	0	0%
MNJTF	MNJTF	23,000,000	7,161,400			-	0	7,161,400	(15,838,600)	-69%
LRA	LRA	2,080,388	1,461,205			-	0	1,461,205	(619,183)	-30%
HRMOM	HRMOM	8,850,000	8,806,508			-	0	8,806,508	(43,492)	0%
		822,940,341	855,350,397	2,767,870	1	(88,836,373)	(86,068,502)	769,281,895	(53,658,446)	-7%

**BUDGET OF THE UNION 2018**  
**Outcome of the Sub-Committee Deliberations**  
**Changes in AUC Operational Budget**

Description	Before Sub-Committee	After Sub-Committee	Change	Remark
Base salary	34,918,368	35,175,582	257,214	Due to proposed salary adjustment
Post Adjustment Allowance	14,950,960	14,972,624	21,664	Due to proposed salary adjustment
Dependency Allowance	2,332,847	2,346,532	13,685	Due to proposed salary adjustment
Housing Allowance	12,850,007	12,766,012	(83,995)	Due to proposed salary adjustment
Pension Scheme	7,729,528	7,782,514	52,987	Due to proposed salary adjustment
Non Residence Allowance	552,000	399,000	(153,000)	Following recommendation of the Sub-Cttee
Preferential Exchange Rate (Bruxelles & Geneva)	2,619,413	0	(2,619,413)	Due to proposed salary adjustment
Education Allowance	5,380,560	6,248,900	868,340	Due to proposed salary adjustment
Separation Costs	1,582,332	1,882,803	300,470	Due to proposed salary adjustment
Hospitality	116,291	161,291	45,000	Increase on AU Day budget - Protocol
Rental of Premises	307,968	883,968	576,000	Rental of residence for Commissioners
Maintenance of Premises	810,376	1,281,376	471,000	for the new buildings (AUCC & Julius Nierere)
Purchase of Laissez Passer, Flags & Name Plates	54,640	120,000	65,360	for purchase of flags - Protocol
Protocol Service Activities	96,100	193,000	96,900	increased amount for uniforms - Protocol
Provision for Claims and litigation	0	150,000	150,000	Following recommendation of the Sub-Cttee
Vehicles	450,000	585,000	135,000	CAPEX: 3 vehicles at \$45,000 for Protocol
Office Equipment	274,849	624,849	350,000	CAPEX: e-Passport equipment
Information Technology Materials & Accessories	62,264	362,264	300,000	Adjustment of CAPEX: purchase of 300 computers
Refugees & IDPs	2,337,575	2,304,551	(33,024)	Due to exclusion of CAPEX from calculation
Peace Fund	8,181,512	8,065,927	(115,585)	Due to exclusion of CAPEX from calculation
African Women Fund	584,394	1,152,275	567,882	increase of % allocation to 1% of operating budget
<b>Total increase</b>	<b>96,191,981</b>	<b>97,458,466</b>	<b>1,266,485</b>	

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**AFRICAN UNION**

**الاتحاد الأفريقي**



**UNION AFRICAINE**

**UNIÃO AFRICANA**

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P. O. Box 3243, Addis Ababa, ETHIOPIA Tel.: Tel: +251-115- 517 700 Fax: +251-115- 517844 / 5182523  
Website: [www.au.int](http://www.au.int)

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AD19958

**EXECUTIVE COUNCIL**  
**Thirty-First Ordinary Session**  
**27 June – 1 July 2017**  
**Addis Ababa, ETHIOPIA**

**EX.CL/1016(XXXI)i C**  
Original: English

**REPORT OF THE PRC SUB-COMMITTEE**  
**ON COMPENSATION AND BENEFITS**

AFRICAN UNION

الاتحاد الأفريقي



UNION AFRICAINE  
UNIÃO AFRICANA

Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone 5517 700 Fax: 251-11-5513039 <http://www.au.int>

AD19958

**MEETING OF THE PRC SUB-COMMITTEE ON  
GENERAL SUPERVISION AND COORDINATION ON  
BUDGETARY, FINANCIAL AND ADMINISTRATIVE MATTERS  
01 – 10 JUNE 2017  
BAHIR DAR, ETHIOPIA**

**Adv.SCttee/Comp.&Benefits/Rpt(06.17)**  
Original: English

**RECOMMENDATIONS OF PRC SUB-COMMITTEE  
ON AU COMPENSATION & BENEFITS**



## RECOMMENDATIONS

### (a) Salary Scale Review

1. The PRC Sub-Committee recommends the creation of a D2 Salary Scale base on the rational that it would open up the AU grading system for job promotion and mobility at the lower level. The D2 Step1 scale is a 3% progression of D1 Step 10 then subsequent steps should use the same incremental methodology of the AU current scale.

2. Furthermore, the PRC recommends an increase on the basic salary of 6.1% across the board.

a) The monthly basic salary of the Chairperson of the Commission shall be: D2 Step 10 monthly basic salary (US\$10,384.50) increased by 50%, i.e.  $(US\$10,384.5 \times 1.50) = US\$15,576.75$ ;

b) The monthly basic salary of the Deputy Chairperson of the Commission shall be: D2 Step 10 monthly basic salary (US\$10,384.50) increased by 32.5%, i.e.  $(US\$10,384.50 \times 1.325) = US\$ 13,759.46$ ;

c) The monthly basic salary of the Commissioners of the Commission, President of the AFCHPR, Chief Executive Officer of NEPAD shall be: D2 Step 10 monthly basic salary (US\$10,384.50) increased by 15.0%, i.e.  $(US\$10,384.50 \times 1.15) = US\$11,942.18$ ;

### (b) Post Adjustment – NO CHANGE

3. The PRC Sub-Committee recommends to maintain the existing AU Post Adjustment Allowance rates which is based on the United Nations Calculation Methodology for Post Adjustment

(a) Monthly Basic Salary
(b) United Nations Post Adjustment Multiplier
(c) Post Adjustment per index point = 1% of Monthly Basic Salary
(d) Monthly Post Adjustment = (b) x (c)

### (c) Spouse Allowance – NO CHANGE

4. The PRC Sub-Committee recommends Spouse Allowance 5% of Basic Salary plus Post Adjustment if the spouse is not working or receiving remuneration not exceeding USD500.00.



**(d) Pension – NO CHANGE**

5. The PRC Sub-Committee recommends retaining the current Employer/Employee Pension Contribution for all regular staff as follows:

- a) Employer Pension Contribution – 19% of the Basic Salary plus 17%;
- b) Employee Pension Contribution – 12% of the Basic Salary plus 17%.

**(e) Housing Allowance**

6. Following the proposal of 25% increase on the current Housing Allowance, the Sub-Committee was of the view that the housing market especially for Addis Ababa was so high that the request of 25% increase on the rent allowance for Addis Ababa did not reflect the reality on the ground. The Sub-Committee therefore requested the Commission to re-work on the figures through a housing and cost of living survey and come out with realistic figures.

7. In reviewing the Housing Allowance for the various category of staff as requested by the Sub-Committee, the Director of Administration and Human Resources Management (AHRM) explained that the United Nations Cost of Living survey and its multiplier were used in determining the new figures for the Housing allowances for the various duty stations.

8. Following the presentation, the Sub-Committee adopted the proposals on the Housing Allowances based on the cost of living survey multipliers as indicated in the Table submitted (**Annex 1**)

**(f) Education Allowance:**

9. The PRC Sub-Committee recommends the Education Allowance rates and implementation of 100% payment of the school fees actually incurred by regular staff members for eligible dependent child studying in Africa or any other part of the world other than Europe and North America as follows:

- Up to USD10,000.00 per eligible child per year for internationally recruited regular Staff; and
- Up to USD3,300.00 per eligible child per year for national regular professional staff and locally recruited regular staff.

10. If eligible children are studying in Europe and/or North America, the ceilings shall be as follows:

- Up to USD15,000.00 per eligible child per year for internationally recruited regular Staff; and
- Up to USD 5,000.00 per eligible child per year for national regular professional staff and locally recruited regular staff.



11. In case of death of the regular staff member, education allowance will be paid for the eligible children of the deceased staff up to the age of 21, regardless of his/her date of appointment.

**(g) Dependency Allowance – NO CHANGE**

12. The PRC Sub-Committee recommends Status-quo of Dependency Allowance for regular staff members of USD250.00 per eligible child per year.

**(h) Non-Resident Allowance – NO CHANGE**

13. In line with Rule 21.1 - Non-Resident Allowance of the AU Staff Regulations and Rules which stipulates that “All internationally recruited General Service Staff members who are not nationals of the country of their duty station and whose travel on initial appointment was paid for by the Union shall be entitled to receive, in addition to their basic salary, a non-resident allowance as determined by the Executive Council”.

14. The PRC Sub-Committee recommends status-quo of the Non-Resident Allowance for internationally-recruited General Service Staff (GSA4 and above only) at the rate of:

- (a) With Dependents: US\$3,000.00 per annum
- (b) Without Dependents: US\$2,400.00 per annum

**(i) Installation Allowance for Internationally Recruited Regular Staff Members**

15. The PRC Sub-Committee recommends that the Installation Allowance for Internationally Recruited Regular Staff Members be henceforth calculated as follows:

- Staff Member: 100% - 30 days DSA at the applicable rate of the duty-station
- Eligible Spouse: 50% of the Staff Member Installation Allowance
- Eligible children 12years+: 100% of the Staff Member Installation Allowance
- Eligible Children under 12 years and up to 2 years of age: 50% of the Staff Member Installation Allowance
- Infant (less than 2 years): 0% (No installation allowance)

**(j) Conflict Zone Allowance - NO CHANGE**

16. The PRC Sub-Committee recommends the discontinuation of the current application of specific grade plus one (e.g. P3 +1) and to implement a Conflict Zone Allowance of the 35% basic salary for those staff posted in conflict zone as determined by the AU Peace and Security Council. Those current staff members who had been placed under this practice shall be reverted to their original job grading and be paid a Conflict Zone Allowance.

**(k) Rent for Residence of AUC Commissioners**

17. The PRC Sub-Committee recommends the discontinuation of the Monthly Housing Allowance for Commissioners and the introduction of a Rental Budget line at the



rate of **USD6000.00** per months per Commissioner within the AHRMD Operational Budget to cover the cost for renting an unfurnished residence, payment of utility bills and maintenance of generators and premises, which shall be directly managed by the Administration and Facilities Management Division with the view to provide decent residence for the elected officials.

**(l) Implementation timeframe for the phasing out of the Preferential Rates for Staff in the Geneva and Brussels Offices**

18. The PRC recommends immediate discontinuation of the Preferential Rates currently being applied in the Geneva and Brussels Offices. The current staff shall either be transferred in 2017-2018 as part of staff mobility or be subject to the discontinuation of the Preferential Rate. Any appointment or transfer to those offices shall be subject to the application of the new salary scale, post adjustment and other allowances only.

**(m) Effective date of the implementation of the Salary Review and Allowances**

19. The PRC Sub-Committee recommends that the New Salary Scale and allowance shall take effect on 1st January 2018.

**(n) Amendment to the AU Staff Regulations and Rules**

20. In accordance with Regulation 16.1 of the Staff Regulations and Rule 81 of the Staff Rules, the PRC recommends to the Assembly through the Executive Council amendments to the Staff Regulations and Rules as follows:

**Rule 22.3 (a) (iv) and (v) on Education Allowance**

Para. (vi) *The Union shall pay hundred percent (100%) of the learning expenses and cost which by definition shall only be limited to school fees actually incurred by a staff member from the amount recommended by the Chairperson or the competent authority of any other organ and approved by the Executive Council.*

Para. (v) *A staff member with more than one eligible child may discretionally spend beyond the 100% approval expenditure for any one child provided the aggregate educational expenditure for all his or her children is not more than the authorized 100% expenditure of the approved educational allowance of all his or her children.*

**Rule 23.5 (a) and 23.6 (a) on Installation Allowance**

Rule 23.5(a):

*On arrival at his or her duty station, the newly recruited staff member shall receive an allowance to meet extra-ordinary living expenses consisting of the full rate of the daily subsistence allowance authorized under the preceding paragraph for himself or herself; fifty percent (50%) of that amount for eligible spouse; **one hundred percent (100%) of that amount for eligible children***



**12 years and above; and fifty percent (50%) of that amount for eligible children under 12 years and up to 2 years of age for a maximum period of thirty (30) calendar days, on the understanding that no housing allowance is paid for the same period.**

**Rule 23.6(a): Installation Allowance**

*A staff member shall, upon transfer to another duty station, be entitled to an allowance equivalent in sum to the installation allowance for himself or herself **fifty percent (50%) of that amount for eligible spouse; fifty percent (50%) of that amount for eligible children 12 years and above; and twenty-five percent (25%) of that amount for eligible children under 12 years and up to 2 years of age** for a maximum period of thirty (30) calendar days, on the clear understanding that no housing allowance shall be paid for the same period.*

**Rule 43.2 Compensation for Death, Injury, Illness or Disability attributable to Service**

- (c)** In the event of death of a regular or continuing regular staff member, an immediate humanitarian grant **of 12-month basic salary plus post adjustment** of the staff member shall be made available to the beneficiaries. **This benefit will also be made available to beneficiaries of fixed-term and short-term staff members.**
- (d)** Upon the death or permanent disability of a regular and continuing regular staff member as described in these Rules one hundred percent (100%) of the school fees actually incurred by the eligible dependent from the amount recommended by the Chairperson or the competent authority of any other organ and approved by the Executive Council shall be paid by the Union to the school. Such educational assistance shall continue until the eligible children reaches the age of 21, regardless of the date of appointment of the Staff. This payment shall not be deductible from the staff member's separation entitlements.

## HOUSING ALLOWANCE EFFECTIVE 01 JANUARY 2018

<b>General Service Category A (GSA4 to GSA6 International)</b>	
<b>NEW: Monthly Housing Allowance All Duty Stations</b>	<b>1,401.12</b>
Old Monthly Housing Allowance All Duty Stations	1,000.80

<b>Professional Staff Members</b>		
<b>ADDIS ABABA</b>	<b>D1-P4</b>	<b>P3-P1</b>
<b>NEW: Monthly Housing Allowance for International Professional</b>	<b>2,184.00</b>	<b>1,911.00</b>
<i>OLD: Monthly Housing Allowance for International Professional</i>	<i>1,401.60</i>	<i>1,201.20</i>
Monthly Allowance for National Professional	<b>40%</b>	<b>30%</b>

<b>BANJUL</b>	<b>D1-P4</b>	<b>P3-P1</b>
<b>NEW: Monthly Housing Allowance for International Professional</b>	<b>1,459.50</b>	<b>1,324.80</b>
<i>OLD: Monthly Housing Allowance for International Professional</i>	<i>1,324.80</i>	<i>1,104.00</i>
Monthly Housing Allowance for National Professional	<b>40%</b>	<b>30%</b>

<b>BRUSSELS</b>	<b>D1-P5</b>	<b>P4</b>	<b>P3-P1</b>
<b>NEW: Monthly Housing Allowance for International Professional</b>	<b>2,484.00</b>	<b>2,173.50</b>	<b>1,932.00</b>
<i>OLD: Monthly Housing Allowance for International Professional</i>	<i>2,208.00</i>	<i>1,932.00</i>	<i>1,766.40</i>
Monthly Housing Allowance for Local Professional	<b>40%</b>	<b>40%</b>	<b>30%</b>

<b>CAIRO &amp; TRIPOLI</b>	<b>D1-P4</b>	<b>P3-P1</b>
<b>NEW: Monthly Housing Allowance for International Professional</b>	<b>1,819.39</b>	<b>1,591.97</b>
<i>OLD: Monthly Housing Allowance for International Professional</i>	<i>1,766.40</i>	<i>1,545.60</i>
Monthly Housing Allowance for National Professional	<b>40%</b>	<b>30%</b>



**Recommendation of the PRC Sub-Committee on General Supervision and Coordination on  
Budgetary, Financial and Administrative Matters on AU Compensation and Benefits**

<b>ALGIERS &amp; LAAYOUNE</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,962.00</b>	<b>1,545.60</b>	
<b>OLD:</b> Monthly Housing Allowance for International Professional	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	40%	
<b>CONAKRY, MONROVIA &amp; DAKAR</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,806.00</b>	<b>1,580.25</b>	
<b>OLD:</b> Monthly Housing Allowance for International Professional	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>GENEVA</b>	<b>D1-P5</b>	<b>P4</b>	<b>P3-P1</b>
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>3,701.25</b>	<b>2,870.40</b>	<b>2,583.60</b>
<b>OLD:</b> Monthly Housing Allowance for International Professional	2,870.00	2,583.60	2,296.80
Monthly Housing Allowance for Local Professional	40%	40%	30%
<b>LILONGWE</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,685.25</b>	<b>1,401.65</b>	
<b>OLD:</b> Monthly Housing Allowance for International Professional	1,401.60	1,201.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>ABUJA &amp; JOHANNESBURG (PAP, NPCA)</b>	<b>D1-P5</b>	<b>P4</b>	<b>P3-P1</b>
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>2,274.24</b>	<b>2,046.82</b>	<b>1,819.39</b>
<b>OLD:</b> Monthly Housing Allowance for International Professional	2,208.00	1,987.20	1,766.40
Monthly Housing Allowance for National Professional	40%	40%	30%
<b>NAIROBI</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,770.00</b>	<b>1,548.75</b>	
<b>OLD:</b> Monthly Housing Allowance for International Professional	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>BUJUMBURA, MORONI &amp; ARUSHA</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,860.00</b>	<b>1,627.50</b>	
<b>OLD:</b> Monthly Housing Allowance for International Professional	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>NEW YORK</b>	<b>D1-P5</b>	<b>P4</b>	<b>P3-P1</b>
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>3,966.00</b>	<b>3,470.25</b>	<b>2,980.85</b>
<b>OLD:</b> Monthly Housing Allowance for International Professional	3,312.00	2,980.80	2,649.60



**Recommendation of the PRC Sub-Committee on General Supervision and Coordination on  
Budgetary, Financial and Administrative Matters on AU Compensation and Benefits**

Monthly Housing Allowance for Local Professional	40%	40%	30%
<b>WASHINGTON</b>	<b>D1-P5</b>	<b>P4</b>	<b>P3-P1</b>
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>3,470.25</b>	<b>3,312.00</b>	<b>2,980.85</b>
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	3,312.00	2,980.80	2,649.60
Monthly Housing Allowance for Local Professional	40%	40%	30%
<b>BAMAOKO</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,914.00</b>	<b>1,674.75</b>	
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>NIAMEY</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>2,118.00</b>	<b>1,766.40</b>	
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>OUAGADOUGOU</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,860.00</b>	<b>1,627.50</b>	
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>ABIDJAN</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>2,016.00</b>	<b>1,766.40</b>	
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>YAOUNDE</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,819.39</b>	<b>1,533.00</b>	
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>KINSHASA, BANGUI</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>2,378.25</b>	<b>1,766.40</b>	
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	
<b>MALABO</b>	<b>D1-P4</b>	<b>P3-P1</b>	
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,944.00</b>	<b>1,701.00</b>	
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	1,766.40	1,435.20	
Monthly Housing Allowance for National Professional	40%	30%	



Recommendation of the PRC Sub-Committee on General Supervision and Coordination on  
Budgetary, Financial and Administrative Matters on AU Compensation and Benefits

Page iv

<b>KHARTOUM, JUBA AND NDJAMENA</b>	<b>D1-P4</b>	<b>P3-P1</b>
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>1,758.75</b>	<b>1,401.60</b>
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	<i>1,401.60</i>	<i>1,201.20</i>
Monthly Housing Allowance for National Professional	40%	30%

<b>MOGADISHU</b>	<b>D1-P4</b>	<b>P3-P1</b>
<b>NEW:</b> Monthly Housing Allowance for International Professional	<b>2,073.75</b>	<b>1,401.60</b>
<b>OLD:</b> <i>Monthly Housing Allowance for International Professional</i>	<i>1,401.60</i>	<i>1,201.20</i>
Monthly Housing Allowance for Local Professional	40%	30%

**DRAFT**  
**DECISION PRC SUB-COMMITTEE ON AU**  
**COMPENSATION & BENEFITS**

**The Executive Council:**

1. **TAKES NOTE** of the Report of the PRC Sub-Committee on General Supervision and Coordination on Budgetary, Financial and Administrative Matters on the Review of the African Union Compensation and Benefits held in Bahir Dar, Ethiopia from 01 to 10 June 2017;
2. **APPROVES** the implementation of the revised AU Compensation, Benefits and Allowances effective 1<sup>st</sup> January 2018;
3. **FURTHER APPROVES** the recommendations specified in the Report which are summarised as follows:
  - (a) **AU Basic Salary Scale:** Revision of the AU Basic Salary Scale by an increase of 6.1%;
  - (b) **D2 Salary Scale:** Creation of a new D2 Salary Scale with the standard 3% progression on the subsequent steps as per incremental methodology of the AU scale;
  - (c) **Basic salaries of Elected Officials:** Revision of the monthly basic salaries of Elected Officials:
    - (i) **Chairperson of the AUC Commission** be calculated at D2 Step 10 monthly basic salary (US\$10,384.50) increased by 50%, i.e. (US\$10,384.50 x 1.50) = US\$15,576.75;
    - (ii) **Deputy Chairperson of the AUC Commission** be calculated at D2 Step 10 monthly basic salary (US\$10,384.50) increased by 32.5%, i.e. (US\$10,384.50 x 1.325) = US\$ 13,759.46; and
    - (iii) **Commissioners of the AUC Commission, President of the African Court on Human and People's Rights, Chief Executive Officer of NEPAD** be calculated at D2 Step 10 monthly basic salary (US\$10,384.50) increased by 15.0%, i.e. (US\$10,384.50 x 1.15) = US\$11,942.18;
  - (d) **Post Adjustment Rate:** Retention of the existing AU Post Adjustment Rate for the various AU duty stations;
  - (e) **Spouse Allowance:** Retention of the Spouse Allowance of 5% of Basic Salary, on the condition that eligible spouse is not receiving remuneration exceeding USD500.00 per month;

- (f) **Employer and Employee Pension Contribution:** Retention of the existing Employer/Employee Pension Contribution for all regular staff as follows:
- (i) Employer Pension Contribution: 19% of the Basic Salary plus 17%; and
  - (ii) Employee Pension Contribution: 12% of the Basic Salary plus 17%
- (g) **Housing Allowance:** Revision of the Housing Allowance Rates for the various AU duty stations as annexed;
- (h) **Education Allowance:** Revision of the Education Allowance rates and implementation of 100% payment of the school fees actually incurred by regular staff members for eligible dependent child studying in Africa or any other part of the world other than Europe and North America as follows:
- Up to USD10,000.00 per eligible child per year for internationally recruited regular Staff; and
  - Up to USD3,300.00 per eligible child per year for national regular professional staff and locally recruited regular staff.

If eligible children are studying in Europe and/or North America, the ceilings shall be as follows:

- Up to USD15,000.00 per eligible child per year for internationally recruited regular Staff; and
- Up to USD5,000.00 per eligible child per year for national regular professional staff and locally recruited regular staff.

In case of death of the regular staff member, education allowance will be paid for the eligible children of the deceased staff member up to the age of 21, regardless of his/her date of appointment.

- (i) **Dependency Allowance:** Retention of the existing Dependency Allowance for regular staff members of USD250.00 per eligible child per year;
- (j) **Non-Residence Allowance:** Retention of the existing Non-Resident Allowance for internationally-recruited General Service Staff (GSA4 and above only) at the rate of:
- (i) With Dependents: US\$3,000.00 per annum; and
  - (ii) Without Dependents: US\$2,400.00 per annum.
- (k) **Installation Allowance:** Revision of the Installation Allowance for Internationally Recruited Regular Staff Members calculated as follows:
- (i) **Staff Member Installation Allowance:** 100% x 30 days DSA at the applicable rate of the duty-station;

- (ii) **Eligible Spouse:** 50% of the Staff Member's Installation Allowance;
  - (iii) **Eligible children 12years+:** 100% of the Staff Member's Installation Allowance;
  - (iv) **Eligible Children under 12 years and up to 2 years of age:** 50% of the Staff Member's Installation Allowance; and
  - (v) **Infant (less than 2 years):** No Installation Allowance.
- (l) **Conflict Zone Allowance:** Discontinuation of the current application of specific job grade plus one (e.g. P3 +1) and introduction of a Conflict Zone Allowance of a maximum of 35% basic salary for those staff members posted in conflict zone as determined by the AU Peace and Security Council. Those current staff members who had been placed under this practice shall be reverted to their original job grading and be paid a Conflict Zone Allowance;
- (m) **Rent for Official Residence of AUC Commissioners:** Discontinuation of the monthly payment of Housing Allowance to AUC Commissioners and introduction of a new Rental Budget line within the AHRMD Operational Budget at the rate of USD6000.00 per month per AUC Commissioner which shall include the cost for renting an unfurnished decent residence, payment of utility bills and maintenance of generators and premises. The budget shall be managed by Administration and Facilities Management Division.
- (n) **Timeframe for the phasing out of the Preferential Rates for Staff in the Geneva and Brussels Offices:** Discontinuation of the Preferential Rates currently applied in the AU Geneva and Brussels Offices. The current staff shall either be transferred in 2017-2018 as part of staff mobility or be subject to the discontinuation of the Preferential Rate. Any appointment or transfer to those offices shall be subject to the application of the new salary scale, post adjustment and other allowances only.
4. **RECOMMENDS** to the Assembly the amendments of Rule 22.3 (a) (iv) and (v) on Education Allowance; Rule 23.5 (a) and 23.6 (a) on Installation Allowance; and Rule 43.2 on Compensation for death to read as follows:
- A. Rule 22.3 (a) (iv) and (v) on Education Allowance**

*Para. (vi) The Union shall pay hundred percent (100%) of the learning expenses and cost which by definition shall only be limited to school fees actually incurred by a staff member from the amount recommended by the Chairperson or the competent authority of any other organ and approved by the Executive Council.*

*Para. (v) A staff member with more than one eligible child may discretionally spend beyond the 100% approval expenditure for any one child provided the aggregate educational expenditure for all his or her children is not more than the authorized 100% expenditure of the approved educational allowance of all his or her children.*

**B. Rule 23.5 (a) and 23.6 (a) on Installation Allowance**

Rule 23.5(a):

*On arrival at his or her duty station, the newly recruited staff member shall receive an allowance to meet extra-ordinary living expenses consisting of the full rate of the daily subsistence allowance authorized under the preceding paragraph for himself or herself; fifty percent (50%) of that amount for eligible spouse; one hundred percent (100%) of that amount for eligible children 12 years and above; and fifty percent (50%) of that amount for eligible children under 12 years and up to 2 years of age for a maximum period of thirty (30) calendar days, on the understanding that no housing allowance is paid for the same period.*

Rule 23.6(a):

*A staff member shall, upon transfer to another duty station, be entitled to an allowance equivalent in sum to the installation allowance for himself or herself fifty percent (50%) of that amount for eligible spouse; fifty percent (50%) of that amount for eligible children 12 years and above; and twenty-five percent (25%) of that amount for eligible children under 12 years and up to 2 years of age for a maximum period of thirty (30) calendar days, on the clear understanding that no housing allowance shall be paid for the same period.*

**C. Rule 43.2 - Compensation for Death, Injury, Illness or Disability attributable to Service**

Amendment of Rule 43.2 in its entirety to read as follows:

- (a) In the event of death or permanent disability of a regular or continuing regular staff member, an immediate humanitarian grant of 12-month basic salary plus post adjustment of the staff member shall be made available to the beneficiaries. This benefit will also be made available to beneficiaries of fixed-term and short-term staff members.
- (b) Upon the death or permanent disability of a regular and continuing regular staff member as described in these Rules one hundred percent (100%) of the school fees actually incurred by the eligible dependent from the amount recommended by the Chairperson or the competent authority of any other organ and approved by the Executive Council shall be paid by the Union to the school. Such educational assistance shall continue until the eligible dependent reaches the age of 21, regardless of

when the staff member joined the Organization. This payment shall not be deductible from the staff member's separation entitlements.

- (c) An eligible beneficiary may request and be paid an advance of not more than two months' gross salary of the deceased in order to alleviate immediate financial hardship, which shall be deducted in full from the separation entitlements.
5. **DELEGATES** to the Permanent Representative Committee (PRC) the responsibility to approve the modalities for implementation of the Three Years Arrears on the salary review as well as the new End of Service Grant.
  6. **REQUESTS** the Commission to implement an effective performance management system, Career Development and Progression Plan with the view to enhance staff retention as well as provision of quality service delivery.
  7. **EXPECTS** the Staff of the Union to improve significantly their commitments towards the Union and the Continent specially their service deliveries and **FURTHER REQUESTS** the Commission to put in place an effective management of staff members with the view to ensure that good staff are rewarded and those who do not deliver to the agreed standard are separated appropriately.

## MONTHLY HOUSING ALLOWANCE RATE EFFECTIVE 01 JANUARY 2018

<b>International General Service Category A (GSA4 to GSA6)</b>			
<b>Housing Allowance All Duty Stations</b>			<b>1,401.12</b>
<b>Professional Staff Members</b>			
<b><u>ADDIS ABABA</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	2,184.00	1,911.00	
Housing Allowance for National Professional	40%	30%	
<b><u>ALGIERS &amp; LAAYOUNE</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	1,962.00	1,545.60	
Housing Allowance for National Professional	40%	40%	
<b><u>BANJUL</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	1,459.50	1,324.80	
Housing Allowance for National Professional	40%	30%	
<b><u>BRUSSELS</u></b>	D1-P5	P4	P3-P1
Housing Allowance for International Professional	2,484.00	2,173.50	1,932.00
Housing Allowance for Local Professional	40%	40%	30%
<b><u>CAIRO &amp; TRIPOLI</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	1,819.39	1,591.97	
Housing Allowance for National Professional	40%	30%	
<b><u>CONAKRY, MONROVIA &amp; DAKAR</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	1,806.00	1,580.25	
Housing Allowance for National Professional	40%	30%	
<b><u>GENEVA</u></b>	D1-P5	P4	P3-P1
Housing Allowance for International Professional	3,701.25	2,870.40	2,583.60
Housing Allowance for Local Professional	40%	40%	30%
<b><u>LILONGWE</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	1,685.25	1,401.65	
Housing Allowance for National Professional	40%	30%	
<b><u>ABUJA &amp; JOHANNESBURG (PAP, NPCA)</u></b>	D1-P5	P4	P3-P1
Housing Allowance for International Professional	2,274.24	2,046.82	1,819.39
Housing Allowance for National Professional	40%	40%	30%
<b><u>NAIROBI</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	1,770.00	1,548.75	
Housing Allowance for National Professional	40%	30%	
<b><u>BUJUMBURA, MORONI &amp; ARUSHA</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	1,860.00	1,627.50	
Housing Allowance for National Professional	40%	30%	
<b><u>NEW YORK</u></b>	D1-P5	P4	P3-P1
Housing Allowance for International Professional	3,966.00	3,470.25	2,980.85
Housing Allowance for Local Professional	40%	40%	30%
<b><u>WASHINGTON</u></b>	D1-P5	P4	P3-P1
Housing Allowance for International Professional	3,470.25	3,312.00	2,980.85
Housing Allowance for Local Professional	40%	40%	30%
<b><u>BAMAKO</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	1,914.00	1,674.75	
Housing Allowance for National Professional	40%	30%	
<b><u>NIAMEY</u></b>	D1-P4	P3-P1	
Housing Allowance for International Professional	2,118.00	1,766.40	
Housing Allowance for National Professional	40%	30%	

Professional Staff Members

<b><u>OUAGADOUGOU</u></b>	D1-P4	P3-P1
Housing Allowance for International Professional	1,860.00	1,627.50
Housing Allowance for National Professional	40%	30%
<b><u>ABIDJAN</u></b>	D1-P4	P3-P1
Housing Allowance for International Professional	2,016.00	1,766.40
Housing Allowance for National Professional	40%	30%
<b><u>YAOUNDE</u></b>	D1-P4	P3-P1
Housing Allowance for International Professional	1,819.39	1,533.00
Housing Allowance for National Professional	40%	30%
<b><u>KINSHASA, BANGUI</u></b>	D1-P4	P3-P1
Housing Allowance for International Professional	2,378.25	1,766.40
Housing Allowance for National Professional	40%	30%
<b><u>MALABO</u></b>	D1-P4	P3-P1
Housing Allowance for International Professional	1,944.00	1,701.00
Housing Allowance for National Professional	40%	30%
<b><u>KHARTOUM, JUBA AND NDJAMENA</u></b>	D1-P4	P3-P1
Housing Allowance for International Professional	1,758.75	1,401.60
Housing Allowance for National Professional	40%	30%
<b><u>MOGADISHU</u></b>	D1-P4	P3-P1
Housing Allowance for International Professional	2,073.75	1,401.60
Housing Allowance for Local Professional	40%	30%

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AD19960

**Meeting of the PRC Sub-Committee on  
General Supervision and Coordination on  
Budgetary, Financial and Administrative Matters  
01 – 10 June 2017  
Bahir Dar, Ethiopia**

**Adv.SCttee/NY/Rpt(06.17)**

**REPORT OF PRC SUB-COMMITTEE ON  
REVERSING THE EXECUTIVE COUNCIL DECISION  
ON THE SELLING OF THE OLD AU NEW YORK BUILDING**

## **A. COMMENTS AND RESPONSES**

1. Following the presentation by the Director of AHRM, the following were the comments made by the Member States.

### **Comments by Member States**

- i) In view of the relatively low rental amount (2014) presented to it, the Commission should work with a promoter/developer in order to derive better returns and the Commission's proposal to renovate the building before renting was appropriate;
- ii) The Commission needed to look into the tax component of renting the building with the view to determine the profitability of renting the building;
- iii) As to why would the income generated from the rent of the building be credited to AU Maintenance Fund;
- iv) The Commission was requested to provide a comprehensive report on the status of the Maintenance Fund;
- v) The Commission could also look into the option of demolishing and build a new building instead of renovating and renting a very old building;
- vi) The Commission should be given time to provide a full data on the cost of renovation.

### **Responses by the Commission**

- i) With regard to the payment of taxes, the Commission indicated that from USA Rental Standards, all expenses which include Property Tax, Insurance and Maintenance would be taken care by the Tenant and it would be the Tenant and not the AU;
- ii) The proposed amount for rent came from the 2014 market assessment that was presented in Bahir Dar and new assessment would be carried out and the monthly rent would be between US\$20,000 and US\$30,000 per months provided renovation of the building is made;
- iii) The office building in Washington was constructed in the 19<sup>th</sup> Century whilst the one in New York in 1908. Demolishing the old building in New York would be very expensive than renovating it and that there is no funds for such a venture taking into account the current financial status of Member States. It was advisable to renovate and rent it out and generate income for the Union accordingly;
- iv) The Maintenance Fund was established to cater for major maintenance and repair of AU facilities which had been discussed in Mekelle and Addis Ababa. The source of the Fund was to be taken from Acquisition

of Properties fund; and Rental of premises. The amount in the Maintenance Fund should stand at US\$3.5 million and this was in line with the Executive Council's decision. All AU facilities within Africa, Europe and USA would need to be maintained;

- v) Member States would not be required to finance the renovation; it would be done through a developer;
- vi) The Commission never used the Maintenance Fund without prior approval of the PRC and it had always been used for the purposes for which it was created.

## **B. RECOMMENDATIONS**

2. The PRC Sub-Committee endorsed the recommendation of the Commission for reversing the Executive Council Decision EX.CL/DEC.396 (XII) of January 2008 - Selling of the AU/ New York old premise into leasing of the property with the view to generate income for Union.

## **C. DRAFT DECISION**

### **3. The Executive Council:**

1. **TAKES NOTE** of the Report of the PRC Sub-Committee on General Supervision and Coordination on Budgetary, Financial and Administrative Matters held in Bahir Dar, Ethiopia from 01 to 10 June 2017 on the request of the Commission to reverse the Executive Council Decision EX.CL/Dec.396 (XII) of January 2008 - Selling of the AU/ New York old premise;
2. **APPROVES** the recommendations of reversing its previous Decision EX.CL/Dec.396 (XII) of January 2008 and **AUTHORIZES** the Commission to proceed with the renovation and renting of the AU New York Building located in the prime area in the downtown of New York City at 346th East, 50th Street, New York, USA;
3. **REQUESTS** the Commission to carry out a new market rental survey assessment either through the existing brokers/promoters/ developers and submit the outcomes of the assessment for consideration by the Permanent Representative Committee (PRC);
4. **FURTHER REQUESTS** the PRC to work with the Commission on the modalities of the management of the income generated from the renting of AU New York Building located at 346th east, 50th Street, New York, USA.

**DRAFT**  
**DECISION PRC SUB-COMMITTEE ON REVERSING THE EXECUTIVE COUNCIL**  
**DECISION ON THE SELLING OF THE OLD AU BUILDING LOCATED IN THE**  
**PRIME AREA IN THE DOWNTOWN OF NEW YORK CITY**  
**346TH EAST, 50TH STREET, NEW YORK, USA**

**The Executive Council,**

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# Rapport du Sous-Comité du COREP sur les Programmes et Conférences

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